Thyrocare

Think Thyroid. Think Thyrocare.

Date: September 06, 2018

To The Manager **National Stock Exchange of India Limited** Corporate Communication Department Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400 051	To The General Manager **BSE Limited** Dept. of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001

Dear Sir / Madam

Sub.: Submission of Annual Report for Financial year 2017-18

Ref.: Symbol: THYROCARE; Scrip Code: 539871

As informed earlier to you, our 18th Annual General Meeting, which was schedule to be held on August 11, 2018, was postponed and held on September 01, 2018, at 03.00 p.m. at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai - 400705.

In this regard, as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, we are forwarding a copy of the Annual Report for the financial year 2017-18 which was duly approved and adopted by the members along with a copy of revised AGM Notice issued to the Members,.

Kindly take the same on your record.

Thanking You,

Yours faithfully
For Thyrocare Technologies Limited

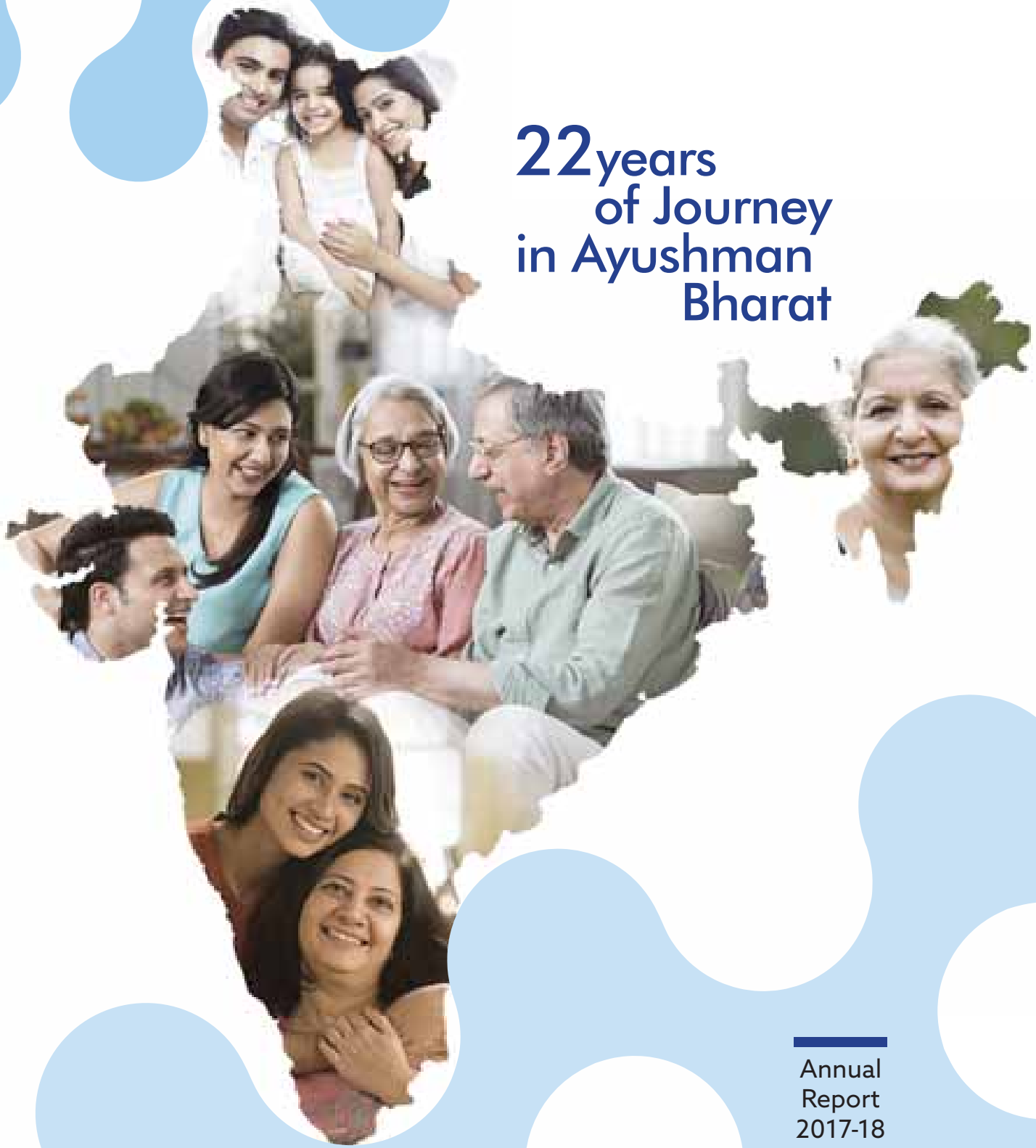
THYROCARE TECHNOLOGIES LIMITED

Ramjee Dorai
Company Secretary and Compliance Officer

Thyrocare®

Think Thyroid. Think Thyrocare.

22 years of Journey in Ayushman Bharat



Annual Report 2017-18

*Map not to scale. For illustrative purposes only.



For the online version of this report, please visit:
www.thyrocare.com

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As India continues its journey towards becoming a developed nation, improving healthcare services will be crucial.

Evidently, the Government of India (GoI), under the leadership of Hon'ble Prime Minister Shri Narendra Modi, has already taken steps towards this with its ambitious Ayushman Bharat National Health Protection Mission. It aims to provide an annual coverage of ₹ 5 Lakhs per family to the country's 10-crore poor families, covering nearly 50-crore people, which is over 40% of the entire population. This will greatly improve healthcare scenario, reduce the burden of out-of-pocket healthcare expenditure, create jobs and improve living standards.

At Thyrocare, this is what we have been doing in our 22 years of journey, making quality diagnostic services affordable and accessible to all. We leveraged the best of clinical science, automation, and IT technologies to create an infrastructure that effectively handles massive volumes and drastically brought down clinical testing prices. We spread across the country, reaching out to the smallest hospital in the remotest areas with our network of service providers. We pioneered the concept of Preventive Healthcare by offering innovative test packages, to undertake multiple tests at discounted rates.

Thus, we have been in every way aligned to the core objectives that the GoI intends to achieve today.

22 years of Journey in Ayushman Bharat

A brand of trust,

providing affordable wellness and preventive care.

Founded by Dr. A. Velumani Ph.D., Thyrocare is India's leading automated clinical chemistry laboratory offering quality diagnostic services to laboratories and hospitals across India.

It is a brand of trust that touches the lives of millions with its deep coverage, wide portfolio of clinical tests and affordable proposition. With its **200,000 sq. ft. Central Processing Laboratory (CPL), and eight Regional Processing Laboratories (RPLs) in selected cities across the country,** the Company has an overall capacity of **investigating over a million samples daily.**

985
Employee strength

84.27 mn
Investigations performed

16.33 mn
Samples processed

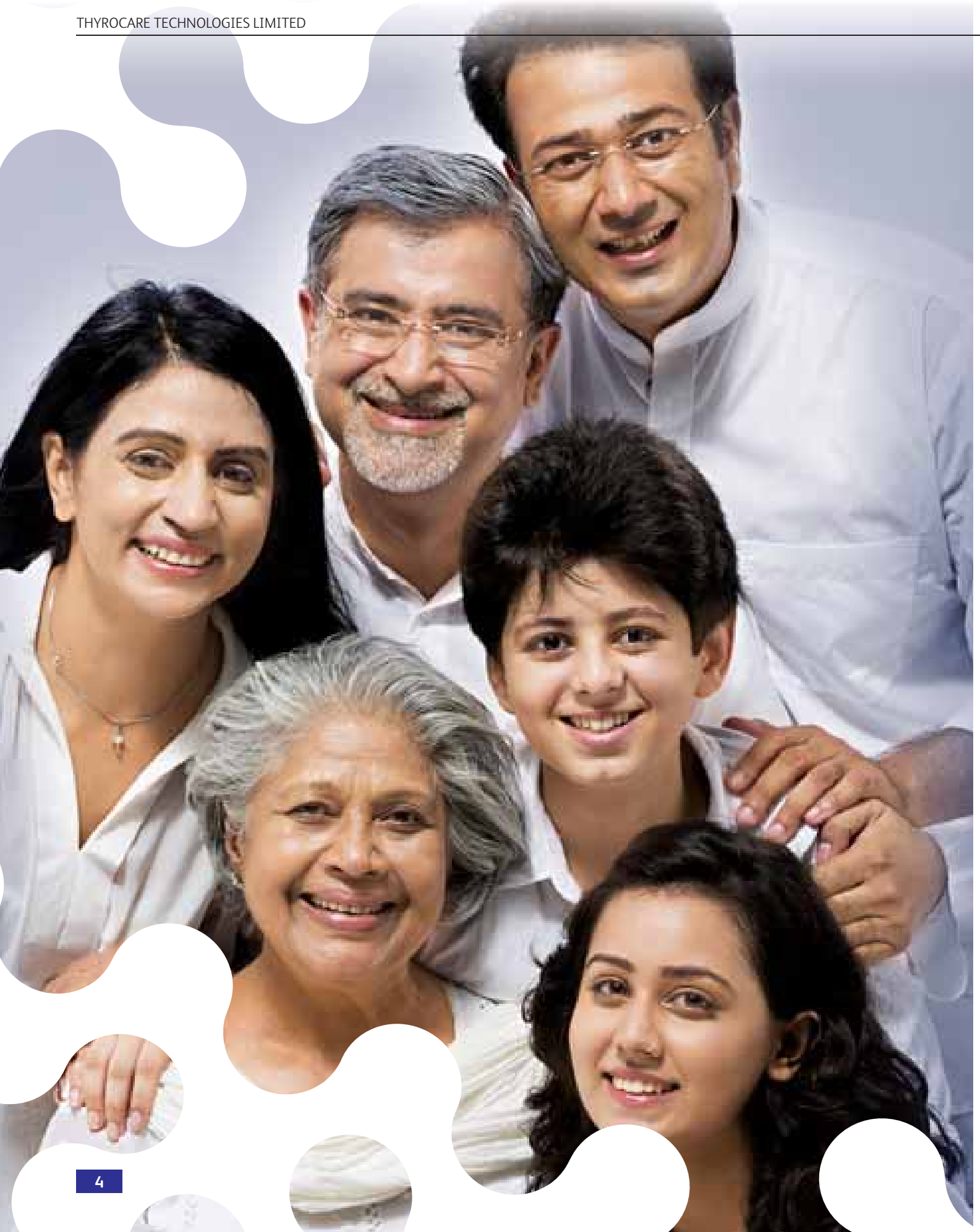
3,779
Service providers

551
Cities covered

₹1,119.54 mn
Free cash available as on March 31, 2018

*All numbers pertain to March 31, 2018


What makes Thyrocare unique
Wide range of preventive and wellness tests portfolio
Offers tests at lowest rates with headroom for further reduction to enhance competitiveness and boost revenues
Extensive presence across India through service providers network catering to the smallest of hospitals in the remotest areas
Fastest-in-the-industry turnaround time with an average of 20 hours
Advanced IT and instrumentation infrastructure
Scalable business model as target audience includes the entire non-sick populace



WE DELIVER TO ALL STAKEHOLDERS

Wellness to customers (B2C-Patients)

We promote wellness to customers with our reputed and industry-defining 'Aarogyam' brand. Having various profiles, with each having a range of 30-80 tests, the brand conducts a wide range of metabolic tests focussed on early detection of lifestyle-related disorders. Attractive test packages are available at economical pricing making it the most sought-after brand.

Sustained business to partners (B2B-laboratories and hospitals)

With our ability to operate at high-volumes and low-costs, we provide laboratories and hospitals with attractive propositions to partner with us and grow business profitably. For them, we are the most cost-efficient back-end kitchens.

Value to shareholders

We are a zero-debt Company with strong upfront cash-flows and high operating margins. With investments in new businesses and consistent scaling of existing one, we focus on enhancing shareholder value.

WE REACH OUT TO ENTIRE INDIA UNIFORMLY

Our operations are spread across the length and breadth of the country enabling us to deliver services to millions of citizens. We are headquartered in Navi Mumbai and have eight fully-equipped Regional Processing Laboratories (RPLs) across New Delhi, Bhopal, Kolkata, Hyderabad, Coimbatore, Bengaluru, Patna and Mumbai. Besides, we have ensured that our expansion strategy is focussed around the vision of delivering uniform services and equal priorities to every single citizen of this country, and not bound by any kind of differences. With this, any citizen in any part of the country gets our services uniformly in terms of offerings and prices, which is in line with the GoI's Ayushman Bharat mission.

Our trust is certified

ISO 9001:2008

NABL (National Accreditation Board for Testing and Calibration Laboratories)

CAP
(College of American Pathologists)

OUR BUSINESS MODEL EXPLAINED

We collect and aggregate
test samples from B2C and B2B customers

We transport
the samples either to the CPL or the RPL via air, road modes

We conduct
tests overnight at our laboratories

We deliver
test results the next day online and through mail

Venturing into new businesses to strengthen sustainability

providing affordable wellness and preventive care

NUECLEAR HEALTHCARE LIMITED (NHL)	
Revenue, 2017-18	₹ 245.21 mn (33% Growth over 2016-17)
Contribution to consolidated revenues	7%
Service offerings	18F-FDG (FluoroDeoxyGlucose) whole body PET-CT Imaging service
18F-FDG PET-CT Imaging scans in 2017-18	22,260
Regions of operation	Navi Mumbai, Delhi, Hyderabad, Surat, Raipur, Vadodra, Mumbai, Jaipur, Aurangabad and Nashik

BUSINESS OVERVIEW

Operationalised in 2011, NHL is a fully-owned subsidiary of Thyrocare focussed on providing affordable cancer-scanning facilities. It uses fusion imaging technology (PET-CT) to determine cancer stage and the probability of intended effectiveness of various treatments including chemotherapy and radiation therapy. It also facilitates in deciding customised course of treatment and detect the recurring nature of disease post treatment. NHL has a total of 10 centres (3 owned and 7 franchised) across Navi Mumbai, Delhi, Hyderabad, Surat, Raipur, Vadodara, Mumbai, Jaipur, Aurangabad and now Nashik too.

Our venture into this business epitomises our efforts to take forward the initiative of making healthcare affordable and accessible to all with wide network, high-end equipment and low costs. With this, every Indian who remained susceptible to cancer illness due to unaffordability of testing, can now avail services and enhance chances of curing. In line with the GoI's Ayushman Bharat initiative, this initiative would improve cancer healthcare scenario in India.





We provide 18F-FDG (FluoroDeoxyGlucose) whole body PET-CT Imaging service at an affordable price of ₹ 9,999, nearly half of the industry levels. This encourages oncologists to recommend investigations to patients likely to benefit from service.

Nueclear's goal:

One PET-CT scan for every one million population	One cyclotron for every ten million population	Involve oncology stakeholders to create awareness of PET-CT imaging

STRATEGIC DIRECTION AHEAD

We will continue with franchisee model of expansion that will allow us to increase our presence significantly without engaging into operational challenges. We intend to establish PET-CT Franchisee Collaborated Centres in Bengaluru and Coimbatore in the forthcoming months and Medical Cyclotron facilities in Delhi. We will focus on knowledge and awareness creation among general medicine and special doctors to build market. As we scale, we will ensure that this business enables us to promote the GoI's Ayushman Bharat initiative by covering more cancer patients with our affordability.



FOCUS TB

Business overview

Operationalised in 2017-18, Focus TB is Thyrocare's new venture to provide affordable Tuberculosis (TB) testing services. It is life-threatening disease, which is contracted by nearly 28 lakh people in India every year and more than 4 lakh people die of it. Besides, estimates suggest that as much as 40% of the population suffers from Latent TB. To counter this challenge, even the GoI has launched *TB-mukht Bharat Abhiyaan*, whereby it aims to free India from TB.

Understanding that timely diagnosis is very critical in Tuberculosis cases, Focus TB will use the highly advanced Polymerase Chain Reaction (PCR) technology to expedite results and ensure quality diagnosis. With molecular biology revolutionising modern diagnostic technology, PCR has emerged as a preferred medium for early and accurate diagnosis of most infectious diseases and other parameters. It is also a vital research tool.

This relatively inexpensive, molecular technology can generate millions of DNA copies from a strand of DNA extracted from clinical specimens. It is a specific, sensitive and rapid technique for identifying pathogen and monitoring treatment in infectious agents. Its increasing accessibility as point of care technology has greatly contributed in rapid detection of diseases which helps in timely prevention, treatment and control of diseases. This technology has now been widely recognised for supporting health systems by firming laboratory services.

And so, we decided to leverage this technology. Our PCR laboratory is primarily intended to aid in diagnosis of HIV, HBV and HCV qualitative and quantitative methodologies. It is equipped with the state-of-the-art fully automated RT-PCR machines and qualified human resource. Besides, with no major branded player in the segment, it offers significant scope for growth.

Our venture into this business, reinforces our vision of servicing the citizens of this country by providing them a technology that will assist in better diagnosis and thus improve healthcare scenario.

Focus TB will provide services on a Pan-India basis with 30,000 sample collection points

STRATEGIC DIRECTION AHEAD

Focus TB will remain aligned to the GoI's mission of making India TB-free by strengthening TB laboratory infrastructure, which will be effective in ensuring quality and timely TB diagnosis.

Another year of sustained performances

Income from operations growth

17%

Over 2016-17

EBITDA growth

26%

Over 2016-17

PAT growth

36%

Over 2016-17

Samples growth

14%

Over 2016-17

Total investigations growth

10%

Over 2016-17

Total assets growth

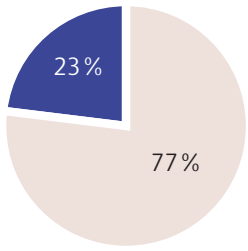
9%

Over 2016-17

*Consolidated

2017-18 REVENUE BREAK-UP

By customer segment



B2B

₹ 2,375.54 mn

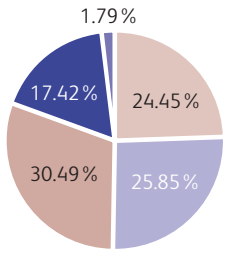
Over 2016-17

B2C

₹ 707.28 mn

Over 2016-17

By region



North

₹ 753.75 mn

West

₹ 940.06 mn

South

₹ 796.91 mn

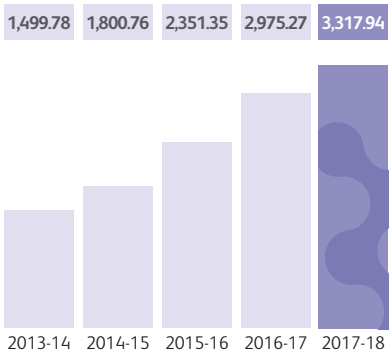
East

₹ 536.97 mn

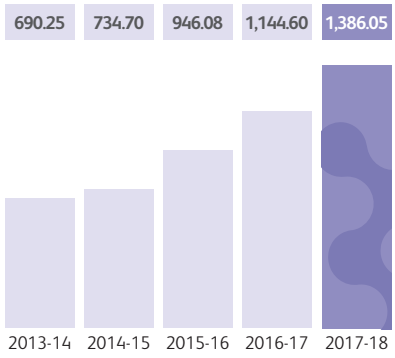
Others

₹ 55.13 mn

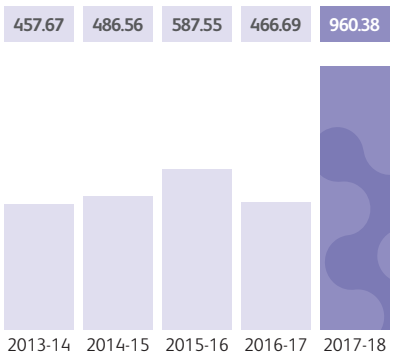
REVENUE FROM OPERATIONS (₹ mn)
CAGR - 21.96%



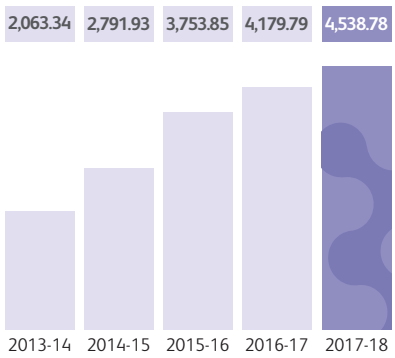
EBIDTA (₹ mn)
CAGR - 19.04%



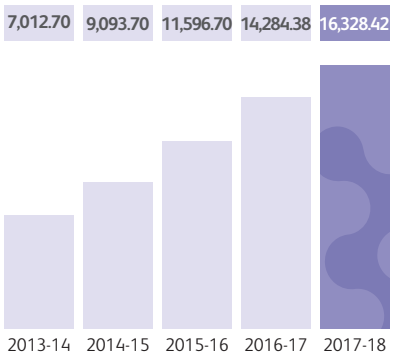
PAT (₹ mn)
CAGR - 20.36%



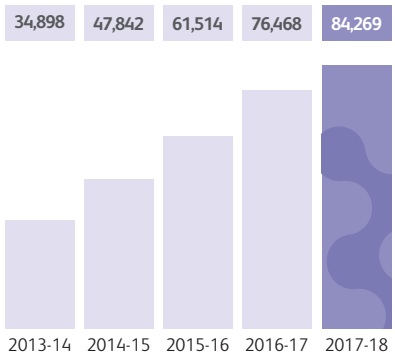
NET WORTH (₹ mn)
CAGR - 21.78%



SAMPLES PROCESSED (in '000)
CAGR - 23.53%



TOTAL INVESTIGATIONS (in '000)
CAGR - 24.66%



*Standalone
#Figures of the current/previous year are as per the financial statements prepared under Ind AS

Chairman's Review

Dear Shareholders,

2017-18 marks the end of another great year for the Company. I am happy to report that we have yet again delivered strong performance and created value for our shareholders. But what makes me even more satisfied is our sustained efforts towards enriching communities with our operations. Our efforts to promote wellness and preventive care and make it affordable, have contributed to increased awareness among individuals to become proactive and take preventive measures to deal with lifestyle disorders. But when we began, things were different. Clinical testing rates were unreasonably high, and many were unable to afford it. This was unsafe. The facility of early diagnosis of various disorders, which could help people take timely action for treatment wherever necessary, was not available.



There was a dire necessity for change. And so, we came with a disruptive business concept – we focussed on volumes, overnight processing and offered multiple tests in packages to bring down prices. With this, clinical testing for preventive and wellness care that was beyond the reach for many, became affordable.

It is interesting that even the government is now focussed on making healthcare affordable with its ambitious Ayushman Bharat National Health Protection Mission (ABNHPM) by providing health coverage to poor, who are most vulnerable. This will empower them to better deal with the burgeoning out-of-pocket healthcare expenditures. This is a welcome move, and we, as a responsible organisation will continue to support it with our efforts to make healthcare affordable and accessible to every citizen in the country.

2017-18 PERFORMANCE REVIEW

We recorded a 17% growth in our revenues to ₹ 356.31 Crores in 2017-18. However, this growth was slower than what we have achieved historically. A key reason behind it was our lower spending on advertising this year. During the IPO-phase, we undertook significant advertising, which boosted our brand's resonance and led to stronger growth. We expected its lingering impact to continue driving growth. And so, we stopped advertising this year and took decision not to take a hike on test rates, which otherwise could have boosted our revenues. Nevertheless, despite this lower revenue growth, we reported better profitability. Our EBITDA and PAT grew by 26% and 36% respectively to ₹ 144.29 Crores and ₹ 93.44 Crores, respectively.

In terms of revenue mix, both our B2B (laboratories and hospitals) and B2C (retail patients) segments are growing strongly. Business-wise, pathology revenue was up by 16% to ₹ 331.79 Crores, while the radiology (PET-CT imaging) revenues were stronger at 33% to ₹ 24.52 Crores.

In pathology business, our Aarogyam products have had a successful run and drove revenues over the years. But the challenge now is, similar products have been introduced by several players and the competition has become intense, leading to a decline in growth rate. To remain competitive and boost volumes, we undertook the strategic decision of reducing the test rates towards the end of the year, the impact of which shall be reflected in the next fiscal. This may hurt our realisations to some extent, but it was necessary. The point to note here is that, the dynamics of this business demands volumes and unless you get them, operations will not be sustainable. Being the lowest-cost operator, this bodes well for us. But our competition does not have such luxury and after a point,

"It is interesting that even the government is now focussed on making healthcare affordable with its ambitious Ayushman Bharat National Health Protection Mission (ABNHPM) by providing health coverage to poor, who are most vulnerable."

they will not be able to sustain lower prices. We believe this strategy will be crucial in curbing competition. Besides, this move will be a booster to the GoI's Ayushman Bharat mission as we further make clinical testing cheaper and bring more people into the fold of healthcare services.

In the radiology business, our 10 operational PET-CT centres have recorded a fair growth in volumes with average daily scans of 74 per day. Though our growth in the segment has been inspirational amidst a bleak industry scenario, there is enough room to improve. I believe, the future beholds great opportunity for the segment and if operated more efficiently, it has scope to surpass the pathology segment's profitability. We will continue to add more centres during the next year under franchisee-model and explore options for joint venture.

VENTURING INTO STRATEGIC AREAS

During the year, we divested our water testing business, Whaters to Equinox Labs, who are into the same business and bought a stake in their business. While we are focussed on clinical chemistry, Equinox focuses on analytical chemistry. The strategic investment would diversify our offerings and open-up opportunities to venture into R&D space. But this, we will only consider when we cross a certain threshold market size.

We have invested in a new Tuberculosis (TB) focussed arm, Focus TB, which will aim to provide affordable TB testing services. For this, a state-of-the-art TB diagnostics facility was established within our Navi Mumbai CPL. TB is a major life-threatening disease, killing over four lakh people in India every year. With this venture, we intend to improve the scenario by using the highly advanced Polymers Chain Reaction (PCR) technology to ensure faster and quality test results to enable patients to take timely diagnosis.

We entered into strategic collaboration with Datar Cancer Genetics Limited (DGL) to introduce extensive test menu of Histopathology and Immunohistochemistry at the lowest price. A renowned NABL accredited laboratory, it specialises in biopsy and cancer-related testing.

EXPANDING REACH

We opened two new regional processing centres in 2017-18, taking our total RPL tally to eight. These new RPLs are in Patna and Mumbai, both these cities have high workloads and the centres are already beginning to report good volumes. These centres have enabled us to efficiently distribute workloads across all centres and will contribute to strengthening volumes.

INDUSTRY OPTIMISM

I believe the industry still has a lot to offer. If you compare with developed nations, India's per capita healthcare spending is just a tenth, which means there is huge scope for growth. Besides, wellness care is a segment that is growing faster than sickness care. The industry is witnessing increasing advertising and promotional activities leading to increasing awareness among individuals, especially the top of pyramid. Moreover, there will be rising trend of opportunities shifting in favour of organised players and trusted brands like ours.

For PET-CT scans, I feel the industry is still very young in India. Oncology is still an underpenetrated segment because of lack of proper infrastructure and inadequate oncologists in the country. Having said that, India is still the fastest growing PET-CT market and I believe the market will mature sooner than later.

Besides, India's healthcare market is amongst the cheapest globally and medical tourism is steadily rising over the years. There are greater chances that as India's reputation in global healthcare industry keep improving and better infrastructure comes up, it will emerge as the world's healthcare hub.

OUTLOOK

The industry scenario is positive. With our volumes and technologies, we will continue to disrupt market and overcome competition. Our ventures into new businesses of radiology and Tuberculosis, will provide us diversification and strengthen growth. We are optimistic of ABNHPM and believe it would create significant opportunities.

I thank all our stakeholders for their continuous support. We have time and again delivered sustained performance and healthy returns and shall continue to do so. We are aligned with the government's objective of making healthcare accessible and affordable. I hereby also thank all Thyrocareans whose tireless efforts have contributed to the Company's success. Together, we will work for a healthier and better India.

Warm regards,

Dr. A. Velumani

The Journey...

of building a sustainable business model



22 years back, we were faced with a choice. Either to go with the trend and build presence in the established and proven sick care segment or develop the wellness and preventive care from scratch. **We chose the second and disrupted the industry with our revolutionary vision.**

BUILDING A SUSTAINABLE BUSINESS MODEL

Targeting the right customer segment

We focussed on the wellness and preventive healthcare segments where the target customers are practically the entire population, who are well. Here the potential customers do not necessarily come when they are sick and can potentially undertake several repeat tests. This means the segment provides huge scaling opportunities. Besides, with no existing branded player in the segment, we had the whole market to ourselves.

Targeting the right clinical tests

Instead of choosing to be a pathological lab and undertaking all types of testing, we focussed only on the biochemistry segment. This is because biochemistry as a discipline is scalable, fast-growing, safe and a cash-cow. We limited our portfolio to selected routine tests that have captured the maximum market size, offer maximum scope for growth and are done by other smaller laboratories, opening prospects of partnering them. Besides, we engaged in chronic illness that delivers faster and accurate reports because it involves dealing with disorders and metabolic problems. This focussed approach made us the one-stop shop for all patients.



THYROCARE'S DIFFERENTIATION

- **Focussed on Biochemistry** instead of Pathology
- **Generates numerical reports** instead of subjective
- Deals with **disorders, chronic illnesses and metabolic problems**
- **Works with 99% wellness population** instead of 1% sick population
- Operates with **minimal competition**
- **Targets all patients** instead of one patient

The Journey...

of making healthcare services affordable and accessible to Indians

In India, out-of-pocket expenses make up for 62% of the total health care costs. Healthcare access and quality (HAQ) index is low at 41.2 points ranking it 145 out of 195 countries. In such a scenario, it is of utmost importance to make healthcare services affordable and accessible to all.

At Thyrocare, we have been motivated with this purpose since inception. We focussed on preventive and wellness healthcare segment to promote healthy living. We built-up a business model to ensure lowest cost operations to ensure everybody can afford our services. We spread out across the nation to make sure we reach every Indian. We invested in pioneering technologies to deliver the best quality at unmatched speeds.



Thyrocare is today, amongst India's largest and most affordable and accessible go-to brands. With our ability to touch the lives of every citizen uniformly and equally, we are contributing to the GoI's vision of Ayushman Bharat.



FOCUSSED ON BEING AFFORDABLE

As we strive to make our services affordable to all, controlling costs is the key. We have built a business model that revolves around the fundamentals of economies of scale. Our focus is on continuously enhancing the business volumes to enable us effectively distribute overhead costs across huge volume base. We leverage our long-term relationship with reagent and consumable vendors to make bulk procurement and get maximum discounts, which significantly reduces input costs. Large volumes on one hand and low input and overhead costs on the other enables us to achieve cost leadership and make our services affordable.




OUR STRATEGY TO GROW VOLUMES
1
FOCUS ON WELLNESS AND PREVENTIVE HEALTHCARE SEGMENT
Offers scope to target nearly the entirety of population, who are non-sick, with higher chances of repeat business
2
PIONEERING THE CONCEPT OF COMPREHENSIVE TEST PACKAGES
Facilitates in increasing the number of investigations done per sample
3
B2B COLLABORATIONS
Enables us to get business from hospitals, laboratories, pathologists and referring doctors
4
ONLINE CLIENT (OLC)
Enables customers to get entire service online and have specimen collected from franchisee on a service charge basis
5
DXN PARTNERSHIPS
Enables us to offer customers a comprehensive diagnostic solution packages by outsourcing certain tests to local diagnostic centres and third-party service providers. The package includes a combination of pathology (own biochemistry test) and non-pathology (third-party ECG, pulmonary function test, PAP smear, chest X-ray, and gynaecologist opinion solutions) services
6
NATIONAL CAMPS
Facilitates in promoting our brand among local laboratories

ENHANCING ACCESSIBILITY ACROSS INDIA

Our network is spread across India. With our 3,779 Authorised Service Providers (ASPs), comprising 332 TAGs, 335 TSPs and 3,312 OLCs, we reach out to customers across 551 cities in 29 states and 6 union territories in India. We offer a total of 246 tests and 86 profiles of tests to detect a number of disorders, including thyroid disorders, growth disorders, metabolism disorders, auto-immunity, diabetes, anaemia, cardiovascular disorders, infertility and various infectious diseases making us the most comprehensive player. Together with our network, our wide range of clinical testing services are available across the length and breadth of the country.



DELIVERING THE BEST QUALITY

We have one of the most comprehensive quality control systems that involves checks at pre-analytical and analytical stages. At pre-analytical levels, we ensure barcoding test vials to prevent mix-up and store them in sealed collection kits and cold chain systems to prevent contamination. These vials are then sent for analysis through a fully automated track system that are connected to state-of-the-art analysers, thus ensuring highest level of accuracy. Our analytical stage quality control involves routine analyser maintenance several times daily. Besides, we undertake analyser performance accuracy check using standard reference materials and participating in proficiency testing programmes from leading agencies.

Our testing proficiency is evaluated by leading agencies like College of American Pathologists, Bio-Rad EQAS, Euroimmun Quality Assessment Portal and CDC-LAMP, and at Interlaboratory testing programme

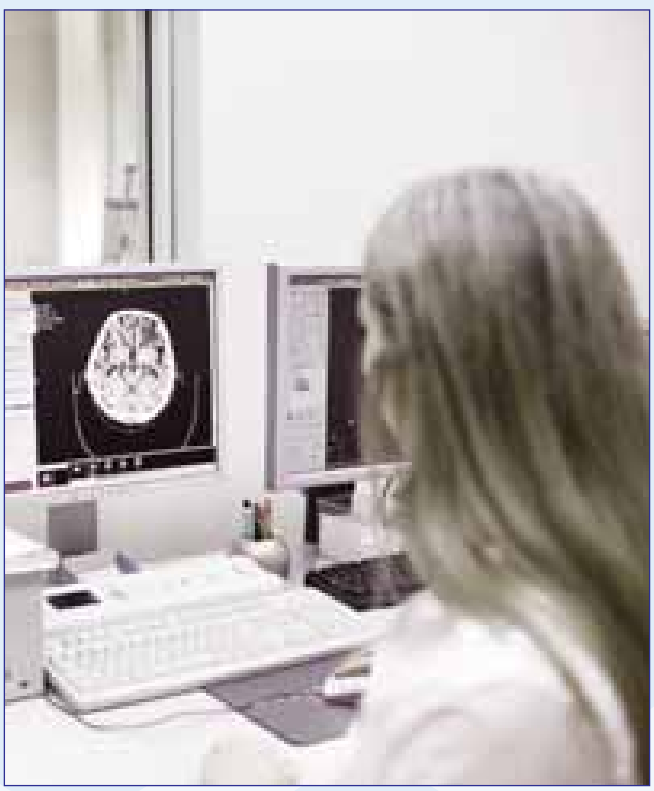
DELIVERING THE FASTEST TURNAROUND TIME

Our strategic selection of location, impeccable planning, investments in high-end automation system, wide network, and concept of overnight processing by sending samples via air-cargo, enables us to have one of the fastest sample processing speeds. We run laboratories on 24x7 basis and process an average of 60,000 samples having 300,000 investigations on daily basis. We have also tied-up with leading airlines to ensure faster airport clearance.

Thyrocare processes 99% of the samples within 24 hours of collection of blood samples by the service provider and the remaining within 28 hours with highest-level of accuracy.

Attaining technology leadership to make Ayushman Bharat possible

Central to Thyrocare's quality, cost leadership, speed and ability to handle massive volumes, is our investments in pioneering technologies. With this, we have ensured our service is the best, the most affordable and the most accessible to every Indian.



ROBUST INFORMATION TECHNOLOGY (IT) INFRASTRUCTURE

We have adequately leveraged IT to effectively handle our massive scale of operations while enhancing efficiency. We have introduced systems that facilitate real-time communication amongst our wide network, automates operations right from vial delivery to online report generation and enables individuals/ organisations to avail our services online. This entire system has made Thyrocare reach out to more people both physically and virtually, thereby making our services readily available. Be it booking services through a mobile app, desktop website and a phone call or reaching out to our laboratory and hospital partners spread across India, Thyrocare is the most accessible clinical testing player in the country.

REVOLUTIONARY INSTRUMENTATION INFRASTRUCTURE

Our CPL is amongst the most technologically advanced in the country housing one of the most advanced automation systems, having robust IT system and bi-directional interfacing system. It facilitates interaction between analysers and IT servers through an indigenous Laboratory Information System (LIS), sorts bar-coded vial samples as per tests, directs them to relevant analysers, and transmits information back to IT servers as reports. With reduced human intervention, the automated system enhances efficiency, eliminates chances of error and enables us to handle massive volumes and thus serve more and more citizens every year.

In addition to this, we have procured several state-of-the-art testing and analyser instrumentations from globally reputed vendors such as Siemens, Thermo Fisher Scientific, Agilent Technologies, Abbott and Roche among others. These enable us to achieve very high accuracies.

A young organisation with motivated people



A 950-people strong organisation, we adopt a facilitative, engaging and learning workplace culture to ensure high motivational levels and healthy career growth opportunities. With our people-centric philosophy, we continue to retain top management, while attracting fresh talent every year.

100% of employees hired every year are freshers, enabling us to maintain mean age of 25 years.

37,250 total man-hours of training provided in 2017-18 i.e. for an average 750 staff over 300 days.

HR INITIATIVES

- **Youth hiring**
  We engage with colleges, institutions and placement agencies to hire youth/freshers and provide them necessary grooming to help build a defined career path.

- **Skill training**
  Skill development training is extremely critical for enhancing productivity and error-free operations. With a culture of continuous learning, we ensure employees undertake minimum allotted hours of training each month to build on skills.

- **Employee motivation and engagement**
  We provide fair remuneration to employees as per industry standards. In addition to this, employees are rewarded with attractive performance rewards and stock options. We lay special emphasis on employment engagement by organising various programmes (painting, chess and athletic competitions) and celebrating festivals. Further, to build employee bonding, we organise unofficial meetings (Power Breakfast and Coffee Unclutter) that facilitates employees to connect with the CEO.

- **Job security**
  We follow a work philosophy of never firing the employees for productivity-related issues, making us one of the most employee-friendly companies.

Board of Directors



DR. A. VELUMANI
Chairman, CEO and Managing Director



VISHWAS KULKARNI
Independent Director



A. SUNDARARAJU
Executive Director and
Chief Financial Officer



N. PALANISAMY
Independent Director



AMRUTA VELUMANI
Non-Executive Director



DR. NEETIN S. DESAI
Independent Director



GOPAL SHIVRAM HEGDE
Independent Director



DR. INDUMATHI GOPINATHAN
Non-Executive Non-Independent
Director

Corporate Information

REGISTERED OFFICE

Thyrocare Technologies Limited
D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400 703.
Tel: +91 22 2762 2762 | Fax: +91 22 2768 2409
Website: www.thyrocare.com | E-mail: investor_relations@thyrocare.com
Corporate Identity Number: L85110MH2000PLC123882

CORPORATE OFFICE

Thyrocare Technologies Limited
D/37-3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai - 400 703

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited,
C-101, 247 Park,
L B S Marg,
Vikhroli West,
Mumbai - 400 083

BANKERS

Axis Bank Limited
IDBI Bank Limited
ICICI Bank Limited
Citi Bank

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants
5th Floor, Lodha Excelus, Apollo Mills Compound
N.M.Joshi Marg, Mahalaxmi, Mumbai- 400 011
Tel.: +91 22 4345 5300 | Fax: +91 22 4345 5399

BOARD'S REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 18th Annual Report, along with the audited Stand-alone and Consolidated financial statements of the Company for the Financial Year ended March 31, 2018.

FINANCIAL RESULTS:

The Stand-alone and Consolidated financial results for the financial year 2017-18 are given below:

		Stand-alone		Consolidated	
		2017-18	2016-17	2017-18	2016-17
1	**Revenue**				
	(a) Revenue from operations	3,317.94	2,975.27	3563.15	3043.87
	(b) Other income	236.34	114.08	229.96	122.42
	Total revenue	**3,554.29**	**3,089.35**	**3,793.10**	**3,166.29**
2	**Expenses**	-	-		
	(a) Cost of materials consumed	880.68	757.48	921.95	792.23
	(b) Purchases of stock-in-trade	24.10	25.61	24.10	25.61
	(c) Changes in inventories of stock-in-trade	3.67	-3.61	3.67	-3.61
	(d) Employee benefits expense	324.89	302.21	353.39	320.00
	(e) Finance cost	4.02	2.57	4.35	2.68
	(f) Depreciation and amortisation	120.83	116.91	201.00	180.51
	(g) Other expenses	694.53	746.41	812.77	757.80
	Total expenses	2052.72	1947.58	2321.23	2075.21
3	**Profit before exceptional items and tax**	1,501.56	1,141.77	1,471.87	1,091.08
4	**Exceptional items**	-21.93	-274.33	-21.93	-274.33
5	**Profit after exceptional items and before tax**	1,479.64	867.44	1,449.94	816.74
6	**Tax expense:**				
	(a) Current tax	523.65	403.01	523.65	402.98
	(b) Deferred tax	-4.39	-2.26	-6.46	-14.69
	Total Tax	519.26	400.75	517.19	388.29
7	**Profit after tax**	960.38	466.70	932.75	428.45
8	**Other Comprehensive Income for the year, net of income tax**	1.69	0.33	1.67	0.33
9	**Profit for the year**	962.07	467.03	934.42	428.79
10	**Earnings per share [Nominal value of ₹ 10 each]:**				
	(a) Basic	17.91	8.69	17.39	7.99
	(b) Diluted	17.85	8.69	17.34	8.13

DIVIDEND:

Your Directors are happy to recommend a Final Dividend of ₹ 5/- (Rupees Five only) per share.

Your company has already paid an Interim Dividend of ₹ 5/- (Rupees Five only) per share. With the final dividend, the total dividend for the year under review would be 100%, i.e., ₹ 10/- (Rupees Ten only) per share.

The total Dividend pay-out would work out to 55.94% of the Company's Stand-alone Profit after tax.

DIVIDEND DISTRIBUTION POLICY:

The Dividend declared/recommended is in accordance with the Company's Dividend Distribution Policy, which has been disclosed in the Company's website, 'www.thyrocare.com", as required under Regulation 43-A of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND:

Members may please note that as per the provisions of Sections 124 & 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, dividends that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred to the Investor Education & Protection Fund, and the relevant shares shall also be transferred to the IEPF Authority.

Some of the Shareholders have not claimed dividend for the following years, and these amounts have been transferred to the respective Unpaid Dividend Accounts, and are liable to be transferred to the Investor Education & Protection Fund as shown below:

Dividend for	No. of Shareholders	Unclaimed – Amount – ₹	Date of transfer to Unpaid Account	Due date for transfer to Investor Education & Protection Fund
2015-16 Final	1457	205505	12-10-2016	12-10-2023
2016-17 Interim	375	62925	27-02-2017	27-02-2024
2016-17 Final	372	72265	11-09-2017	10-09-2024
2017-18 Interim	153	36070	05-03-2018	04-03-2025

Therefore, the Shareholders concerned may write to the Company or to the Company's Registrar & Share Transfer Agent, Link Intime India Private Ltd., at the earliest, to claim their dividend.

There is no Dividend amount relating to previous years, which remains unpaid / unclaimed for a period of seven years, requiring transfer to the Investor Education & Protection Fund under the provisions of Section 124 of the Companies Act, 2013.

SHARE CAPITAL:

During the year under review, there was no change in the Equity Share Capital of the Company.

The Authorised Share Capital of the Company is ₹ 1,00,00,00,000/- made up of 10,00,00,000 Equity Shares of ₹ 10/- each, and the Issued, Subscribed and Paid Up Share Capital remains ₹ 53,72,35,330/- made up of 5,37,23,533 Equity Shares of ₹ 10/- each.

RESERVES & SURPLUS:

Total Reserves & Surplus as the close of the financial year under review stands at ₹ 4001.54 Million, as shown below:

₹ in millions

	As on	
	31-03-2018	31-03-2017
Capital Reserve	302.52	275.39
Securities Premium Account	1272.28	1232.93
Share Options Outstanding Account	28.13	50.38
General Reserve	91.67	91.67
Retained Earnings	2306.94	1992.18
Total	**4001.54**	**3642.55**

If the Final Dividend of ₹ 5/- is approved by the Shareholders, the Dividend and Dividend Distribution Tax would absorb ₹ 323.30 Million and the Reserves & Surplus would stand reduced to that extent.

DEPOSITS:

The Company has not accepted any public deposits and as such, there is no outstanding amount towards repayment of principal or payment of interest as on the date of the balance sheet.

PERFORMANCE OF THE SUBSIDIARY COMPANY, INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:

Nueclear Healthcare Limited (NHL), the wholly owned subsidiary of your company, continues to be engaged in PET-CT Scan imaging diagnostic business. NHL has a total number of six Scanning Centres - three centres situated at Navi Mumbai, New Delhi and Hyderabad which are fully owned by them, and the three centres in Surat, Vadodara and Raipur, have been set up in collaboration with third parties, on a joint-venture (partnership) basis. These centres are doing good business.

NHL is planning to further expand this business by setting up another 14 centres in important cities / towns, on joint-venture basis with promising entrepreneurs, over a period of time.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes have occurred subsequent to the end of the financial year of the Company to which the financial statements relate and till the date of the report, that will have an impact on the financial position of the Company.

AUDITORS' REPORT:

The Auditors have not made any qualification, reservation or adverse remark or disclaimer in their Report on the financial statements of the Company for the year under review.

APPOINTMENT OF AUDITORS:

It is proposed to reappoint M/s. B S R & Co. LLP, Chartered Accountants, as Auditors of the Company from the conclusion of this 18th Annual General Meeting till the conclusion of 19th Annual General Meeting.

M/s. B S R & Co. LLP have confirmed their willingness to be reappointed as Auditors of the Company and issued a certificate that they fulfill the criteria provided in the Companies Act, 2013. Their reappointment is being placed before the Members for their ratification.

INTERNAL AUDITORS:

M/s. M. Chinnaswamy Jai Vinoth and Associates, Chartered Accountants, Coimbatore, appointed as Internal Auditors of the Company, conducted Internal Audit for the financial year 2017-18 as per the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014. Their report were reviewed by the Audit Committee and follow-up measures taken wherever necessary.

COST AUDITOR:

The Board had appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2017-18. He has conducted the Audit and submitted his report. The approval of Members is sought by way of ratification for the remuneration payable to him, as required under the provisions of Companies Act, 2013.

SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report issued by Mr. V. Suresh, Practising Company Secretary, Chennai, in Form MR-3 is furnished in **Annexure-1**, attached to this report. The Secretarial Auditor has not made any qualification, reservation, adverse remark or disclaimer.

DIRECTORS:

A) Changes in Directors and Key Managerial Personnel:

The Board of Directors presently consists of Eight (8) Directors, viz. three Promoter-Directors (including a Woman Director), one Non-Independent, Non-Executive Woman Director, and four Independent Directors. This meets with the requirements of the Companies Act, 2013 and rules framed thereunder and the requirements under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

At the last Annual General Meeting, the Members appointed Dr. Indumati Gopinathan as a Director in the place of Mr. Sohil Chand, who was due for re-election at the last Annual General Meeting but had expressed his intention not to seek re-election. Dr. Indumati Gopinathan is a Non-Executive, Non-Independent Director.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Memorandum & Articles of Association of the Company, Mr. A. Sundararaju, Executive Director & Chief Financial Officer, retires by rotation, and being eligible offers himself for reappointment.

In accordance with the provisions of Sections 152, 160 and 161 of the Companies Act, 2013 and the Memorandum & Articles of Association of the Company, Miss. Amruta Velumani, appointed as a Director in the casual vacancy caused by the untimely, sad demise of Mrs. Sumathi Velumani, Director, would hold office upto the date of this Annual General Meeting. The Company has received a notice from a Member, together with the requisite deposit, proposing her candidature for appointment as a Director liable to retire by rotation.

The Company has all the Key Managerial Personnel in place as required under the provisions of Companies Act, 2013, viz. Dr. A. Velumani, Chairman & Managing Director as CEO, Mr. A. Sundararaju, Executive Director as CFO and Mr. Ramjee Dorai, as Company Secretary, and there is no change in the key managerial personnel during the year.

B) Declaration by Independent Directors:

The Company has received necessary declaration from all the four Independent Directors under Sub-section 7 of Section 149 of the Companies Act, 2013 that they meet the criteria of independence as provided in Sub-Section 6 of Section 149 of the Companies Act, 2013.

C) Formal Annual Evaluation of Board, its Committees and Directors:

Pursuant to the provisions of the Companies Act, 2013, including Schedule IV of the said Act, and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a formal annual evaluation was made by the Board of its own performance and that of its Committees and individual directors.

Evaluation of the performance of the Board and its Committees was done with reference to the constructive nature of discussions, ability to analyze the issues and take informed decisions, adherence to statutory requirements, etc.

Performance evaluation of individual directors, including Independent Directors, was done by the entire Board of Directors, excluding the director being evaluated. The performance of the individual directors was evaluated based on criteria such as attendance and contribution at Board / Committee meetings, understanding of the issues involved, ability to bring in new ideas and initiatives, commitment to fulfill the obligations and responsibilities of a director, etc.

The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, as also the performance of the Chairperson of the Company and the Executive Director, and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board, at an exclusive meeting held without the attendance of Non-Independent Directors and Members of the Management, where all the Independent Directors were present. They had no adverse comment to make.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the year under review, the Board of Directors met on four occasions as follows:

(i) 09-05-2017 (ii) 12-08-2017. (iii) 09-12-2017 and (iv) 03-02-2018.

AUDIT COMMITTEE:

The Audit Committee consists of two Independent Directors and one Executive Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. Vishwas Kulkarni, Independent Director	Member
3.	Mr. A. Sundararaju, Executive Director & Chief Financial Officer	Member

The composition of the Audit Committee meets with the requirement of the Section 177 of the Companies Act, 2013 and Clause 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. All the recommendations of the Audit Committee were accepted by the Board, and there was no instance where Board did not accept the recommendation of the Audit Committee during the year under review.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination & Remuneration Committee consists of two Independent Directors and one Non-Executive Non-Independent Director, as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. Vishwas Kulkarni, Independent Director	Member
3.	Dr. Indumati Gopinathan, Non-Executive Non-Independent Director	Member

The composition of the Nomination and Remuneration Committee meets with the requirements of the Section 178 of the Companies Act, 2013 and Clause 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The policy formulated by Nomination and Remuneration Committee is given in the **Annexure-2**, attached to this report.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee consists of one Independent Director, one Executive Director and one Non-Executive Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. A. Sundararaju, Executive Director & CFO	Member
3.	Miss. Amruta Velumani, Non-Executive Director	Member

The composition of the Nomination and Remuneration Committee meets with the requirements of the Section 178 of the Companies Act, 2013 and Clause 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Company has constituted a Corporate Social Responsibility Committee as provided under Sec. 135 of the Companies Act, 2013 and the rules framed thereunder. The Committee consists of two Independent Directors and one Executive Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. Vishwas Kulkarni, Independent Director	Member
3.	Mr. A. Sundararaju, Executive Director & CFO	Member

During the year under review, the Company has spent a total sum of ₹ 20.05 Million on the CSR activities as approved by the CSR Committee and Audit Committee.

Disclosures as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the **Annexure-3**, attached to this report.

RISK MANAGEMENT COMMITTEE:

Though it is not mandatory under the existing guidelines, the Company has voluntarily constituted a Risk Management Committee consisting of one Independent Director, one Executive Director and one Non-Executive Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	A. Sundararaju, Executive Director & CFO	Member
3.	Miss. Amruta Velumani, Non-Executive Director	Member

CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been communicated to all the Directors and Senior Management personnel. The Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2017-18.

VIGIL MECHANISM:

The Company has introduced a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct. There is no change in the Whistle-blower Policy adopted by the Company in the last year.

POLICY ON PREVENTION OF SEXUAL HARASSMENT:

The Company has formed a Committee to attend to any complaint of sexual harassment. During the financial year ended March 31, 2018, the Company has not received any complaint from any employee pertaining to any sexual harassment.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL:

There are no managerial personnel, who were in receipt of remuneration of not less than the limit mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the whole financial year or part of the financial year.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Nueclear Healthcare Limited is the wholly owned subsidiary of your company and its entire share aggregating to 1,11,11,000 equity shares is held by your company, which includes 6 shares held in the name of six nominees who are holding one share each, as nominees of your company, in order to meet with the requirement of having a minimum number of seven shareholders.

Your company was holding 5,440 equity shares in Thyrocare International Holding Company (TIHC), Mauritius, valued at ₹ 16.15 Million, which is about 9.09% of the total equity share capital of the said company. TIHC is holding 51% of the equity share capital of Thyrocare Gulf Laboratories WLL, Bahrain. During the previous year, your company had decided to sell its entire holding at the acquisition cost to a related party, but for want of approval of RBI, the sale could not go through. Since TIHC has incurred substantial losses and is in the process of winding up its operations, the aforesaid investment is impaired.

During the year under review, your company has invested ₹ 20 Crores in the equity share capital of Equinox Labs Private Limited (Equinox), a company engaged in the business of water, food and other environment and hygiene testing. While ₹ 10 crores was paid by cash, for another ₹ 10 crores, your company transferred the Water Testing business, on a slump sale basis, valued at ₹ 10 Crore. Equinox has issued 4,29,185 numbers of equity shares of the Company, constituting 30% of their paid-up Equity Share Capital and your company is entitled to have two directors as nominees on their Board. Thus, Equinox has become an Associate company of your company, as defined in the Companies Act, 2013.

A statement containing the salient feature of the financial statement of the Company's subsidiary, joint venture, and Associate companies, pursuant to the first proviso to sub-section (3) of Section 129 has been given in **Form No. AOC-1**, as **Annexure-4**, attached to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of the contracts and arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, which were on arms' length basis as provided under Explanation (b) to the third proviso thereto and the details have been furnished in **Form No. AOC-2**, as **Annexure-5**, attached to this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Company has given Loan aggregating to ₹ 245 Million to Nueclear Healthcare Limited under the provisions of Section 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, and the details have been disclosed in the financial statements.

During the financial year under review, your company has made an investment of ₹ 20,00,00,000/- (Rupees Twenty Crores only) in Equinox Labs Private Limited, a company engaged in food and water testing business, as mentioned above; out of this, ₹ 10,00,00,000/- was paid in cash and for the remaining ₹ 10,00,00,000/-, the Company has sold and transferred its Water Testing Business on slump sale basis for an equivalent consideration.

PARTICULARS OF EMPLOYEES

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Directors	Position	Ratio to median remuneration
Executive Directors		
Dr. A. Velumani	Managing Director & CEO	N.A.
Mr. A.Sundararaju	Executive Director & CFO	23.08

(ii) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary

Name of the Directors	Position	%age of increase in the financial year
Executive Directors / KMPs		
Dr. A. Velumani	Managing Director & CEO	*
Mr. A.Sundararaju	Executive Director & CFO	**
Mr. Ramjee Dorai	Company Secretary	7.80%

* Does not arise, as Dr. A. Velumani, Chairman & Managing Director, has opted to receive a token remuneration of Re. 1/- only per month.

** Does not arise, as Mr. A. Sundararaju, Executive Director & Chief Financial Officer, has opted to receive a lesser remuneration of ₹ 5 lakhs only per month.

The non-executive directors are not getting any remuneration. Independent directors are being paid sitting fee only.

(iii) The percentage increase in the median remuneration of employees in the financial year: 9.09%

(iv) The number of permanent employees on the rolls of Company as on 31-03-2018: 974

(v) 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 and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase was 10.16% in the salaries of employees other than the managerial personnel, and the average increase in the Remuneration of managerial Personnel (Other than Directors) was 12.12%. In comparison, there is no unreasonable difference.

(vi) The remuneration paid to Key Managerial Personnel is as per the Remuneration Policy of the Company.

(vii) There was no employee who was in receipt of remuneration, during the year under review, in excess of the limit specified under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

EMPLOYEES STOCK PURCHASE / OPTION SCHEMES:

The Company had allotted 33,650 equity shares in the year 2014 to Thyrocare Employees Stock Option Trust, as approved by the shareholders, which got multiplied to 1,34,600 equity shares subsequent to the Bonus issue made in 2014. These shares vested on the eligible employees numbering One Hundred, on April 01, 2017 and all of them have exercised their option to acquire these shares. Out of these, 133,381 equity shares have already been transferred to the respective employees, and the transfer of the remaining 1,219 equity shares to four employees is in the process and is expected to be completed shortly.

The Shareholders had also approved granting of Stock Options equivalent to 1% of the then paid-up equity share capital of the Company, to be distributed to the eligible employees over a period of ten years at the rate of 0.10% with an increase or decrease of 0.02% depending on the Company's growth.

Accordingly, the Company has already issued Stock Options equivalent to 40,434 Equity Shares in 2014-15, Stock Options equivalent to 50,537 Equity Shares in 2015-16, and Stock Options equivalent to 50,529 Equity Shares in 2016-17. All these options would vest on the eligible employees after a lock-in period of three years, subject to their continuing in service on the respective vesting dates.

This year, it is proposed to grant Stock Options equivalent to 40,452 Equity Shares, which would vest on the eligible employees after a lock-in period of three years, subject to their continuing in service, and the proposal is being placed before the Members for their approval. The disclosure as per rule 12 (9) of The Companies (Share Capital and Debentures) Rules, 2014 relating to Employees Stock Option Scheme is enclosed as **Annexure-6**, attached to this report.

CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of core business of the Company or in that of the Subsidiary Company during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:

No significant and material order has been passed by the regulators, courts, or tribunals impacting the going concern status and company's operations in future.

BUSINESS RESPONSIBILITY REPORT:

Your Company has been declared as one of the top 500 companies listed in both NSE and BSE based on market capitalization as on 31-03-2018, and hence is required to furnish a Business Responsibility Report, under the provisions of Regulation No. 34 (2)(f) of SEBI (Listing Obligations & Disclosure Requirements) Rules, 2015. Accordingly, the Business Responsibility Report is enclosed as an annexure to the Board's Report.

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

Pursuant to the provisions of Clause (m) of Sub-Section 3 of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014, the details of conservation of energy, technology absorption, foreign exchange earnings and outgo, are given in the **Annexure-7**, attached to this report.

EXTRACT OF THE ANNUAL RETURN:

As per the provisions of Sub-Section 3 of Section 92 of the Companies Act, 2013, read with rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in **Form MGT-9** is furnished as **Annexure-8**, attached to this report.

INSURANCE:

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

RISK MANAGEMENT POLICY:

The Company has formulated a Risk Management policy and it has been published on the website of the Company, www.thyrocare.com.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial reporting. During the year, such controls were reviewed and no material weakness in the design or operation was observed.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Sub-Section 5 of Section 134 of the Companies Act, 2013, your Board of Directors confirm, to the best of their knowledge and ability, that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;

(c) they have taken proper and sufficient care for the 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 fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

ACKNOWLEDGEMENTS:

Your Directors wish to take the opportunity of thanking Axis Bank, IDBI Bank, ICICI Bank and Citibank for support extended by them.

Thanks are also due to our customers for their continued patronage and the franchisees / authorised service providers and vendors for their co-operation.

Thanks are also due to the Employees for their sincere services and co-operation.

Your Directors also wish to thank the Members for the confidence they have reposed in the Board of Directors of the Company.

For and on behalf of the Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman & Managing Director
DIN: 00002804

Place: Navi Mumbai
Date: 28-04-2018

BOARD'S REPORT
FORM No. MR-3 SECRETARIAL AUDIT REPORT

ANNEXURE -1

For the Financial Year 2017-18

[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,
M/s. THYROCARE TECHNOLOGIES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. THYROCARE TECHNOLOGIES LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. THYROCARE TECHNOLOGIES LIMITED** 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. THYROCARE TECHNOLOGIES LIMITED** ("the Company") for the financial year ended on 31st March 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) 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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

Other Laws specifically applicable to this Company is as follows:

(vi) The Bio-medical Wastes (Management and Handling) Rules 1998;

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act.

I 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.

I further report that, during the audit period,

1. The Company has issued stock options to the eligible employees for the financial year 2016-17, as per the SEBI (Share Based Employee Benefits) Regulations, 2014 and will be reportedly issuing stock options for 2017-18 also, in the current financial year.

2. The Company acquired 4,29,185 Equity shares of Equinox Labs Private Limited, for a total consideration of ₹ 20 crores, out of which ₹ 10 crores was paid by cash and ₹ 10 crores by way of transfer of the Company's "Whaters" business for an equivalent amount. By this, it became an Associate company of Thyrocare Technologies Limited.

As per the minutes of the meeting, all the decisions were taken unanimously in as much as there were no dissenting views appearing in the minutes of the meetings.

We further report that during the audit period as per the information provided and to the best of our knowledge there were no other specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, and the Secretarial Standards.

V Suresh
Practising Company Secretary
FCS No. 2969
C.P.No. 6032

Place: Mumbai
Date : 27-04-2018

BOARD'S REPORT
REPORT ON CSR ACTIVITIES

ANNEXURE - 2

1	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	The Company's CSR Policy is based on the principle of extending support to the underprivileged segments of the Society and rendering service to achieve selected goals for the common benefit of the entire society. The Company has identified four thrust areas for implementation of its CSR Policy, viz. (i) Environment-oriented (ii) Society-oriented (iii) Education-oriented and (iv) Health-care oriented. CSR Policy may be viewed at the Company's website, "www.thyrocare.com"
2	The composition of the CSR Committee:	The Company has a CSR committee of directors comprising of - Mr. Gopalkrishna Shivaram Hegde, Independent Director- Chairman - Mr. Vishwas Kulkarni, Independent Director- Member - Mr. A. Sundararaju, Executive Director & CFO- Member
		₹in millions
3	Average net profit of the Company for the three financial years:	911.24
4	Prescribed CSR expenditure at 2% of the above amount	18.22
5-a	Total amount spent during the year 2017-18	20.05
5-b	Amount unspent	NA
5-c	Manner in which the amount spent during the financial year	Mentioned in the Annexure attached.
6	In case the company has failed to spend the two per cent 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 report.	The balance amount relating to the earlier years, which could not be spent pending identification of suitable project(s), will be spent in the ensuing financial years.
7	A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	We hereby affirm that the implementation and monitoring of the CSR Policy, as approved by the Board, is in compliance with the objectives and Policy of the Company.

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
(Chairman & Managing Director)
DIN: 00002804

G. S. Hegde
(Chairman - CSR Committee)
DIN: 00157676

Place: Navi Mumbai
Date: 28-04-2018

BOARD'S REPORT
DETAILS OF CSR PROJECT OF THE COMPANY

ANNEXURE - 2.1

(₹ in Millions)

1	2	3	4	5	6		7	8
S. No.	CSR Project or activity identified	Sector in which project is covered	Projects or programs (1) Local area or other (2) specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs		Cumulative expenditure incurred upto the reporting period	Amount spent: direct or through implementing agency
					Direct expenditure on project or programs	Overheads		
1	Financial Support for College Students, Scholarship for School Students, Sponsorship of Painting Competition and Distribution of Safety Helmets for Police.	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	Pan India	–	2.80	–	2.80	Direct
2	Sponsorship of Sports like Football, Kabaddi and Chess Competition.	Training to promote rural sports, nationally recognised sports, and Para-Olympics sports and Olympic sports.	Pan India	–	11.80	–	11.80	Direct
3	Financial Support for Thalassemia Trust, Purchase of Safety Shoes for Leprosy patients, Financial Assistance for prevention and treatment of Cancer and Sponsorship of Noon Meals for Poor Students.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;	Pan India	–	1.81	–	1.81	Direct
4	Financial support to rural Library for purchase of newspapers.	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditions and handicrafts	Pan India	–	0.01	–	0.01	Direct

(₹ in Millions)

1	2	3	4	5	6		7	8
S. No.	CSR Project or activity identified	Sector in which project is covered	Projects or programs (1) Local area or other (2) specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs		Cumulative expenditure incurred upto the reporting period	Amount spent: direct or through implementing agency
					Direct expenditure on project or programs	Overheads		
5	Pension to Old age people and Sponsorship of Magalir Thiruvizha for empowerment of women	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Pan India	–	2.64	–	2.64	Direct
6	Funding for distribution of Home Gardening Kits for children.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.	Pan India	–	0.20	–	0.20	Direct
7	Sponsorship of Swachh Bharat Ability Run	Swachh Bharat	Pan India	–	0.80	–	0.80	Direct
					20.05		20.05	

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
(Chairman & Managing Director)
DIN: 00002804

G. S. Hegde
(Chairman - CSR Committee)
DIN: 00157676

Place: Navi Mumbai
Date: 28-04-2018

BOARD'S REPORT
Nomination & Remuneration Committee

ANNEXURE - 3

The Nomination & Remuneration Committee consists of three directors, viz.

1	Mr. Gopalkrishna Shivaram Hegde, Independent Director	-	Chairman
2	Mr. Vishwas Kulkarni, Independent Director	-	Member
3	Dr. Indumati Gopinathan, Non-Independent, Non-Executive Director	-	Member

The following is the broad description of the terms of reference of the Committee:

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analysing, monitoring and reviewing various human resource and compensation matters;
7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
    (i) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
    (ii) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
12. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee."

NOMINATION & REMUNERATION POLICY:

The objectives of the Policy:

1 To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (Executive and Non-executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.

2 To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.

3 To carry out evaluation of the performance of Directors.

4 To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

5 To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this policy, as deemed fit from time to time.

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
(Chairman & Managing Director)
DIN: 00002804

G. S. Hegde
(Chairman - Nomination & Remuneration Committee)
DIN: 00157676

Place: Navi Mumbai
Date: 28-04-2018

BOARD'S REPORT
FORM AOC-1

ANNEXURE - 4

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of Companies (Accounts) Rules, 2014)

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹ millions)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Nueclear Healthcare Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company's reporting period, viz. 31-03-2018.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital - Authorised – ₹ in Million	150.00
	- Paid up -₹ in Million	111.11
5	Reserves & surplus	669.28
6	Total Assets	1079.39
7	Total Liabilities	1079.39
8	Investments	0
9	Turnover	255.21
10	Profit / Loss before taxation	-29.67
11	Provision for taxation	- 2.07
12	Profit / Loss after taxation	-27.60
13	Proposed Dividend	-
14	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:		
1.	Names of subsidiaries, which are yet to commence operations:	Nil
2.	Names of subsidiaries, which have been liquidated or sold during the year:	Nil

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Currency in ₹ Millions)

Sr. No.	Name of associates/Joint Ventures	Thyrocare International Holding Company, Mauritius.	Equinox Labs Private Limited, Mumbai.
1	Latest audited Balance Sheet Date	Latest audited Balance Sheet date is 31-12-2015. The Balance sheet for the year ended 31-12-2016 is not yet audited.	New company, incorporated on 06-07-2017 only.
2	Shares of Associate/Joint Ventures held by the company on the year end		
	- No.	5,440	4,29,185
	- Amount of Investment in Associates/Joint Venture	₹ 16.15 Million	₹ 200.00 Million
	- Extent of Holding %	9.09 %	30.00 %
3	Description of how there is significant influence	The Company does not have significant influence	The Company does not have significant influence
4	Reason why the associate/joint venture is not consolidated, as this investment is impaired, since the set Company has incured continues losses and is in the process of liqidation.	Not consolidated, since the investment, which was only 9.09 % of their paid up equity capital, has been written off as the said investment has suffered impairment due to continuous losses of the said company, pursuant to IndAS-28.	Not consolidated, since the investment is made only towards the year end.
5	Net worth attributable to shareholding as per latest audited Balance Sheet	₹ 78.62 lakhs as on 31-12-2015, the date of audited balance sheet.	NA
6	Profit/Loss for the year		
	i. Considered in Consolidation	NA	NA
	ii. Not Considered in Consolidation	NA	NA

1. Names of associates or joint ventures which are yet to commence operations:	Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year:	Nil

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

	Ramjee Dorai	**Dr. A. Velumani**	**A. Sundararaju**
Place: Navi Mumbai	Company Secretary	Chairman & Managing Director	Executive Director & CFO
Date : 28-04-2018	FCS-2966	DIN- 00002804	DIN- 00003260

BOARD'S REPORT
FORM AOC-2

ANNEXURE - 5

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain 'Arms Length' transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis:

There are no contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013, which are not at arm's length basis.

2 Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration's of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1	Nueclear Healthcare Ltd. (Wholly-owned subsidiary company)	Renewal of existing Leave & Licence arrangement.	Three years with effect from 01-01-2018.	The subsidiary company owns premises in Hyderabad with an area of 10,750 sq.ft. We have taken on lease from them a portion of the said premises measuring about 2,150 sq.ft. and have been paying licence fee of ₹ 75,250/- (Rupees Seventy Five Thousand Two Hundred and Fifty only) p.m., calculated at ₹ 35/- per sq.ft. This has been renewed for a further period of three years w.e.f. 01-01-2018 to 31-12-2020, on the same terms & conditions.	03-02-2018	₹ 4,51,500/- (Rupees Four Lakhs Fifty One Thousand and Five Hundred only).
2	Sumathi Construction Private Limited	Renewal of existing Leave & Licence arrangement.	Three years with effect from 27-11-2017.	Sumathi Construction Pvt. Ltd., owns a premises in New Delhi, with a total area of 16,400 sq.ft., which was taken on lease by our subsidiary, NHL. We had taken on sub-lease a portion of the said premises measuring about 1,540 sq.ft., and have been paying licence fee of ₹ 2,35,000/- (Rupees Two Lakhs and Thirty Five Thousand only). Now this has been renewed, on a direct agreement with SCPL, but with-out any change in the terms & conditions.	03-02-2018	₹ 14,10,000/- (Rupees Fourteen Lakhs and Ten Thousand only).

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman & Managing Director
DIN- 00002804

Place: Navi Mumbai
Date : 28-04-2018

BOARD'S REPORT
STATEMENTS ON EMPLOYEES STOCK OPTION SCHEME

ANNEXURE - 6

S. No	Particulars	Details				
		2014 Shares	2015 Options	2016 Options	2017 Options	2018 Options
a.	Options granted	1,34,600	40,434	50,537	50,529	40,452
b.	Options vested	1,34,600	Not yet due	Not yet due	Not yet due	Not yet due
c.	Options exercised	1,34.600	NA	NA	NA	NA
d.	The total number of shares arising as a results of exercise of option	1,34,600	NA	NA	NA	NA
e.	Options lapsed	Nil	NA	NA	NA	NA
f.	The exercise price (Already determined)	₹10/-	₹10/-	₹10/-	₹10/-	₹10/-
g.	Variations of terms of options	NA	NA	NA	NA	NA
h.	Money realized by exercise of options - in ₹	13,33,810	NA	NA	NA	NA
i.	Total number of options in force (*)	1,219	40,434	50,537	50,529	40,452
j.	Employee wise details of options granted to:					
	i. Key Managerial Personnel					
	Mr. Ramjee Dorai	Nil	Nil	Nil	851	644
	ii. Any other employee who receives a grant in any one year of option amount to 5% or more of options granted during the year					
	1 Dr. Caesar Sengupta, Vice-President-Operations.	22,395	6,076	3,520	2,706	2,222
	2. Mr. M. Chandrasekhar, General Manager-Infrastructure	13,721	4,411	NA	NA	NA
	3. Mr. S. Krishnakumar, Dy.General Manager-Laboratory	8,447	2,155	NA	NA	NA
	4. Mr. Rajkumar S. Kushawaha, Dy.Gen. Manager-Laboratory	8,312	NA	NA	NA	NA
	5. Mr. Kallathikumar, Dy.General Manager-Laboratory	7,906	2,209	NA	NA	NA
	6. Mr. M. Santhosh, General Manager-Business Development. (Since resigned)	7,583	2,151	NA	NA	NA
	7. Mr. Sachin Salvi, General Manager-Finance	NA	NA	NA	NA	NA
	iii. Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	None	None	None	None

* The figures for 2014 represent Equity Shares issued as such, including Bonus shares. The figures for other years represent options granted. The beneficiaries have exercised their option in respect of 1,219 equity shares also, but the process of transferring the shares in their name is in progress.

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman & Managing Director
DIN- 00002804

Place: Navi Mumbai
Date : 28-04-2018

BOARD'S REPORT

ANNEXURE - 7

The conservation of energy, technology absorption, foreign exchange earnings and outgo pursuant to the provisions of section 134 (3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

(A) CONSERVATION OF ENERGY:-

(i)	the steps taken or impact on conservation of energy:	Standard operating hours have been scheduled for all Air-conditioners & Lights. It is being monitored round the clock. Automatic Air-conditioner scheduler has been installed to optimize the running hours and reduce power consumption. Also 3rd party Energy audit was conducted to assess and replace old Electrical and UPS systems.
(ii)	the steps taken by the company for utilising alternate sources of energy:	The Company has taken steps for installing additional 140 KW rooftop Solar power plant in Central processing located in Navi Mumbai. It would ensure that 12 to 15% of total power consumption comes from renewable source and reduce direct heat load on I floor.
(iii)	the capital investment on energy conservation equipment	₹ 2.1 Cr.

(B) TECHNOLOGY ABSORPTION:-

(i)	the Efforts made towards technology absorption:	1. We have introduced Focus TB is a brand focused on affordable and quality TB diagnostics which is India's first and most advanced, totally automated laboratory.
		2. Launched advanced Prenatal Screening tests - NIPT tests on NGS technology.
		3. Added two more High throughput closed tube sorter which can sort additional 4000 patient samples per hour
		4. Added three more advanced High throughput Photometry analyzers which can process additional 80,000 Biochemistry tests in 10 hours
(ii)	the Benefits derived like product improvement, cost reduction, product development or import substitution:	These technologies help us expand our menu, reduce our costs, and improve the efficiency of our services.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	
	(a) the details of technology import	Nil
	(b) the year of import	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development:	Nil

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:-

Actual Inflow and Outgo during the year (Currency in ₹ Millions)

Particulars	31-03-2018	31-03-2017
Actual Inflow	28.28	330.65
Actual Outflow	44.34	94.64

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman & Managing Director
DIN- 00002804

Place: Navi Mumbai
Date : 28-04-2018

BOARD'S REPORT
EXTRACT OF ANNUAL RETURN

ANNEXURE - 8

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85110MH2000PLC123882
2	Registration Date	28-01-2000
3	Name of the Company	THYROCARE TECHNOLOGIES LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
5	Address of the Registered office & contact details	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai (MH)-400703 Ph. No. 022-27622762
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Private Limited C-101, 247 Park. L B S Marg, Vikhroli West, Mumbai- 400 083. Ph. 022- 4918 6270 / 4918 6000

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Independent diagnostic/pathological laboratory services	86905	94.34%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nueclear Healthcare Limited, D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703.	U74120MH2011PLC212839	Wholly owned subsidiary company	100.00	Section 2(87)
2	Thyrocare International Holding Company, Mauritius, c/o Cim Fund Services Ltd., 33 Edith Cavell Street, Port Louis, Mauritius.	–	Joint Venture	9.09	Section 2(6)
3	Equinox Labs Private Limited 224,Plot-3/3A,Unique Industrial Estate, Swatantra, Veer Sawarkar Marg, Prabhadevi, Mumbai-400025.	U74999MH2017PTC297024	Associate Company	30.00	Section 2(6)

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 01-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. Promoters									
(1) Indian									
a) Individual/ HUF	19,773,030	-	19,773,030	36.81	19,773,030	-	19,773,030	36.81	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14,588,715	-	14,588,715	27.16	14,588,715	-	14,588,715	27.16	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**34,361,745**		**34,361,745**	**63.96**	**34,361,745**		**34,361,745**	**63.96**	**-**
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL (A)	**34,361,745**	**-**	**34,361,745**	**63.96**	**34,361,745**	**-**	**34,361,745**	**63.96**	**-**
B. Public Shareholding									
1. Institutions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
a) Mutual Funds	6,465,426	-	6,465,426	12.03	10,051,979	-	10,051,979	18.71	6.68
b) Banks / FI	42,723	-	42,723	0.08	97,319	-	97,319	0.18	0.10
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	2,401,292	-	2,401,292	4.47	5,227,886	-	5,227,886	9.73	5.26
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) - Alternate Investment Funds	-	-	-	-	231,093	-	231,093	0.43	0.43
Sub-total (B)(1):-	**8,909,441**	**-**	**8,909,441**	**16.58**	**15,608,277**	**-**	**15,608,277**	**28.62**	**12.47**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1,398,218	-	1,398,218	2.60	1,009,990	-	1,009,990	1.88	-0.72
ii) Overseas	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-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	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	1,265,372	5	1,265,377	-	1,679,901	5	1,679,906	3.13	3.13
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	22,750	-	22,750	-	558,387	-	558,387	1.04	1.04
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	7,241,000	-	7,241,000	13.48	0	-	-	-	-13.48
Foreign Nationals- NRI (Non Repat and NRI Repat)	105,465	-	105,465	-	224,085	-	224,085	0.42	0.42
Clearing Members	31,819	-	31,819	-	99,020	-	99,020	0.18	0.18
Trusts	318,407	-	318,407	0.59	110,983	-	110,983	0.21	-0.39
Hindu Undivided Family (HUFs)	69,311	-	69,311	-	71,140	-	71,140	0.13	0.13
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	**10,452,342**	**5**	**10,452,347**	**19.46**	**3,753,506**	**5**	**3,753,511**	**6.99**	**-12.47**
Total Public (B)	**19,361,783**	**5**	**19,361,788**	**36.04**	**19,361,783**	**5**	**19,361,788**	**36.04**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**53,723,528**	**5**	**53,723,533**	**100**	**53,723,528**	**5**	**53,723,533**	**100**	**-**

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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. A. Velumani	14,809,317	27.57	-	14,809,317	27.57	-	-
2	Mr. A. Sundararaju	249,669	0.46	-	249,669	0.46	-	-

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	01-Apr-17		14,809,317	27.57%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-	-	14,809,317	27.57%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	01-Apr-17		249,669	0.46%	-	-
	Changes during the year			-		-	
	At the end of the year	31-Mar-18		-		249,669	0.46%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Thyrocare Publications LLP**						
	At the beginning of the year	01-Apr-17		6,534,500	12.16%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-18		-	-	6,534,500	12.16%
2	**Thyrocare Properties and Infrastructure Pvt. Ltd.**						
	At the beginning of the year	01-Apr-17		5,217,800	9.71%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-18		-	-	5,217,800	9.71%
3	**Reliance Capital Trustee Co. Ltd.**						
	At the beginning of the year	01-Apr-17		1,630,489	3.03%	-	-
	Changes during the year		Transfer	2,102,700	-	-	-
	At the end of the year	31-Mar-18		-	-	3,733,189	6.95%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
4	**Aditya Birla Sunlife Trustee P.Ltd.**						
	At the beginning of the year	01-Apr-17		77,019	0.14%	-	-
	Changes during the year		Transfer	1,666,980	3.10%	-	-
	At the end of the year	31-Mar-18		-	-	1,743,999	3.25%
5	**Sumathi Infra Project LLP**						
	At the beginning of the year	01-Apr-17		1,576,415	2.93%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-18		-	-	1,576,415	2.93%
6	**Mahima Advertising LLP**						
	At the beginning of the year	01-Apr-17		1,260,000	2.35%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-	-	1,260,000	2.35%
7	**DSP Blackrock Micro Cap Fund**						
	At the beginning of the year	01-Apr-17		2,244,930	4.18%	-	-
	Changes during the year		Transfer	(1,111,683)	-2.07%	-	-
	At the end of the year	31-Mar-18		-	-	1,133,247	2.11%
8	**A. Velumani HUF**						
	At the beginning of the year	01-Apr-17		911,828	1.70%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-	-	911,828	1.70%
9	**Fundsmith Emerging Equities Trust PLC**						
	At the beginning of the year	01-Apr-17		-	-	-	-
	Changes during the year		Transfer	813,567	-	-	-
	At the end of the year	31-Mar-18		-	-	813,657	1.51%
10	**Abu Dhabi Investment Council (Noosa)**						
	At the beginning of the year	01-Apr-17		181,000	0.34%	-	-
	Changes during the year		Transfer	614,000	1.14%	-	-
	At the end of the year	31-Mar-18				795,000	1.48%

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	01-Apr-17		14,809,317	27.57%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-		14,809,317	27.57%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	01-Apr-17		249,669	0.46%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-		249,669	0.46%
3	**Mr. Gopalkrishna Shivaram Hegde**						
	At the beginning of the year	01-Apr-17		-		-	-
	Changes during the year						
	At the end of the year	31-Mar-18		-		-	-
4	**Mr. Vishwas Kulkarni**						
	At the beginning of the year	01-Apr-17		-		-	-
	Changes during the year						
	At the end of the year	31-Mar-18		-		-	-
5	**Dr. Neetin Desai**						
	At the beginning of the year	01-Apr-17		-		-	-
	Changes during the year						
	At the end of the year	31-Mar-18		-		-	-
6	**Mr. N. Palanisamy**						
	At the beginning of the year	01-Apr-17		-		-	-
	Changes during the year						
	At the end of the year	31-Mar-18		-		-	-
7	**Miss. Amruta Velumani**						
	At the beginning of the year	01-Apr-17		752,512	1.40%	-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-		752,512	1.40%
8	**Dr. Indumati Gopinathan**						
	At the beginning of the year	01-Apr-17		-		-	-
	Changes during the year			-		-	-
	At the end of the year	31-Mar-18		-		-	-
9	**Mr. Ramjee Dorai**						
	At the beginning of the year	01-Apr-17		33	0.00%	-	-
	Changes during the year			-			-
	At the end of the year	31-Mar-18		-		33	0.00%

V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment.

The Company has neither taken any Secured/Unsecured loans nor accepted any deposits during the financial year 2017-18.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount Figures in ₹
	Name	**Dr. A. Velumani**	**Mr. A. Sundararaju**	
	Designation	**Chairman & Managing Director**	**Executive Director & CFO**	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.00*	60,00,000.00**	6,000,012.00
	(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	Nil	Nil	-
3	Sweat Equity	Nil	Nil	-
4	Commission			
	- as % of profit	Nil	Nil	-
	- others, specify	Nil	Nil	-
5	Others, please specify			-
	i) Leave Encashment	-	-	-
	Total (A)	**12.00**	**6,000,000.00**	**6,000,012.00**

* Dr. A. Velumani, Chairman & Managing Director, has opted to receive a token remuneration of Re. 1/-(Rupee one Only) per month.

**Mr. A. Sundararaju, Executive Director & Chief Financial Officer, has opted to receive a lesser remuneration of ₹ 5 Lakhs only per month.

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount Figures in ₹
		Mr. G.S. Hegde	**Mr. Vishwas Kulkarni**	**Dr. Neetin Desai**	**Mr. N. Palanisamy**	
1	Independent Directors					
	Fee for attending board committee meetings	120,000.00	110,000.00	30,000.00	50,000.00	310,000.00
	Commission	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	
	Total (1)	120,000.00	110,000.00	30,000.00	50,000.00	310,000.00
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	
	Commission	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	**120,000.00**	**110,000.00**	**30,000.00**	**50,000.00**	**310,000.00**
	Total Managerial Remuneration					**6,310,012.00**
	Overall Ceiling as per the Act					

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

Figures in ₹

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	Total Amount
	Name	**Ramjee Dorai**	
	Designation	**Company Secretary & Compliance Officer**	
1	Gross salary	1,970,239.00	1,970,239.00
	(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	470,914.65	470,914.65
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify - Bonus	23,990.00	23,990.00
5	Others, please specify	-	-
	Total	**2,465,143.65**	**2,465,143.65**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type		Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	**COMPANY**					
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**					
	Penalty			**Nil**		
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**					
	Penalty					
	Punishment					
	Compounding					

For and on behalf of Board of Directors,
Thyrocare Technologies Limited

Dr. A. Velumani
Chairman & Managing Director
DIN- 00002804

Place: Navi Mumbai
Date : 28-04-2018

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on code of governance is to ensure

- Highest levels of transparency and accountability in all facets of its operations;
- Equity and ethics in its interactions with all stakeholders, including Clients, Shareholders, Employees, Vendors and Business Partners.
- Commitment in its responsibility towards the Society as a whole.

The Company's basic goal is to maximize the overall shareholders' value, and all its business decisions and actions are oriented towards achieving this basic goal.

The Company has been following many of the Corporate Governance requirements voluntarily even before it became a listed company. This culture continues, and the Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations").

2. BOARD OF DIRECTORS

a) Composition and Category of Directors:

The Board of Directors of the Company is headed by Dr. A. Velumani, Founder-Promoter of the Company. The Board consists of eight directors - Two Executive Directors, One Non-Executive Woman Director, one Non-Executive, Non-Independent Woman Director and Four Independent Directors. During the year under review, Mr. Sohil Chand, nominee director of an overseas investor, expressed his intention not to seek re-election when he retired at the 17th Annual General Meeting. Therefore, Dr. Indumati Gopinathan, whose candidature was proposed by a Member as required under the provisions of Section 160 of the Companies Act, 2013, was appointed as a Director in his place. With this, the Board has now two woman directors.

The following table gives details of current Composition and Category of Board of Directors:

S. No.	Name	Director Identification No. (DIN)	Designation	Category
1	Dr. A. Velumani	00002804	Chairman & Managing Director	Executive Director – Promoter
2	Mr. A. Sundararaju	00003260	Executive Director & Chief Financial Officer	Executive Director – Promoter
3	Mr. Gopalkrishna Shivaram Hegde	00157676	Director	Independent Director
4	Mr. Vishwas Kulkarni	06953750	Director	Independent Director
5	Dr. Neetin Desai	02622364	Director	Independent Director
6	Mr. N. Palanisamy	06972368	Director	Independent Director
7	Miss. Amruta Velumani	06534120	Director	Non-Executive Woman Director - Promoter Group
8	Dr. Indumati Gopinathan	06779331	Director	Non-Executive, Non-Independent Director

The composition of the Board is in conformity with Section 149 of the Companies Act ,2013 read with Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

b) Attendance of Directors at the meetings:

The details of attendance of the Directors at the Board Meetings held during the year ended March 31, 2018 and at the last Annual General Meeting are given below:

S. No.	Name	Board Meetings		Attendance at AGM held on 12-08-2017.
		Held during the tenure of the Director	Attended	
1	Dr. A. Velumani	4	4	Yes
2	Mr. A. Sundararaju	4	4	Yes
3	Mr. Sohil Chand *	1	1	NA
4	Mr. Gopalkrishna Shivaram Hegde	4	4	Yes
5	Mr. Vishwas Kulkarni	4	4	Yes
6	Dr. Neetin Desai	4	2	No
7	Mr. N. Palanisamy	4	4	No
8	Miss. Amruta Velumani	4	4	Yes
9	Dr. Indumati Gopinathan **	3	2	Yes

* Ceased to be a Director effective from 12-08-2017.

**Appointed as a Director effective from 12-08-2017.

c) Other Directorships & Committee Memberships/Chairmanships

The number of Directorships and Memberships / Chairmanship in the Committees in other public companies:

S. No.	Name	In Other Public Companies		
		No. of Directorships	No. of Committee Membership	No. of Committee Chairmanship
1	Dr. A. Velumani	3	-	-
2	Mr. A. Sundararaju	3	2	-
3	Mr. Gopalkrishna Shivaram Hegde	1	-	2
4	Mr. Vishwas Kulkarni	-	-	-
5	Dr. Neetin Desai	-	-	-
6	Mr. N. Palanisamy	-	-	-
7	Miss. Amruta Velumani	-	-	-
8	Dr. Indumati Gopinathan	-	-	-

d) Number of Board Meetings:

During the financial year 2017-18, there were four Board Meetings, held on

(i) 09-05-2017,

(ii) 12-08-2017,

(iii) 09-12-2017, and

(iv) 03-02-2018.

The maximum gap between two consecutive Board Meetings did not exceed 120 days.

e) Disclosure of relationship between Directors inter-se:

Dr. A. Velumani, Chairman & Managing Director and Mr. A. Sundararaju, Executive Director & Chief Financial Officer are related to each other as Brothers. Miss. Amruta Velumani, Non-Executive Director is the daughter of Dr. A. Velumani, Chairman & Managing Director. None of the other directors are related to any of the other directors.

f) Shares held by Non-Executive Directors:

S. No.	Name	Category of Director	No. of Equity Shares (Face value of ₹ 10/- each held in the Company)
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	-
2	Mr. Vishwas Kulkarni	Independent Director	-
3	Dr. Neetin Desai	Independent Director	-
4	Mr. N. Palanisamy	Independent Director	-
5	Miss. Amruta Velumani	Non-Executive, Woman Director (Promoter Group)	7,52,512
6	Dr. Indumati Gopinathan	Non-Executive, Non-Independent Director	-

g) Web-link where details of familarisation programmes imparted to Independent Directors are disclosed.

Details of familarisation programmes conducted for the Independent Directors are disclosed in Company's website www.thyrocare.com/investor relations

3. AUDIT COMMITTEE:

a) Brief description of terms of reference:

The terms of reference of Audit Committee are broadly as under:

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the auditors of the Company;
3. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
4. Approval of payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
    b. Changes, if any, in accounting policies and practices and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public

or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by the Company;

8. Approval of any transactions of the Company with Related Parties, including any subsequent modifications thereof.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end-use of funds raised through public offers and related matters;
13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussing with internal auditors on any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. Reviewing the functioning of the whistle blower mechanism;
21. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
22. Carrying out such other function as may be required in pursuance of any decision of the Board of Directors or any provision under the Companies Act and Stock Exchange Listing Regulations or any other applicable law."

The Audit Committee shall mandatorily review the following information:

1. Management's discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
   (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the Listing Regulations.

The Audit Committee shall have the following powers:

i. To investigate any activity within its terms of reference;
ii. To seek information from any employee;
iii. To obtain outside legal or other professional advice; and
iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

b) Composition, names of members and chairperson:

The Audit Committee has been constituted with an Independent Director as Chairman, an Independent Director and an Executive Director (who is also Chief Financial Officer) as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Independent Director	Member
3	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member

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

c) Meetings and attendance during the year:

During the year, there were four meetings of Audit Committee, held on

09-05-2017, 12-08-2017, 09-12-2017 and 03-02-2018.

The maximum gap between two consecutive Audit Committee Meetings did not exceed 120 days.

The details of attendance at the Committee are as follows:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	Chairman	4	4
2	Mr. Vishwas Kulkarni	Member	4	4
3	Mr. Sohil Chand*	Member	1	1
4	Mr. A. Sundararaju**	Member	3	3

* Ceased to be a Member effective from 12-08-2017.
** Appointed as a Member effective from 12-08-2017.

4. NOMINATION & REMUNERATION COMMITTEE:

a) Brief description of terms of reference:

The terms of reference of Nomination & Remuneration Committee are broadly as under:

Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

Formulating of criteria for evaluation of performance of the independent directors and the Board;

Devising a policy on Board diversity;

Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;

Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

Analysing, monitoring and reviewing various human resource and compensation matters;

Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;

Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;

Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or

The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.

Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee."

b) Composition, names of members and chairperson:

The Nomination & Remuneration Committee was constituted with an Independent Director as Chairman, an Independent Director and a Non-Executive Non-Independent Director as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Independent Director	Member
3	Mr. Sohil Chand *	Non-Executive Nominee Director	Member
4	Dr. Indumati Gopinathan **	Non-Executive Non-Independent Director	Member

* Ceased to be a Member effective from 12-08-2017.

**Appointed as a Member effective from 12-08-2017.

c) Meetings and attendance during the year.

During the year, there were two meetings of Nomination & Remuneration Committee, held on 09-05-2017 and 09-12-2017. Details of attendance of Members of Nomination & Remuneration Committee are given below:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	Chairman	2	2
2	Mr. Vishwas Kulkarni	Member	2	2
3	Mr. Sohil Chand *	Member	1	1
4	Dr. Indumati Gopinathan **	Member	1	1

* Upto the date he ceased to be a Member

** From the date she was appointed as a Member

The Company Secretary acts as the Secretary of the N & R Committee.

d) Performance evaluation criteria for independent directors:

Evaluation of performance of Independent Directors is carried out on the criteria of complying with statutory requirements applicable to independent directors, ability to understand the interests of the Company independent of any other factor, participation in the discussions, contribution to the decision-making, etc.

5. REMUNERATION TO DIRECTORS.

a) The Independent Directors are paid sitting fee for the meetings attended by them, as approved by the Board of Directors. The details of sitting fees paid to them for the year under review are given below:

S. No.	Name of the Independent Director	Sitting Fee paid during the year - ₹
1	Mr. Gopalkrishna Shivaram Hegde	1,20,000
2	Mr. Vishwas Kulkarni	1,10,000
3	Dr. Neetin Desai	30,000
4	Mr. N. Palanisamy	50,000

b) There were no pecuniary transactions with any of the non-executive directors of the Company, other than sitting fees paid to the Independent Directors, mentioned above.

c) Dr. A. Velumani, Chairman & Managing Director and Mr. A. Sundararaju, Executive Director & Chief Financial Officer, are the two executive directors who received remuneration during the year under review. The details are given below:

Particulars	Dr. A. Velumani, Chairman & Managing Director	Mr. A. Sundararaju, Executive Director & Chief Financial Officer
Salary	₹ 12/- *	₹ 60,00,000/-
Benefits	-	-
Bonuses	-	-
Stock Option	-	-
Pension	-	-
Commission	-	-
Leave Encashment	-	-
Total	₹ 12/-	₹ 60,00,000/-
Service Contract	Appointed for a term of three years from April 01, 2017.	Appointed for a term of three years from April 01, 2017.
Notice Period	As per rules of the Company.	As per rules of the Company.
Severance Fees	Nil	Nil

* As already intimated, Dr. A. Velumani, Chairman & Managing Director, has opted to draw a token remuneration of Re. 1/- (Rupee One Only) per month. Mr. A. Sundararaju, Executive Director & Chief Financial Officer, has opted to draw a remuneration of ₹ 5 lakhs only per month for his entire tenure.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) Composition:

The Stakeholders Relationship Committee has been constituted with Mr. Gopalkrishna Shivaram Hegde, an Independent Director as Chairman, and an Executive Director and a Non-Executive Woman Director as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Member
3	Miss. Amruta Velumani	Non-Executive Woman Director	Member

b) Name and designation of the Compliance Officer:

Mr. Ramjee Dorai, Company Secretary & Compliance Officer.

c) Number of shareholders' complaints received so far: 1

d) Number not solved to the satisfaction of shareholders: Nil

e) Number of pending complaints: Nil

7. GENERAL BODY MEETINGS:

a) Location and time, where last three Annual General Meetings held;

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

AGM Detail	Venue	Time & Date
15th Annual General Meeting	Corporate Office of the Company at D-37/3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703	2.00 P.M. on September 26, 2015.
16th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	2.30 P.M. on September 12, 2016.
17th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	10.30 A.M. on August 12, 2017

b) Special resolutions passed in the previous three Annual General Meetings:

15th Annual General Meeting:

1. Appointment of BSR & Co. LLP as Auditors of the Company from the conclusion of 15th AGM till the conclusion of 16th AGM, in the place of M/s. BSR and Co., retiring auditors.
2. Issue of Stock Options equivalent to 40,434 equity shares to the eligible employees of the Company.

16th Annual General Meeting:

1. Issue of Stock Options equivalent to 50,537 equity shares to the eligible employees of the Company.

17th Annual General Meeting:

1. Issue of Stock Options equivalent to 50,529 equity shares to the eligible employees of the Company.

c) Whether any special resolution passed last year through postal ballot, details of voting pattern and **(d)** Person who conducted the postal ballot exercise:

During the year under review, no special resolution was passed through Postal Ballot.

e) Whether any special resolution is proposed to be conducted through postal ballot and (f) procedure for postal ballot:

None of the items to be transacted at the ensuing Annual General Meeting is required to be passed through Postal Ballot.

8) MEANS OF COMMUNICATION:

(a) quarterly results **(b)** newspapers wherein results normally published **(c)** any website, where displayed **(d)** whether it also displays official news releases; and **(e)** presentations made to institutional investors or to the analysts.

The Quarterly, Half-yearly and Annual results of the Company are published in leading newspapers in India, viz. The Financial Express and Lok Satta, and are displayed on the Company's website "www.thyrocare.com > About > Investors".

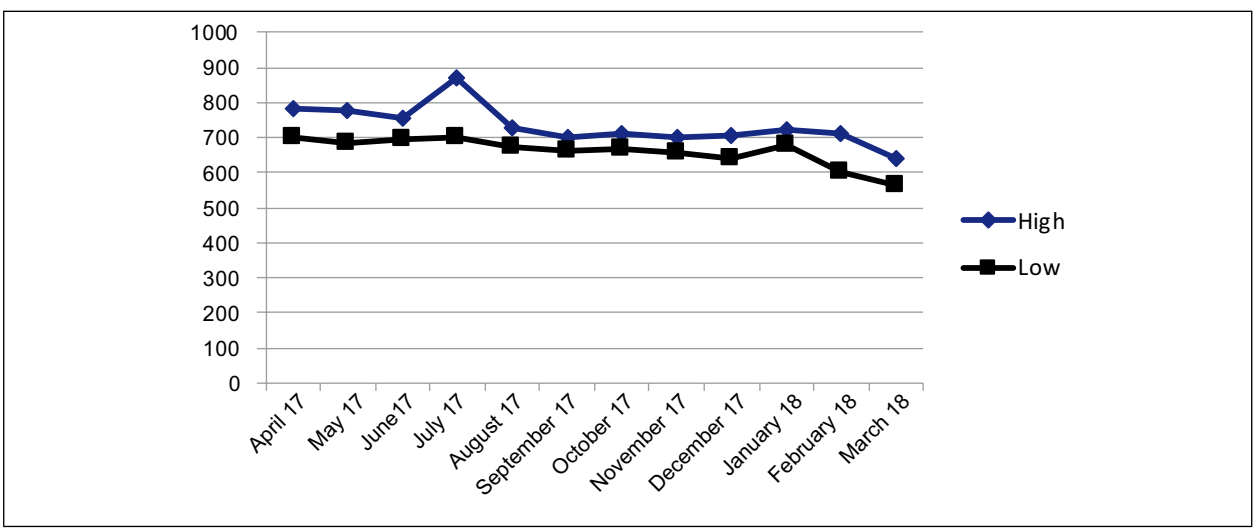
All advertisements, intimations given to the Stock Exchanges, transcripts of post-results conference calls and press releases, if any, are displayed on the Company's website.

9) GENERAL SHAREHOLDER INFORMATION

A	18th Annual General Meeting	
	Date	11-08-2018
	Day	Saturday
	Time	4.30 P.M.
	Venue	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705.
B	Financial Year	1st April to 31st March.
C	Dividend Payment Date	Within 30 days from the date of approval by the Board for Interim Dividend or Shareholders for final dividend.
D	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051
		BSE Limited, 1st Floor, P.J. Towers, Exchange Plaza, Dalal Street, Fort, Mumbai-400 001
		Annual Listing fee has been paid to both the exchanges.
E	Stock Code	NSE – THYROCARE
		BSE – 539871

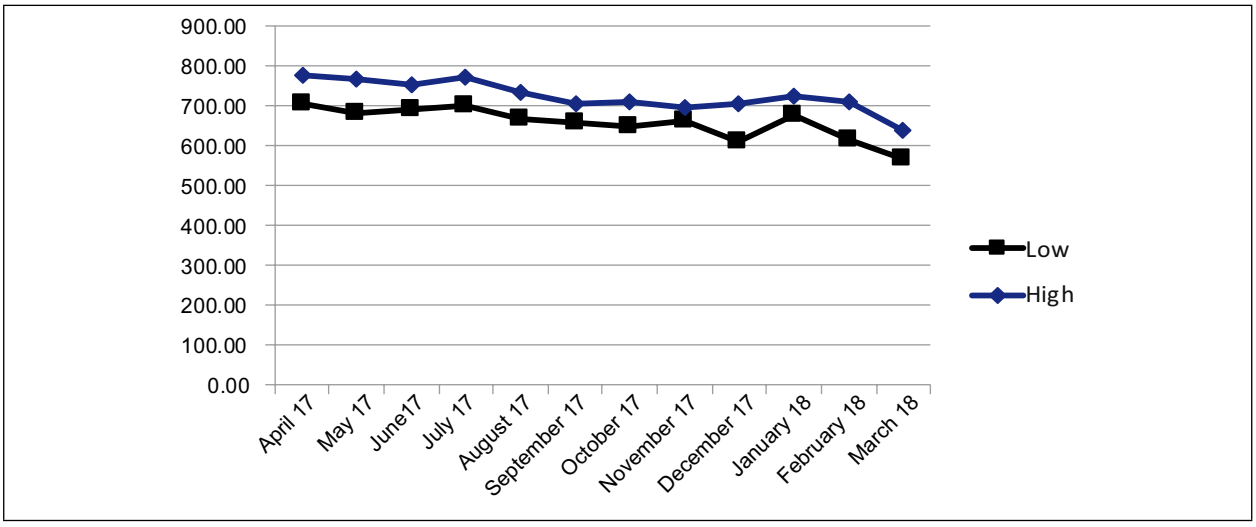
F. Share Price Movement at NSE

Month	High	Low	No. of shares traded
April-17	780.00	699.55	587187
May-17	777.00	685.40	737429
June-17	756.70	697.15	1280766
July-17	871.00	698.00	408571
August-17	729.60	675.55	1312844
September-17	698.90	663.50	636995
October-17	710.00	666.50	978581
November-17	702.00	658.90	973057
December-17	705.00	641.30	980228
January-18	724.00	679.95	1655413
February-18	712.00	600.15	1104020
March-18	641.95	565.50	666285



High / Low at BSE during each month in the year under review from the date of listing

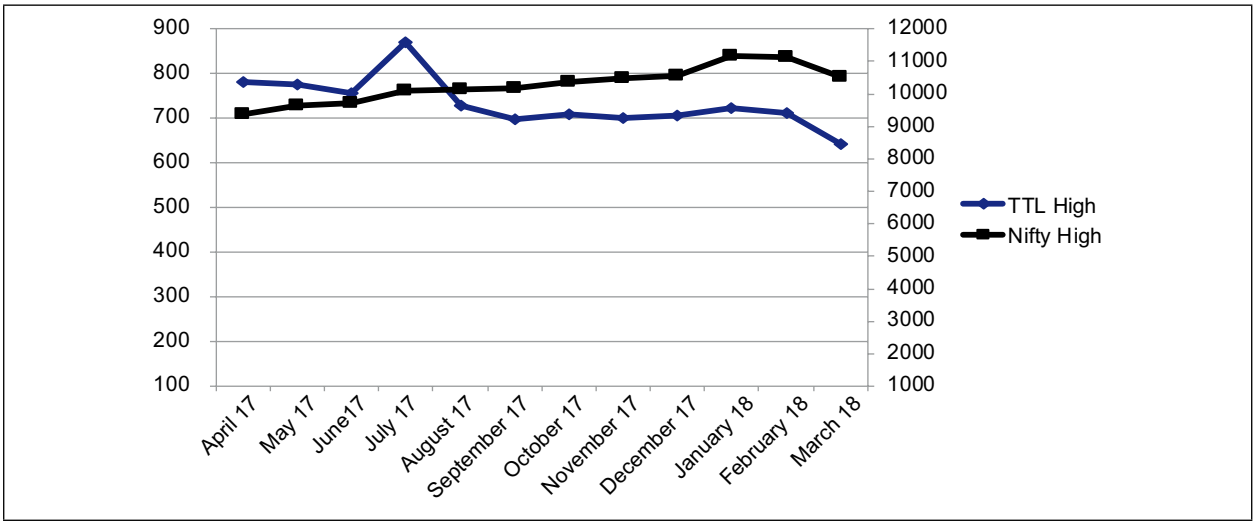
Month	High	Low	No. of shares traded
April-17	779.90	707.10	232478
May-17	770.00	684.60	227579
June-17	754.95	690.25	449874
July-17	772.95	700.00	50671
August-17	734.00	670.00	6278681
September-17	705.00	660.00	173346
October-17	712.00	650.40	755288
November-17	697.50	662.00	1104011
December-17	704.30	611.10	123083
January-18	725.00	680.00	261277
February-18	710.00	618.10	63590
March-18	638.00	570.00	169636



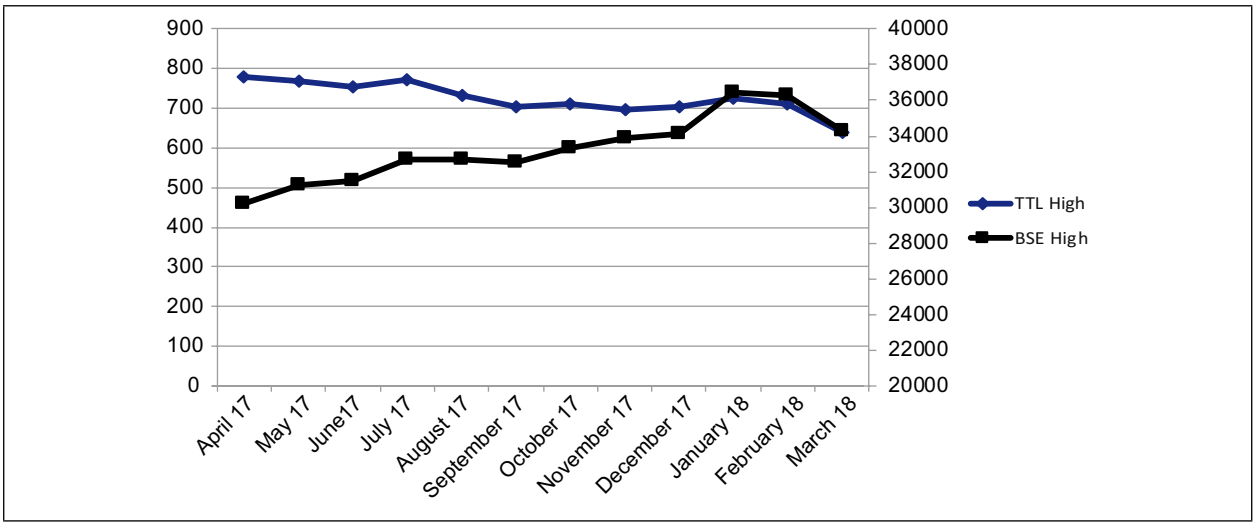
G **Performance in comparison to broad-based indices: such as BSE sensex, CRISIL Index, etc.:**

Comparison with Nifty High and BSE Sensex High, is given below:-

Comparison with Nifty High:



Comparison with BSE High:



H	Reasons for suspension, if any	There is no suspension.
I	Registrar to an issue and share transfer agents;	Link Intime India Pvt. Limited, C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai, MH 400083.
J	Share Transfer System	All shares are in demat form, except for five (5) shares, which are held in physical form by the concerned shareholder, as on 28-04-2018. Transfer of shares in demat form, is done by the depositories on receipt of appropriate Instruction Slip from the shareholder, without any involvement of the Company. If any shareholder rematerialises his shares and wishes to transfer the shares in physical form, the share transfer form, along with the physical share certificate, should be sent to the Registrars at the address given above. The transfer will be effected within 15 days, subject to the transfer documents being valid and complete in all respects.

K. Shareholding Pattern as on April 28, 2018

S., No.	Category	No. of shares	Percentage of shareholding
1	Promoters & Promoter Group	34361745	63.96
2	Mutual Funds	9690259	18.04
3	Banks, Financial Institutions & Insurance Companies	97409	0.18
4	FIIs	5600858	10.43
5	Private Corporate Bodies	1047103	1.95
6	Indian Public	2603733	4.85
7	NRIs and OCBs	259810	0.48
8	Others	62616	0.12
	TOTAL	**53723533**	**100.00**

Distribution of Shareholding as on April 28, 2018.

SR. NO.	SHAREHOLDING RANGE			NO. OF SHARE-HOLDERS	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1	to	500	26802	97.08	1318770	2.45
2	501	to	1000	392	1.42	291281	0.54
3	1001	to	2000	178	0.64	261988	0.49
4	2001	to	3000	55	0.20	139682	0.26
5	3001	to	4000	26	0.09	90377	0.17
6	4001	to	5000	15	0.05	71503	0.13
7	5001	to	10000	33	0.12	225435	0.42
8	10001	to	**********	107	0.39	51324497	95.53
Total				**27,608**	**100.00**	**53,723,533**	**100.00**

L) Dematerialization of shares and liquidity:

The Company's shares are dematerialised, with both the depositories, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on date, except five (5) shares held in physical form, all other shares are held in dematerialised form only. ISIN No. allotted to the Company's shares is INE594H01019.

M) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;

The Company has not issued any GDRs / ADRs or Warrants or any other Convertible Instruments that are outstanding.

N) Commodity price risk or foreign exchange risk and hedging activities;

The Company is not dealing in any commodities. The Company has foreign exchange exposure but it is not considered to necessary to have any hedging cover.

O) Plant locations:

The Company does not have any 'plants'. The Company's Central Processing Laboratory is at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai- 400 703.

The Company has eight Regional Processing Laboratories at the following places:

1.	New Delhi.	2.	Hyderabad.	3.	Coimbatore.
4.	Kolkata.	5.	Bhopal.	6.	Bangaluru.
7.	Mumbai	8.	Patna		

P) Address for correspondence

Thyrocare Technologies Limited,
D-37/3, TTC Industrial Area,
MIDC, Turbhe,
Navi Mumbai 400 703.
Maharashtra.
Phone: 022-4125 2525 / 022-2762 2762
Fax: 022-2768 2409
Email: asr@thyrocare.com

10) OTHER DISCLOSURES:

(a)	disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;	Nil
(b)	details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;	Nil
(c)	details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;	Whistle Blower policy has been formulated as part of Vigil Mechanism introduced, and the details are available at the Company's website, "www.thyrocare.com". No personnel have been denied access to the Audit Committee.
(d)	details of compliance with mandatory requirements and adoption of the non-mandatory requirements;	All mandatory requirements have been complied with. Adoption of non-mandatory requirements would be considered at appropriate time.
(e)	web link where policy for determining material' subsidiaries is disclosed;	The policy for determining 'material subsidiaries' is disclosed at the company's website, "www.thyrocare.com".
(f)	web link where policy on dealing with related party transactions;	The policy for dealing with Related Party transactions is disclosed at the company's website, "www.thyrocare.com".
(g)	disclosure of commodity price risks and commodity hedging activities.	Not applicable, as the Company is not dealing with any 'commodities'.

11)	Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.	Not applicable, since all the requirements have been complied with.
12)	The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.	Discretionary requirements would be adopted as and when felt appropriate.
13)	The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.	The Company has complied with the requirements specified in regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46.

D.	Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.	Declaration signed by the Chief Executive Officer is attached.	
E.	Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors report.	Compliance Certificate from the Auditors is annexed.	
F.	Disclosures with respect to demat suspense account / unclaimed suspense account		
(1)	The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:	NSDL	CDSL
(a)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year (at the time of listing after IPO)	0	0
(b)	number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
(c)	number of shareholders to whom shares were transferred from suspense account during the year;	0	0
(d)	aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	0	0
(e)	that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	N.A.	N.A.

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of **Thyrocare Technologies Limited**

1. This certificate is issued in accordance with the terms of our agreement dated 4 October 2017.

2. This report contains details of compliance of conditions of corporate governance by Thyrocare Technologies Limited ('the Company') for the year ended 31 March 2018 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2018.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

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

9. We 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.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

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

a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:

1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2) these statements together present a true and fair view of the listed entity'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 that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we 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) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Navi Mumbai
Date: April 28, 2018

A. Sundararaju
Executive Director & CFO

Dr. A. Velumani
Chairman & Managing Director and CEO

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors, and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has, in respect of the year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the Deputy General Manager cadre and above as on March 31, 2018.

Place: Navi Mumbai
Date: April 28, 2018

Dr. A. Velumani
Chairman & Managing Director and CEO

Management Discussion and Analysis

OVERVIEW

Thyrocare is one of the leading pan-India diagnostic chains that conducts an array of medical diagnostic tests and profiles of tests that center on early detection and management of disorders and diseases. As of March 31, 2018, we offered 246 tests and 86 profiles of tests to detect a number of disorders, including thyroid disorders, growth disorders, metabolism disorders, auto-immunity, diabetes, anemia, cardiovascular disorders, infertility and various infectious diseases. Our profiles of tests include 15 profiles of tests administered under our "Aarogyam" brand, which offers patients a suite of wellness and preventive health care tests. We primarily operate our testing services through a fully-automated Centralised Processing Laboratory (the "CPL") and have expanded our operations to include a network of Regional Processing Laboratories (the "RPLs"].

Through our wholly owned subsidiary, Nueclear Healthcare Limited, we operate a network of molecular imaging centers in New Delhi, Navi Mumbai, Hyderabad, Surat, Vadodra, Raipur Aurangabad and Mumbai, focused on early and effective cancer monitoring.

Our CPL, which is located in Navi Mumbai, is equipped with automated systems, diagnostic testing instruments and processes from leading international and Indian healthcare brands. The CPL is fully automated and driven by a barcoded and bi-directionally-interfaced system and Laboratory information system. The CPL meets international standards of quality and has received global accreditations from College of American Pathologists (CAP), National Accreditation Board for Testing and Calibration Laboratories (NABL) and the ISO. We commenced setting up RPLs in 2014 and currently operate 8 RPLs, one in each of New Delhi, Coimbatore, Hyderabad, Kolkata, Bangalore, Bhopal, Mumbai and Patna which process samples sourced from their respective regions.

We collect samples through a pan-India network of authorized service providers comprised of Thyrocare Service Providers (TSPs), Thyrocare Aggregators (TAGs) and Online Clients (OLCs), who in turn source these samples from local hospitals, laboratories, diagnostic centers, nursing homes, clinics and doctors that avail diagnostic services from us. As of March 31, 2018, we had a network of 3779 authorized service providers, comprised of 332 TAGs 335 TSPs and 3312 OLCs spread across 551 cities and 29 states and 6 union territories. Our wide spread network of authorized service providers has enabled us to expand the reach of the CPL and RPLs, thereby providing us with access to a larger customer base.

Through NHL, we are developing a growing network of molecular imaging centers, which focuses primarily on early and effective cancer monitoring. Each of our imaging centers use PET-CT scanners to assist in cancer diagnosis, staging, monitoring of treatment, and efficacy and evaluation of disease recurrence. We currently have 11 operating PET-CT scanners in our 9 imaging centers : two in Navi Mumbai, two in New Delhi, one each in Hyderabad, Surat, Vadodra, Raipur, Jaipur, Mumbai and Aurangabad, and intend to open imaging centers in Nashik, Bangalore and Coimbatore. NHL also owns and operates a medical cyclotron unit in Navi Mumbai, which produces the radioactive bio-marker FDG required for PET-CT scanning. We believe we have developed a platform of affordable diagnostic services and are in a position to further develop our services and enhance our test offerings.

Our key competitive strengths are :

- Portfolio of specialized tests with an emphasis on wellness and preventive healthcare.
- Multi-lab model driving volume growth and economies of scale.
- Pan-India collection network supported by logistics capabilities and information technology infrastructure.
- Capital efficiencies in our diagnostic testing business.
- Experienced senior leadership and management team.

These standalone/ consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's standalone/ consolidated financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first standalone/ consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the relevant notes to the financial statements.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian diagnostic market is highly fragmented and roughly of the $ 7.4 billion. Though the Indian diagnostic market is a small when compared to the diagnostic market in developed countries, it is fast growing segment of the overall healthcare market. The industry is dominated by small and regional unorganized diagnostic laboratories, which controls more than 70% of the total diagnostic market. Due to significant latent demand emerging on the back of improving economic conditions in the country and a rapidly emerging urban population, though the significant chunk is getting converted from unorganized to organized, since there are no entry barriers, more and more unorganized players are entering into the space and there seems no significant shift in the share of organized players in the total diagnostic market.

According to industry estimates, the diagnostic market are anticipated to grow at 16-17%, with the general expectation that the organized chains would able to deliver growth at an even higher rate. In India's healthcare industry, diagnostic services play the role of an information intermediary, providing useful information for the accurate diagnosis and treatment of patients' diseases. The diagnostic industry in India can be classified into pathology testing services and imaging diagnostic services. Pathology testing or invitro diagnosis involves the collection of samples, in the form of blood, urine, stool, etc., and analyzing them using laboratory equipment and technology to arrive at useful clinical information, in order to assist with treatment of patents' diseases. The pathology testing segment includes biochemistry, immunology, hematology, urine analysis, molecular diagnosis and microbiology. Imaging diagnosis or radiology involves imaging procedures such as X-rays and ultrasounds, which help mark anatomical or physiological changes inside a patient's body, in order to assist doctors to diagnose patient's disease. The imaging diagnostic segment also includes more complex tests, such as CT scans and MRIs, and highly specialized tests, such as PET-CT scans.

According to the CRISIL Research Report, a majority of India's healthcare expenditure is private as opposed to public. The share of the general government expenditure on healthcare in India has improved from 27% in 2000 to 32.2% in 2013 (on a percentage of total expenditure on health basis). However, India ranks lower than other developing countries, such as Brazil, Malaysia and China on general government expenditure on health. In 2013, a significant portion of India's private healthcare expenditure was in the form of out-of-pocket expenditure, both on a percentage basis, at 85.9%, and as compared to other developing and developed countries.

The Government of India on February 1, 2018, announced two major initiatives in health sector , as part of Ayushman Bharat programme. This was aimed at making path breaking interventions to address health holistically, in primary, secondary and tertiary care systems, covering both prevention and health promotion.

The initiatives are as follows:-

(i) **Health and Wellness Centre:-** The National Health Policy, 2017 has envisioned Health and Wellness Centres as the foundation of India's health system. Under this 1.5 lakh centres will bring health care system closer to the homes of people. These centres will provide comprehensive health care, including for non-communicable diseases and maternal and child health services. These centres will also provide free essential drugs and diagnostic services. The Budget has allocated ₹1200 crore for this flagship programme. Contribution of private sector through CSR and philanthropic institutions in adopting these centres is also envisaged.

(ii) **National Health Protection Scheme:-** The second flagship programme under Ayushman Bharat is National Health Protection Scheme, which will cover over 10 crore poor and vulnerable families (approximately 50 crore beneficiaries) providing coverage upto 5 lakh rupees per family per year for secondary and tertiary care hospitalization. This will be the world's largest government funded health care programme.

Ayushman Bharat - National Health Protection Mission will have major impact on reduction of Out of Pocket (OOP) expenditure on ground of:

- Increased benefit cover to nearly 40% of the population, (the poorest & the vulnerable)
- Covering almost all secondary and many tertiary hospitalizations. (except a negative list)
- Coverage of 5 lakh for each family, (no restriction of family size)

This will lead to increased access to quality health and medication. In addition, the unmet needs of the population which remained hidden due to lack of financial resources will be catered to. This will lead to timely treatments, improvements in health outcomes, patient satisfaction, improvement in productivity and efficiency, job creation thus leading to improvement in quality of life.

Strategy

Our strategic objective is to have sustainable productive growth by maintaining the profit margins, without compromising on the quality and the cost of the delivery of our services. In order to achieve sustainable growth, our business strategy continues to be in the following lines :

Continue to grow our wellness offerings and expand our product offering.

We will continue to focus on growth our wellness and preventive offerings and expansion of our test offerings through aggressive price rationalization. We being the leaders in preventive care diagnostic test offerings with 'Aarogyam' brand conceptualized as early as more than 12 year, recognizing the growth opportunity, in this segment we are well positioned to leverage our expertise and brand, we are focusing a significant proportion of our marketing efforts on preventive diagnostic and wellness offerings.

We intend to expand our diagnostic test offerings through the acquisition of new technologies, including both instruments and processes. We have recently launched 'Focus TB', a brand focused on affordable and quality TB diagnostics.

Continue to grow our network of RPLs and authorized service providers.

We intend to strengthen and grow our coverage of regions across India through our network of RPLs and authorized service providers. By expanding this network, we plan to simultaneously increase our customer base, generate higher volume of samples for processing, improve our turnaround time and optimize our logistic costs.

We plan on targeted expansion by continuing to open RPLs in locations in close proximity to rail or road networks and in markets that are expected to generate high volumes of samples. In order to sustain our future growth and client base, we are also focused on increasing the number and quality of the authorized service providers. We intend to use the expanded network of RPLs and

authorized service providers to bolster brand visibility and increase the accessibility of our services.

Continue to develop our subsidiary business to provide affordable PET-CT scanning.

We currently have seven imaging centers operating nine PET-CT scanners : two in Navi Mumbai, two in New Delhi and one each in Hyderabad, Surat, Vadodra, Raipur and Mumbai. We intend to open molecular imaging centers in Nashik, Bangalore and Coimbatore in next six months. We believe having backward integration with our own cyclotron provides us with greater flexibility, reliability and cost effectiveness as we expand our operations. We intend to further expand the business and increase capital efficiencies, by deploying PET-CT scanners under franchisee model, whereby the PET-CT scanners will be owned by our subsidiary and operated by the franchisee.

Expand our service platform by developing new channels that leverage the strength of our brand and network.

We plan to increase the breadth of our testing and services platform through new channels that leverage our brand, multi-lab (regional processing) model and pan-India network of service providers.

We have recently introduced various channels such as Online clients (OLCs), BTECHs (Blood collection technician), Blood collection technician online clients (BOLCs) and Last mile executives (LMEs) to ensure that our offerings to our patients are reached in most cost effective and timely manner.

HUMAN RESOURCE

The Human Resources department at Thyrocare always ensure to hire fresh talents, help realize their potential and bestows right culture and capabilities amongst them. Human Resource management at Thyrocare is meticulously handled so that the employee learns during the tenure, understands the needs of the organization, reports periodically on self-development. Continual development of each employee for skillset and knowledge enhancement is the focus of training activities at Thyrocare. Thyrocare encourage employee development and education to achieve a dual goal of operational perfection and personnel enhancement. Thyrocare has ensured to set an excellent learning platform for each fresher associated with it.

The Human Resources department at Thyrocare not only ensures to hire employees for the organization but also ensures to source, train and develop resources as blood collection technicians, last mile executives and over the long run by training induce these resources to be our aggregators, online clients.

We have set up thorough employment recruitment and screening processes. Over the last year, we received 5756 applications from prospective employees, interviewed 5756 applicants, and extended offers of employment to 2232 applicants. The company has added 223 (net) employees this year, taking the total strength to 1047 from 824 at the end of the previous year.

As Thyrocare since inception ensured to recruit fresh talent, learning and training are inevitable part of the career in Thyrocare. We have separate training module for our staff to learn various processes that are organized through internal as well as external faculties. During the fiscal 2018, the total training man hours for the employee of the organization was over 32750 hours. We also encourage our employees to pursue higher studies and qualification courses by funding for their education fees.

The company, under the 2014, Employees Stock Option Plan (ESOP 2014), has granted share-based benefits to eligible employees in the month of May of the previous calendar year. The company grants share-based benefits to eligible employees with a view to attracting and retaining the talent, motivating employees to excel in their performance with company's performance, and ensures the participation of the employees as owner of the company to articulate the growth.

FINANCIAL PERFORMANCE

Beginning April 1, 2017, the Company has for the first time adopted Indian Accounting Standards (Ind AS) with a transition date of April 1, 2016. Accordingly, the audited financial statements have been prepared in compliance with Ind AS as notified by the Ministry of Corporate Affairs and prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting pronouncements generally accepted in India and the financial statements prepared under previous GAAP have been restated accordingly.

I. Standalone Financial Performance

The management discussion and analysis given below relate to the audited standalone Ind AS financial statements of Thyrocare Technologies Limited (hereinafter referred to as Thyrocare). The discussion should be read in conjunction with the financial statements and related notes to the financial statements for the year ended March 31, 2018.

Summary

[The outsourcing arrangement for imaging services from the subsidiary were discontinued w. e. f. January 1, 2017, the revenue from imaging services for the previous year therefore represents revenue of nine months of the previous financial year with no revenue recognised for the current financial year after discontinuance of the arrangement. The figures of the previous financial year are therefore adjusted wherever mentioned for the purpose of comparison.]

Revenue from operations of Thyrocare aggregated to ₹ 3317.94 million in Fiscal 2018 as compared to ₹ 2859.79 million (adjusted) in Fiscal 2017, registering a growth of 16.02%.

Earnings before interest, tax, depreciation and amortization (EBITDA) of Thyrocare aggregated to ₹ 1386.07 million in Fiscal 2018 as compared to ₹ 1133.63 million (adjusted) in Fiscal 2017, registering a growth of 22.27%.

Profit after tax and after exceptional items (PAT) of Thyrocare

aggregated to ₹ 960.38 million in Fiscal 2018 as compared to ₹ 466.68 million in Fiscal 2017, registering a growth of 23.75%, after adjusting for the Ind AS adjustment accounted under exceptional items.

Total Assets of Thyrocare after net off of current liabilities aggregated to ₹ 4538.78 million in Fiscal 2018 as compared to ₹ 4179.79 million in Fiscal 2017, registering a growth of 8.59%.

Dividend

Thyrocare has determined that as a matter of policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, may be distributed among the shareholders as dividend for the financial year concerned. The board of directors decides on interim dividend based on the performance of Thyrocare during the course of the year. Thyrocare has declared one interim dividends during the course of the current Fiscal. The interim dividends constitutes a total payout of ₹ 5.00 per equity share (50% on the face value of ₹ 10/- each) for the Fiscal 2018. The Board of Directors have recommended a payment of final dividend of ₹ 5.00 (Rupees Five only) per equity share of the face value of ₹ 10 each for the Fiscal 2018. Post approval of final dividend of ₹ 5.00 per equity share by the shareholders, the total dividend for the Fiscal 2018 including the final dividend will be ₹10/- (Rupees Ten only) per equity share.

The following table provides the details of the standalone financial performance of Thyrocare –

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of Income	% growth compared to Fiscal 2017	₹ In million	% of Income
Income from Operations	**3,317.94**	**100.00**	**11.52**	**2,975.27**	**100.00**
Expenses					
Cost of Materials consumed/ traded	908.45	27.38	16.55	779.48	26.20
Employee benefits expense	324.89	9.79	7.50	302.21	10.16
Other expenses	698.55	21.05	-6.73	748.98	25.17
Total Expenses	**1,931.89**	**58.23**	**5.53**	**1,830.67**	**61.53**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1,386.06**	**41.77**	**21.10**	**1,144.60**	**38.47**
"Other income (net) excluding dividend & income from current investments"	193.76	5.84	188.49	67.16	2.26
Dividend & income from current investments	42.60	1.28	(9.20)	46.92	1.58
Depreciation and amortization expense	120.83	3.64	3.36	116.91	3.93
"Profit before exceptional item and tax"	**1,501.57**	**45.26**	**31.51**	**1,141.77**	**38.38**
Exceptional Items	(21.93)	-0.66		(274.33)	-9.22
Profit before tax (PBT)	**1,479.64**	**44.60**	**70.58**	**867.44**	**29.15**
Tax expense	519.26	15.65	29.57	400.76	13.47
Profit for the year (PAT)	**960.38**	**28.94**	**105.79**	**466.68**	**15.69**

Revenue from operations

Revenue from operations increased from ₹ 2859.79 million (adjusted) in Fiscal 2017 to ₹ 3317.94 million in Fiscal 2018, registering a growth of 16.02% (27.61% in Fiscal 2017).

Revenue growth was attributable to a number of factors, including an increase in the volumes, as well as an expansion in the network of service providers. Revenue from operations looked subdued when compared to high base of the previous financial year. Of the total

revenues for the year ended March 31, 2018, on a standalone basis, approximately 51% were revenue from preventive care profiles.

Expenses

Cost of material consumed

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of reven. from diagn. services	% growth compared to Fiscal 2017	₹ In million	% of reven. from diagn. services
Cost of materials consumed					
Opening stock	133.53			98.42	
Add: Purchases	911.46			792.58	
	1,044.99			891.00	
Less: Closing stock	164.31			133.53	
Cost of material consumed [A]	**880.68**	**26.77**	**16.27**	**757.48**	**26.74**
Material consumed comprises:					
Reagents/ Diagnostics material	796.73	24.22		686.72	24.25
Consumables	83.95	2.55		70.75	2.50
	880.68	**26.77**		**757.48**	**26.74**

Cost of material consumed increased from ₹ 757.48 million in Fiscal 2017 to ₹ 880.68 million in Fiscal 2018 and the cost of material consumed to revenue from diagnostic services was 26.77% (26.74% in Fiscal 2017). Cost of material consumed includes the cost of reagents, diagnostic materials and other consumables instrumental to processing sample. There is no any significant variation as to cost of material percentage to revenue from diagnostic services.

Cost of material traded

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of reven. from sale	% growth compared to Fiscal 2017	₹ In million	% of revenue from sale
Purchase of stock-in-trade					
Glucose strips/ Gluco meter	24.10			25.61	
	24.10			**25.61**	
Changes in inventories of stock-in-trade					
Inventories at the end of the year:					
Glucose strips/ Gluco meter	0.41			4.08	
	0.41			4.08	
Inventories at the beginning of the year:					
Glucose strips/ Gluco meter	4.08			0.47	
	4.08			0.47	
Net change	3.67			(3.61)	
Cost of material traded [B]	**27.77**	**97.63**	**26.22**	**22.00**	**79.91**

Cost of material traded increased from ₹ 22.00 million in Fiscal 2017 to ₹ 27.77 million in Fiscal 2017. The cost of material traded to revenue from sale was 97.63% (79.91% in Fiscal 2017). Cost of material traded includes the sale of glucometers & strips. Under Ind AS the supply of consumables to service providers for collection of blood samples is reclassified to service revenue. The gross profit on sale of glucometer and strips was reduced mainly on account of the increase in discounted dispatches to service providers and dealers to

promote the business and generate higher revenue.

Cost of Materials consumed/ traded

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of Income	% growth compared to Fiscal 2017	₹ In million	% of Income
Cost of Materials consumed/ traded [A]+[B]	**908.45**	**27.38**	**16.55**	**779.48**	**27.26**

The overall Cost of material consumed/ traded thus has increased from ₹ 779.48 million in Fiscal 2017 to ₹ 908.65 million in Fiscal 2018. The cost of material consumed/ traded to income from operations was 27.38% (27.26% in Fiscal 2017). Thus there is very miniscule increase in the cost of material consumed/ traded to percentage of income.

Employee benefits expense

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Salaries, wages and bonus	252.48	7.61	228.90	8.00
Contributions to provident and other funds	24.44	0.74	18.28	0.64
Employees stock compensation expense	17.10	0.52	24.43	0.85
Gratuity	5.41	0.16	2.90	0.10
Compensated absences	13.80	0.42	17.05	0.60
Staff welfare expenses	11.66	0.35	10.65	0.37
	324.89	**9.79**	**302.21**	**10.57**

Total employee benefits expenses were ₹ 324.89 million in Fiscal 2018, increased from ₹ 302.21 million in Fiscal 2017. However, the employee's benefits expenses as percentage of income from operations were 9.79% in Fiscal 2018 (10.57% in Fiscal 2017). The hiring policies, staff training and privileges offered to the employees, have ensured that the Company controls the cost of personnel.

Other expenses

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Service charges	141.28	4.26	127.46	4.46
Rent	113.64	3.42	107.24	3.75
Sales incentive	95.20	2.87	70.24	2.46
Business promotion	50.94	1.54	61.93	2.17
Advertisement expenses	49.25	1.48	7.00	0.24
Power and fuel and water	48.29	1.46	46.52	1.63
Printing and stationery	31.59	0.95	43.52	1.52
Postage and courier	29.21	0.88	29.91	1.05
Others	135.09	4.07	252.60	8.83

Other expenses as percentage of revenue decreased from 22.45% in fiscal 2017 to 20.93% in fiscal 2018, mainly on account of reduction in aggressive spending on business promotion in the previous fiscal.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

In Fiscal 2018 EBITDA was ₹ 1386.07 million (41.8% of income from operations) as compared to ₹ 1133.63 million (39.6% of income from operations) in Fiscal 2017. There is an improvement in EBITDA mainly because the Company has controlled the cost of consumables and personnel and reduce the promotional spending during the current fiscal.

Other income (net)

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Dividend income from current investment	36.34	1.10	42.29	1.42
Net gain on sale of current investments	6.25	0.19	11.84	0.40
Technical assistance/ trade mark assignment fees	6.16	0.19	1.47	0.05
Interest income	11.18	0.34	1.65	0.06
Others	176.41	5.32	56.83	1.91
	236.35	**7.12**	**114.08**	**3.83**

Depreciation and amortisation

Depreciation and amortisation increased marginally from ₹ 116.91 million in Fiscal 2017 (3.93% of income from operations) to ₹ 120.83 million in Fiscal 2018 (3.64% of income from operations). Addition to new assets in last fiscal year was mainly attributed for purchases of equipment for Regional Processing Labs (RPLs) and for introductions of newer tests and technologies.

Exceptional item

Pursuant to the IPO, in the previous year, Agalia Private Limited ('APL' or the selling shareholder) divested part of its share-holding in the Company. At the instance of APL, the Company entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 304.85 million were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts. During year ended 31 March 2018, the Company has incurred advertising costs aggregating to ₹ 21.93 million (31 March 2017 : ₹ 274.33 million) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to Capital Reserves to the extent of reimbursement received from APL post IPO.

Profit before tax (PBT)

In Fiscal 2018, PBT was ₹ 1479.64 million (₹ 867.47 million in Fiscal 2017). As a percentage of income from operations, adjusted PBT was at 43% in Fiscal 2018 (40% in Fiscal 2017).

Tax expense

Tax expense increased to ₹ 519.26 million in Fiscal 2018 from ₹ 400.76 million in Fiscal 2017. There is no change in the tax rates as are applicable in case of the company for Fiscal 2018.

Profit for the year (PAT)

The net profit in Fiscal 2018 was ₹ 960.38 million (27% of income from operations) as compared to ₹ 466.68 million (26% of income from operations) in Fiscal 2017.

FINANCIAL POSITION – STANDALONE

Share capital

In millions of INR		31 March 2018		31 March 2017	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	**Authorised**				
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00
(b)	**Issued, subscribed and paid-up**				
	Equity shares of ₹ 10 each with equal voting rights	53,724	537.24	53,724	537.24
	Total	**53,724**	**537.24**	**53,724**	**537.24**

The Company has a single class of equity shares of par value of ₹ 10/- each. The authorised share capital stood at ₹ 1000.00 million, divided into 100 million equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood constant at ₹ 537.24 million as at March 31, 2018 and as at March 31, 2017.

The Company has also issued share options plan for its employees, the details of the options granted as at March 31, 2018 are provided under the notes to the Standalone Financial Statement in the Annual Report.

Reserves and surplus

Reserves and surplus as at March 31, 2018 were ₹ 4001.54 million (₹ 3642.55 million as at March 31, 2017), an increase of 10%.

Capital reserve

Capital reserve as at March 31, 2018 amounted to ₹ 302.52 million (₹ 275.39 million as at March 31, 2017) after Ind AS adjustment on account of transfer of trademark by shareholder at no cost and capital contribution by reimbursement of expenses by shareholder.

Securities premium account

Securities premium as at March 31, 2018 amounted to ₹ 1272.28 million (₹ 1232.93 million as at March 31, 2017) after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company.

The share based payment expense recognised in statement of profit/ loss and accumulated underr outnstanding account for Fiscal 2018 and Fiscal 2017 were as follows :

In millions of INR	31 March 2018	31 March .2017
ESOS2017	6.71	-
ESOS2016	7.85	5.05
ESOS2015	2.54	3.57
ESOS2014	-	15.81
Total expense recognised in employee benefits	**17.10**	**24.43**

The balance as at March 31, 2018 was ₹ 28.13 million (As at March 31, 2017 it was ₹ 50.38 million), after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options.

General reserve

General reserve as at March 31, 2018 were ₹ 91.67 million, which was the same as per the previous year.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2018 was ₹ 2306.94 million (₹ 1992.17 million as at March 31, 2017) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In millions of INR	Loans		Provisions		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial liabilities						
Trade/Security deposits received	70.24	60.17	-	-	70.24	60.17
Security deposits received from related parties	9.77	-	-	-	9.77	-
Others	0.09	0.21	-	-	0.09	0.21
	80.10	**60.38**	**-**	**-**	**80.10**	**60.38**
Other than financial liabilities						
Provision for employee benefits:						
Provision for compensated absences	-	-	38.37	32.36	38.37	32.36
Provision for gratuity	-	-	12.99	11.08	12.99	11.08
	-	**-**	**51.36**	**43.44**	**51.36**	**43.44**
Total non-current liabilities	**80.10**	**60.38**	**51.36**	**43.44**	**131.46**	**103.82**

Total non-current liabilities increased to ₹ 131.46 million as at March 31, 2018 (₹ 103.82 million as at March 31, 2017).
The increase was mainly on account of –

- Additional security deposits received from the new service providers added during the fiscal and security deposits received from related party towards sub-letting of part of the premises.
- Increase in provision for gratuity and leave encashment due to employees.

In millions of INR	Trade payables		Loans		Provisions		Others		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial liabilities										
Trade payables	9.72	8.66	-	-	-	-	-	-	9.72	8.66
Security deposits received	-	-	6.31	4.54	-	-	-	-	6.31	4.54
Employees dues	-	-	-	-	-	-	19.13	17.18	19.13	17.18
Statutory dues	-	-	-	-	-	-	7.77	6.00	7.77	6.00
Expenses payable	-	-	-	-	-	-	44.67	38.20	44.67	38.20
Unclaimed dividend	-	-	-	-	-	-	0.34	-	0.34	-
Payable to related party	-	-	-	-	-	-	-	16.15	-	16.15
	9.72	**8.66**	**6.31**	**4.54**	**-**	**-**	**71.91**	**77.53**	**87.94**	**90.73**
Other than financial liabilities										
Provision for employee benefits:										
Provision for bonus	-	-	-	-	5.82	5.06	-	-	5.82	5.06
Provision for compensated absences	-	-	-	-	4.52	3.81	-	-	4.52	3.81
Provision for gratuity	-	-	-	-	0.18	0.14	-	-	0.18	0.14
Provision for refundable staff security deposits	-	-	-	-	0.06	0.38	-	-	0.06	0.38
Current tax liabilities (net)	-	-	-	-	-	-	50.61	11.98	50.61	11.98
Advances received from customer	-	-	-	-	-	-	32.74	26.30	32.74	26.30
Contribution received for expenses	-	-	-	-	-	-	-	18.86	-	18.86
Others	-	-	-	-	-	-	1.49	0.53	1.49	0.53
	-	**-**	**-**	**-**	**10.58**	**9.39**	**84.84**	**57.67**	**95.42**	**67.06**
Total current liabilities	**9.72**	**8.66**	**6.31**	**4.54**	**10.58**	**9.39**	**156.75**	**135.20**	**183.36**	**157.79**

Current liabilities

Total current liabilities increased to ₹ 183.38 million as at March 31, 2018 (₹ 157.79 million as at March 31, 2017).
The increase was mainly on account of –

- Increase in expenses/ dues outstanding and payable as at the end of the financial year.
- Increase in income tax liabilities due and payable as at the end of the financial year.
- Increase in the advances received from customers against which services were provided in the next fiscal.
- Increase in provision for gratuity and leave encashment due to employees.

Property, plant and equipment, capital work-in-progress and investment property

The additions to gross block in Fiscal 2018 were:

- Freehold Land and Buildings/ Premises – ₹ 100.55 million (₹ Nil in Fiscal 2017)
- Plant and equipment ₹ 124.27 million (₹ 71.35 million in Fiscal 2017)
- Furniture and fixtures ₹ 28.38 million (₹ 3.49 million in Fiscal 2017)
- Vehicles ₹ 2.53 million (₹ Nil in Fiscal 2017)
- Office equipment ₹ 10.15 million (₹ 1.73 million in Fiscal 2017)
- Computer, printer and scanner ₹ 7.39 million (₹ 5.96 million in Fiscal 2017)

The capital work in progress on account of tangible assets was ₹ Nil as at March 31, 2018 (₹ 21.33 million as at March 31, 2017).

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ Nil as on March 31, 2018 (₹ Nil as on March 31, 2017).

A portion of the leasehold land and building was reclassified as investment property on transition to Ind AS.

Intangible assets and intangible assets under development

The additions to gross block in Fiscal 2018 were:

- Trademark – ₹ 5.20 million (₹ Nil in Fiscal 2017)
- Computer softwares – ₹ Nil (₹ 0.95 million in Fiscal 2017)

The trademark was capitalised at fair value on the date of assignment of the trademark in favour of the Company.

During the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" in favour of the Company [subsequently disposed off with the water testing business], for no consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

Equity accounted investees

The Company has acquired 30% stake in Equinox Labs Private Limited ('Equinox') vide the terms of the Share Subscription and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 31 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash for a total purchase consideration of INR 200.00 million. The equity shareholding in Equinox is disclosed under Equity accounted investees as at 31 March 2018.

Non-current assets

In millions of INR	Investments		Loans		Others		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial assets								
Investment in subsidiary	1,946.74	1,946.74	-	-	-	-	1,946.74	1,946.74
Loans to subsidiary	-	-	245.00	-	-	-	245.00	-
Security deposits	-	-	-	6.28	-	-	-	6.28
	1,946.74	**1,946.74**	**245.00**	**6.28**	**-**	**-**	**2,191.74**	**1,953.02**
Other than financial assets								
Deferred tax assets	-	-	-	-	4.05	0.21	4.05	0.21
Other tax assets	-	-	-	-	25.72	26.73	25.72	26.73
Prepaid expenses	-	-	-	-	2.39	1.58	2.39	1.58
Security deposits	-	-	-	-	14.34	4.72	14.34	4.72
Balance with government authorities	-	-	-	-	5.23	5.22	5.23	5.22
	-	-	-	-	51.73	38.46	51.73	38.46
Total non-current assets	**1,946.74**	**1,946.74**	**245.00**	**6.28**	**51.73**	**38.46**	**2,243.47**	**1,991.48**

Total non-current assets increased to ₹ 2243.47 million as at March 31, 2018 (₹ 1991.48 million as at March 31, 2017).

The increase was mainly on account of –

- Unsecured loans granted to the subsidiary of ₹ 245.00 million, for the purpose of business activities of the subsidiary.
- Additional security deposits paid to authorities on starting of the regional operations.

Current assets

In millions of INR	Investments		Trade receivables		Loans		Cash and bank balance		Others		Total	
	As at 31.03.2018	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017	**As at 31.03.2018**	As at 31.03.2017
Financial assets												
Investments in Mutual Funds (Unquoted) measured at FVTPL	1,000.98	1,041.59	-	-	-	-	-	-	-	-	1,000.98	1,041.59
Trade receivables	-	-	92.13	59.78	-	-	-	-	-	-	92.13	59.78
Cash and cash equivalents	-	-	-	-	-	-	72.39	87.10	-	-	72.39	87.10
Other bank balances	-	-	-	-	-	-	20.37	19.10	-	-	20.37	19.10
Amount recoverable from subsidiary	-	-	-	-	-	98.04	-	-	-	-	-	98.04
Security deposits	-	-	-	-	0.24	38.04	-	-	-	-	0.24	38.04
Loans and advances to employees benefit trust	-	-	-	-	-	0.34	-	-	-	-	-	0.34
Loans and advances to employees	-	-	-	-	-	0.05	-	-	-	-	-	0.05
Interest accrued on deposits	-	-	-	-	-	-	-	-	0.67	1.36	0.67	1.36
	1,000.98	**1,041.59**	**92.13**	**59.78**	**0.24**	**136.47**	**92.76**	**106.20**	**0.67**	**1.36**	**1,186.78**	**1,345.40**
Other than financial assets												
Advances for supply of goods and services	-	-	-	-	-	-	-	-	13.22	5.25	13.22	5.25
Prepaid expenses	-	-	-	-	-	-	-	-	15.82	48.27	15.82	48.27
	-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**29.04**	**53.52**	**29.04**	**53.52**
Total current assets	**1,000.98**	**1,041.59**	**92.13**	**59.78**	**0.24**	**136.47**	**92.76**	**106.20**	**29.71**	**54.88**	**1,215.82**	**1,398.92**

Inventories

Inventories as a percentage of income from operations were at 4.96% as at March 31, 2018 compared to 4.81% as at March 31, 2017. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 2.78% as at March 31, 2018 compared to 2.09% as at March 31, 2017. Trade receivable includes recoverable from related parties of ₹ 13.29 million as at March 31, 2018 (₹ 16.11 million as at March 31, 2017).

Cash and bank balances

Cash and bank balances were ₹ 92.76 million as at March 31, 2018 (₹ 106.20 million as at March 31, 2017).

CASH FLOW – STANDALONE

Thyrocare business generates cash from operations every year that is sufficient to manage the working capital and capital expenditure requirements. As per the dividend policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, the surplus cash may be distributed among the shareholders as dividend for the financial year concerned. Thyrocare has not availed any credit/ overdraft facility from any of the bank since its inception.

Summary of cash flow statement is given below -

In millions of INR	Fiscal 2018	Fiscal 2017
Net cash flows from / (used in) :		
Operating activities	1,115.15	892.75
Investing activities	(482.56)	(396.65)
Financing activities	(647.30)	(484.96)
Net (Decrease)/ Increase in Cash and cash equiv.	**(14.71)**	**11.14**

Cash flow from operating activities -

In millions of INR	Fiscal 2018	Fiscal 2017
Operating profit before working capital changes	1,483.33	1,245.01
Adjustment for increase in working capital	111.71	48.35
Net income tax paid	(479.89)	(400.61)
Net cash flows from operating activities	**1,115.15**	**892.75**

In Fiscal 2018, Thyrocare generated net cash of ₹ 1115.15 million (₹ 892.75 million in Fiscal 2017) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 1483.33 million in Fiscal 2018 (₹ 1245.01 million in Fiscal 2017).
- Increase in excess working capital to ₹ 111.71 million in Fiscal 2018 (₹ 48.35 million in Fiscal 2017).
- Increase in taxes paid to ₹ 479.89 million in Fiscal 2018 (₹ 400.61 million in Fiscal 2017).

Cash flows from investing activities

In millions of INR	Fiscal 2018	Fiscal 2017
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(250.66)	(106.64)
Purchase of equity shares in associates	(100.00)	-
Current investments (net)	66.17	(314.02)
Loans to subsidiary	-245.00	-
Dividend received	36.34	42.29
Bank deposits	(1.27)	(18.60)
Interest received	11.86	0.32
Net cash (used in) investing activities	**(482.56)**	**(396.65)**

In Fiscal 2018, cash used in investing activities was ₹ 482.56 million (₹ 396.65 million in Fiscal 2017).

During Fiscal 20178, cash used in investing activities was primarily attributable to:

- Purchase of Property, plant and equipment (net) ₹ 250.66 million in Fiscal 2018 (₹ 106.64 million in Fiscal 2017);
- Purchase of equity shares in associates of ₹ 100 million (₹ Nil in Fiscal 2017);
- Loans to subsidiary of ₹ 245 million (₹ Nil in Fiscal 2017);
- Dividend received ₹ 36.34 million (₹ 42.29 million in Fiscal 2017).

Cash flows from financing activities

In millions of INR	Fiscal 2018	Fiscal 2017
Dividend paid on equity shares	(537.24)	(402.93)
Tax paid on dividend	(110.06)	(82.03)
Net cash (used in) financing activities	**(647.30)**	**(484.96)**

The payment of dividend in Fiscal 2018 was ₹ 647.30 million including dividend tax (₹ 484.96 million in Fiscal 2017).

II. CONSOLIDATED FINANCIAL PERFORMANCE

The Consolidated Financial Statements relate to Thyrocare Technologies Limited ('the Company'), its subsidiary company, Nueclear Healthcare Limited ('the Subsidiary), in which the Company has 100% equity holding as on 31 December 2018 (100% : 31 March 2017) and Thyrocare Employee Stock option Trust ('the Trust') (herein after referred to as the "**Group**").

These consolidated Ind AS financial statements (hereinafter referred to as 'consolidated financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Summary

Revenue from operations of Group aggregated to ₹ 3563.15 million in Fiscal 2017 as compared to ₹ 3043.87 million in Fiscal 2017, registering a growth of 17.06%.

Earnings before interest, tax, depreciation and amortization (EBITDA) of Group aggregated to ₹ 1442.91 million in Fiscal 2018 as compared to ₹ 1149.15 million in Fiscal 2017, registering a growth of 25.56%.

Profit after tax and after exceptional items (PAT) of Group aggregated to ₹ 932.75 million in Fiscal 2018 as compared to ₹ 428.45 million in Fiscal 2017.

Total Assets of Group after net off of current liabilities aggregated to ₹ 4432.90 million in Fiscal 2018 as compared to ₹ 4078.08 million in Fiscal 2017, registering a growth of 8.70%.

The following table provides the details of the consolidated financial performance of Group –

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of Income	% growth compared to Fiscal 2017	₹ In million	% of Income
Income from Operations	**3,563.15**	**100.00**	**17.06**	**3,043.87**	**100.00**
Expenses					
Cost of Materials consumed/ traded	949.72	26.65	16.64	814.23	26.75
Employee benefits expense	353.39	9.92	10.43	320.00	10.51
Other expenses	817.12	22.93	7.45	760.48	24.98
Total Expenses	2,120.23	59.50	11.90	1,894.71	62.25
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1,442.92**	**40.50**	**25.56**	**1,149.16**	**37.75**
Other income (net) excluding dividend & income from current investments	187.37	5.26	208.17	60.80	2.00
Dividend & income from current investments	42.59	1.20	(30.88)	61.62	2.02
Depreciation and amortisation expense	201.00	5.64	11.35	180.51	5.93
Profit before exceptional item and tax	**1,471.87**	**41.31**	**34.90**	**1,091.07**	**35.84**
Exceptional Items	(21.93)	-	-	(274.33)	-
Profit before tax (PBT)	**1,449.94**	**40.69**	**77.53**	**816.74**	**26.83**
Tax expense	517.19	14.51	33.20	388.29	12.76
Profit for the year (PAT)	**932.75**	**26.18**	**117.70**	**428.45**	**14.08**

Revenue from operations

Revenue from operations increased from ₹ 3043.87 million in Fiscal 2017 to ₹ 3563.15 million in Fiscal 2018, registering a growth of 17.06%.

The increase in revenue from diagnostic services in Fiscal 2018, revenue growth was attributable to a number of factors, including an increase in the volumes, as well as an expansion in the network of service providers. Revenue from operations looked subdued when compared to high base of the previous financial year. Of the total revenues for the year ended March 31, 2018, approximately 51% were revenue from preventive care profiles.

The revenue from imaging business in Fiscal 2018, has grown at rapid pace than the pathology business, mainly on account of newly added PETCT centers ramping up operations and gaining market control in the respective regions.

Expenses

Cost of material consumed

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of income from operations	% growth compared to Fiscal 2017	₹ In million	% of income from operations
Cost of materials consumed					
Opening stock	715.16			524.89	
Add: Purchases	951.11			826.44	
	1,666.27			**1,351.34**	
Less: Closing stock	744.32			559.10	
Cost of material consumed [A]	**921.95**	**25.87**	**16.37**	**792.23**	**26.03**
Material consumed comprises:					
Reagents/ Diagnostics material	796.73	22.36		686.72	22.56
Radiopharmaceuticals	8.54	0.24		4.52	0.15
Consumables	116.68	3.27		100.99	3.32
	921.95	**25.87**		**792.23**	**26.03**

Cost of material consumed increased from ₹ 792.23 million in Fiscal 2017 to ₹ 921.95 million in Fiscal 2017, the cost of material consumed to revenue from operations was 25.87% (26.03% in Fiscal 2017). Cost of material consumed includes the cost of reagents, radiopharmaceuticals, diagnostic materials and other consumables instrumental to processing sample or manufacturing of radioactivity.

Cost of material traded

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of revenue from sale	% growth compared to Fiscal 2017	₹ In million	% of revenue from sale
Purchase of stock-in-trade					
Glucose strips/ Gluco meter	24.10			25.61	
	24.10			**25.61**	
Changes in inventories of stock-in-trade					
Inventories at the end of the year:					
Glucose strips/ Gluco meter	9.56			10.28	
	9.56			**10.28**	
Inventories at the beginning of the year:					
Glucose strips/ Gluco meter	13.23			6.68	
	13.23			6.68	
Net change	3.67			(3.61)	
Cost of material traded [B]	**27.77**	**97.63**	**26.22**	**22.00**	**79.91**

The discussions about the cost of material traded is already included under the discussion on standalone financial statement of Thyrocare.

Cost of Materials consumed/ traded

	Fiscal 2018			Fiscal 2017	
	₹ In million	% of Income	% growth compared to Fiscal 2016	₹ In million	% of Income
Cost of Materials consumed/ traded [A]+[B]	949.72	26.65	16.64	814.23	26.75

The overall Cost of material consumed/ traded thus has increased from ₹ 814.23 million in Fiscal 2017 to ₹ 949.72 million in Fiscal 2018, the cost of material consumed/ traded to income from operations was 26.65% (26.75% in Fiscal 2017).

Employee benefits expense

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Salaries, wages and bonus	278.18	7.81	244.77	8.04
Contributions to provident and other funds	26.04	0.73	19.43	0.64
Employees stock compensation expense	17.10	0.48	24.43	0.80
Gratuity	5.24	0.15	3.01	0.10
Compensated absences	14.73	0.41	17.62	0.58
Staff welfare expenses	12.10	0.34	10.74	0.35
	353.39	**9.92**	**320.00**	**10.51**

Total employee benefits expenses were ₹ 353.39 million in Fiscal 2018, increased from ₹ 320.00 million in Fiscal 2017. The employees benefits expenses as percentage of income from operations were 9.92% in Fiscal 2018 (10.51% in Fiscal 2017).

Other expenses

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Service charges	141.28	3.96	124.24	4.08
Rent	134.22	3.77	151.30	4.97
Sales incentive	95.89	2.69	70.24	2.31
Legal and professional fees	66.87	1.88	35.67	1.17
Power and fuel and water	66.78	1.87	63.53	2.09
Advertisement expenses	51.87	1.46	7.05	0.23
Business promotion	50.94	1.43	61.93	2.03
Postage and courier	34.57	0.97	34.56	1.14
Printing and stationery	33.69	0.95	44.86	1.47
Repairs and maintenance - Machinery	22.13	0.62	21.44	0.70
Others	114.53	3.21	142.98	4.70

Other expenses as percentage of revenue decreased from 24.98% in Fiscal 2018 to 22.93% in Fiscal 2017, mainly on account of reduction in aggressive spending on business promotion in the previous fiscal.

Earnings before interest, tax, depreciation and amortisation (EBITDA)

In Fiscal 2018 EBITDA was ₹ 1442.92 million (40.50% of income from operations) as compared to ₹ 1149.16 million (37.75% of income from operations) in Fiscal 2017. The increase in consolidated EBITDA is mainly on account of improvement in EBITDA of both Thyrocare Technologies Limited and its subsidiary Nueclear Healthcare Limited.

Other income (net)

	Fiscal 2018		Fiscal 2017	
	₹ In million	% of Income	₹ In million	% of Income
Dividend income from current investment	36.34	1.02	48.94	1.61
Net gain on sale of current investments	6.25	0.18	12.68	0.42
Technical assistance/ trade mark assignment fees	6.16	0.17	1.47	0.05
Interest income	2.23	0.06	2.04	0.07
Profit on disposal of business undertaking	78.85	2.21	-	0.00
Others	100.13	2.81	57.29	1.88
	229.96	**6.45**	**122.42**	**4.02**

The Group, pursuant to the business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The cost of acquisition of the plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block and the accumulated depreciation thereon. The profit aggregating to ₹ 78.85 million has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss account was INR 2.85 million for the current period (31 March 2017 : ₹ 4.23 million).

Depreciation and amortisation

Depreciation and amortisation increased from ₹ 180.51 million in Fiscal 2017 (5.93% of income from operations) to ₹ 201.00 million in Fiscal 2018 (5.64% of income from operations). The increase in depreciation and amortization is mainly on account of additions to property, plant and equipment during the Fiscal 2018.

Profit before tax (PBT)

In Fiscal 2018, PBT was ₹ 1449.94 million (₹ 816.74 million in Fiscal 2017). As a percentage of income from operations, PBT increased from 26.83% in Fiscal 2017 to 40.69% in Fiscal 2018. The increase is mainly due to :

- Improvement in EBITDA of the company and its subsidiary.
- Profit on disposal of business undertaking credited to profit and loss during the Fiscal 2017.

Tax expense

Tax expense increased to ₹ 517.19 million in Fiscal 2018 from ₹ 388.29 million in Fiscal 2017.

Profit for the year (PAT)

The net profit in Fiscal 2018 was ₹ 932.75 million (26.18% of income from operations) as compared to ₹ 428.45 million in Fiscal 2017.

FINANCIAL POSITION – CONSOLIDATED

Share capital

In millions of INR		31 March 2018		31 March 2017	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00
(b)	Issued, subscribed and paid-up				
	Equity shares of ₹ 10 each with equal voting rights	53,723.53	537.24	53,724	537.24
	Less : Issued, subscribed and paid-up share capital for Equity shares of ₹ 10 each with equal voting rights held by Employees Stock Option Trust consolidated on transition to Ind AS	(3.05)	(0.01)	(134.60)	(0.34)
	Total	**53,720.49**	**537.23**	**53,723.53**	**536.90**

The Company has a single class of equity shares of par value of ₹ 10/- each. The authorised share capital of the Company stood at ₹ 1000.00 million, divided into 100 million equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood constant at ₹ 537.24 million as at March 31, 2018 and as at March 31, 2017.

The Group has disclosed the issued, subscribed and paid-up capital net-off the equity shares held by the Employees Stock Option Trust, on transition to Ind AS.

The group has also issued share options plan for its employees.

Reserves and surplus

Reserves and surplus as at March 31, 2018 were ₹ 3895.67 million (₹ 3541.18 million as at March 31, 2017), an increase of 10%.

Capital reserve

Capital reserve is used to record the premium received in business combinations and to record the shareholder's contribution for consideration other than cash. Capital reserve as at March 31, 2018 amounted to ₹ 317.12 million.

Securities premium account

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013. Securities premium as at March 31, 2018 amounted to ₹ 1272.28 million.

Share option outstanding account

The group has established various equity-settled share-based payment plans for certain categories of employees of the Group.

The share based payment expense recognised in statement of profit/ loss and accumulated underr outnstanding account for Fiscal 2018 and Fiscal 2017 were as follows :

In millions of INR	31 March 2018	31 March 2017
ESOS2017	6.71	-
ESOS2016	7.85	5.05
ESOS2015	2.54	3.57
ESOS2014	-	15.81
Total expense recognised in employee benefits	**17.10**	**24.43**

The balance as at March 31, 2018 was ₹ 28.13 million (As at March 31, 2017 it was ₹ 50.38 million), after adjustment on account of transfer of accumulated balance in stock option premium after exercise of stock options.

General reserve

General reserve as at March 31, 2018 were ₹ 91.67 million, which was the same as per the previous year.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2018 was ₹ 2186.47 million (₹ 1890.81 million as at March 31, 2017) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In millions of INR	Loans		Provisions		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial liabilities						
Trade/Security deposits received	69.42	60.18	-	-	69.42	60.18
Security deposits received from related parties	31.25	12.12	-	-	31.25	12.12
Others	0.09	0.20	-	-	0.09	0.20
	100.76	**72.50**	**-**	**-**	**100.76**	**72.50**

In millions of INR	Loans		Provisions		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Other than financial liabilities						
Provision for employee benefits:						
Provision for compensated absences	-	-	39.91	33.60	39.91	33.60
Provision for gratuity	-	-	13.41	11.36	13.41	11.36
Provision for claims	-	-	-	6.56	-	6.56
	-	**-**	**53.32**	**51.52**	**53.33**	**51.52**
Total non-current liabilities	**100.76**	**72.50**	**53.32**	**51.52**	**154.08**	**124.02**

Total non-current liabilities increased to ₹ 154.08 million as at March 31, 2018 (₹ 124.02 million as at March 31, 2017).

The increase was mainly on account of –

- Additional security deposits received from the new service providers added during the fiscal and security deposits received from related party towards sub-letting of part of the premises.
- Increase in provision for gratuity and leave encashment due to employees.

Current liabilities

In millions of INR	Trade payables		Loans		Provisions		Others		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial liabilities										
Trade payables	11.60	12.96	-	-	-	-	-	-	11.60	12.96
Security deposits received	-	-	5.48	-	-	-	-	-	5.48	-
Employees dues	-	-	-	-	-	-	20.91	20.42	20.91	20.42
Statutory dues	-	-	-	-	-	-	10.08	6.40	10.08	6.40
Expenses payable	-	-	-	-	-	-	58.87	52.59	58.87	52.59
Unclaimed dividend	-	-	-	-	-	-	0.34	-	0.34	-
Payable to related party	-	-	-	-	-	-	-	16.15	-	16.15
	11.60	**12.96**	**5.48**	**-**	**-**	**-**	**90.20**	**95.56**	**107.28**	**108.52**
Other than financial liabilities										
Provision for employee benefits:	-	-	-	-						
Provision for bonus	-	-	-	-	6.36	5.37	-	-	6.36	5.37
Provision for compensated absences	-	-	-	-	4.79	4.00	-	-	4.79	4.00
Provision for gratuity	-	-	-	-	0.19	0.14	-	-	0.19	0.14
Provision for refundable staff security deposits	-	-	-	-	0.06	0.39	-	-	0.06	0.39
Current tax liabilities (net)	-	-	-	-	-	-	50.61	11.99	50.61	11.99
Advances received from customer	-	-	-	-	-	-	32.10	26.39	32.10	26.39
Contribution received for expenses	-	-	-	-	-	-	-	18.86	-	18.86
Others	-	-	-	-	-	-	1.49	0.53	1.49	0.53
	-	**-**	**-**	**-**	**11.40**	**9.90**	**84.20**	**57.76**	**95.60**	**67.67**
Total current liabilities	**11.60**	**12.96**	**5.48**	**-**	**11.40**	**9.90**	**174.40**	**153.32**	**202.88**	**176.19**

Total current liabilities increased to ₹ 202.88 million as at March 31, 2018 (₹ 176.18 million as at March 31, 2017).

The increase was mainly on account of –

- Increase in expenses/ dues outstanding and payable as at the end of the financial year.
- Increase in income tax liabilities due and payable as at the end of the financial year.
- Increase in the advances received from customers against which services were provided in the next fiscal.
- Increase in provision for gratuity and leave encashment due to employees.

Property, plant and equipment, capital work-in-progress and investment property

The additions to gross block in Fiscal 2018 were:

- Freehold Land and Buildings/ Premises – ₹ 195.92 million (₹ Nil in Fiscal 2017)
- Plant and equipment ₹ 357.62 million (₹ 164.09 million in Fiscal 2017)
- Furniture and fixtures ₹ 28.38 million (₹ 3.70 million in Fiscal 2017)
- Vehicles ₹ 2.52 million (₹ Nil in Fiscal 2017)
- Office equipment ₹ 10.22 million (₹ 1.98 million in Fiscal 2017)
- Computer, printer and scanner ₹ 7.37 million (₹ 5.99 million in Fiscal 2017)

The capital work in progress on account of tangible assets was ₹ Nil as at March 31, 2018 (₹ 174.48 million as at March 31, 2017).

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ 844.33 million as on March 31, 2018 (₹ 449.40 million as on March 31, 2017).

A portion of the leasehold land and building was reclassified as investment property on transition to Ind AS.

Intangible assets and intangible assets under development

The additions to gross block in Fiscal 2018 were:

- Trademark – ₹ 19.80 million (₹ Nil in Fiscal 2017)
- Computer softwares – ₹ Nil (₹ 0.95 million in Fiscal 2017)

The trademarks were capitalised at fair value on the date of assignment of the trademark in favour of the Company.

During the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" and "Nueclear" in favour of the Company, for nominal consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

Equity accounted investees

The Group has acquired 30% stake in Equinox Labs Private Limited ('Equinox') vide the terms of the Share Subscription and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 31 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash for a total purchase consideration of INR 200.00 million. The equity shareholding in Equinox is disclosed under Equity accounted investees as at 31 March 2018.

Non-current assets

In millions of INR	Loans		Others		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial assets						
Security deposits	15.41	6.28	-	-	15.41	6.28
	15.41	**6.28**	**-**	**-**	**15.41**	**6.28**
Other than financial assets						
Deferred tax assets	-	-	52.31	37.88	52.31	37.88
Other tax assets	-	-	42.08	42.40	42.08	42.40
Capital advances	-	-	20.00	10.00	20.00	10.00
Prepaid expenses	-	-	2.34	1.58	2.34	1.58
Security deposits	-	-	17.66	8.25	17.66	8.25
Balance with government authorities	-	-	5.23	5.23	5.23	5.23
Advances for supply of goods	-	-	23.47	10.16	23.47	10.16
	-	**-**	**163.09**	**115.50**	**163.09**	**115.50**
Total non-current assets	**15.41**	**6.28**	**163.09**	**115.50**	**178.50**	**121.78**

Total non-current assets increased to ₹ 178.50 million as at March 31, 2018 (₹ 121.78 million as at March 31, 2017).

The increase was mainly on account of –

- Additional security deposits paid to authorities on starting of the regional operations.
- Advances paid for supply of goods, the delivery whereof is expected only over the years.
- Increase in the provision for deferred tax.
- Capital advances given during the year for purchase of assets.

Current assets

In millions of INR	Investments		Trade receivables		Cash and bank balance		Others		Total	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Financial assets										
Investments in Mutual Funds (Unquoted) measured at FVTPL	1,000.98	1,041.59	-	-	-	-	-	-	1,000.98	1,041.59
Trade receivables	-	-	98.40	62.75					98.40	62.75
Cash and cash equivalents	-	-	-	-	98.20	98.84	-	-	98.20	98.84
Other bank balances	-	-	-	-	20.37	19.10	-	-	20.37	19.10
Security deposits	-	-	-	-	-	-	0.24	69.77	0.24	69.77
Loans and advances to employees	-	-	-	-	-	-	-	0.05	-	0.05
Interest accrued on deposits	-	-	-	-	-	-	0.67	1.36	0.67	1.36
	1,000.98	**1,041.59**	**98.40**	**62.75**	**118.57**	**117.94**	**0.91**	**71.18**	**1,218.86**	**1,293.46**
Other than financial assets										
Advances for supply of goods and services	-	-	-	-	-	-	18.52	5.82	18.52	5.82
Prepaid expenses	-	-	-	-	-	-	16.08	51.09	16.08	51.09
	-	**-**	**-**	**-**	**-**	**-**	**34.60**	**56.91**	**34.60**	**56.91**
Total current assets	**1,000.98**	**1,041.59**	**98.40**	**62.75**	**118.57**	**117.94**	**35.50**	**128.09**	**1,253.46**	**1,350.37**

Inventories

Inventories as a percentage of income from operations were at 4.78% as at March 31, 2018 compared to 4.76% as at March 31, 2017. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 2.76% as at March 31, 2018 compared to 2.06% as at March 31, 2017. Trade receivable includes recoverable from related parties of ₹ 13.29 million as at March 31, 2018 (₹ 16.11 million as at March 31, 2017).

CASH FLOW – CONSOLIDATED

The Group business generates cash from operations every year that is sufficient to manage the working capital and capital expenditure requirements. The Group has not availed any credit/ overdraft facility from any of the bank since its inception.

Summary of cash flow statement is given below

In millions of INR	Fiscal 2018	Fiscal 2017
Net cash flows from / (used in) :		
Operating activities	1,070.31	895.71
Investing activities	(432.19)	(415.15)
Financing activities	(638.76)	(485.19)
Net (Decrease)/ Increase in Cash and cash equiv.	**(0.64)**	**(4.63)**

Cash flow from operating activities

In millions of INR	Fiscal 2018	Fiscal 2017
Operating profit before working capital changes	1,536.71	1,244.67
Adjustment for increase in working capital	22.81	55.68
Net income tax paid	(489.21)	(404.64)
Net cash flows from operating activities	**1,070.31**	**895.71**

In Fiscal 2018, Group generated net cash of ₹ 1,070.31 million (₹ 895.71 million in Fiscal 2017) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 1,536.71 million in Fiscal 2018 (₹ 1,244.67 million in Fiscal 2017).

Cash flows from investing activities

In millions of INR	Fiscal 2018	Fiscal 2017
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(436.35)	(363.07)
Purchase of equity shares in associates	(100.00)	-
Current investments (net)	66.17	(83.34)
Dividend received	36.34	48.94
Bank deposits	(1.27)	(18.60)
Interest received	2.92	0.92
Net cash (used in) investing activities	**(432.19)**	**(415.15)**

In Fiscal 2018, cash used in investing activities was ₹ 432.19 million (₹ 415.15 million used in Fiscal 2017).

During Fiscal 2018, cash used in investing activities was primarily attributable to:

- Purchase of fixed assets (net) ₹ 436.35 million in Fiscal 2018 (₹ 363.07 million in Fiscal 2017); and
- Purchase of equity shares of Equinox Labs Private Limited.
- Dividend received ₹ 36.34 million (₹ 48.94 million in Fiscal 2017).

Cash flows from financing activities

In millions of INR	Fiscal 2018	Fiscal 2017
Dividend paid on equity shares	(537.24)	(402.93)
Tax paid on dividend	(101.52)	(82.26)
Net cash (used in) financing activities	**(638.76)**	**(485.19)**

The cash used in financing activities in Fiscal 2018 were payment of dividend ₹ 638.76 million including dividend tax (₹ 485.19 million in Fiscal 2017).

III. Segment performance

The Company has identified business segments as its primary segment. Revenue and expenses directly attributable to segments are reported under each reportable primary segment. The following table presents summary of revenue by industry segments.

	Segment revenue				
	Fiscal 2018	Fiscal 2017	(% aggregate revenue)		% Growth
			Fiscal 2018	Fiscal 2017	
Diagnostic Testing Services	3,289.49	2,832.26	92.32	93.05	16.14
Imaging Services	245.22	184.09	6.88	6.05	33.21
Others	28.44	27.52	0.80	0.90	3.35
	3,563.15	**3,043.87**	**100.00**	**100.00**	**17.06**

In Fiscal 2018, revenue from diagnostic testing services contributed the largest share to revenue (92.32%) at a growth rate of 16.14%. The other segment which contributed impressive growth rates is imaging services that is mainly contributed due to increase in the number of scans and increase in the number of centers.

Imaging services segment represent PET-CT scan and sale of radio pharmaceuticals used in imaging services. Our subsidiary has conducted 22260 scans during Fiscal 2018 (18532 scans during Fiscal 2017).

Number of scans [Centrewise] *	Fiscal 2018	Fiscal 2017	Fiscal 2016	Fiscal 2015	Fiscal 2014	Fiscal 2013	Total
Delhi PETCT Centre	7221	8176	7484	5840	294	-	29015
Navi Mumbai PETCT Centre	7397	7078	6653	4617	2056	34	27835
Hyderabad PETCT Centre	3128	2349	1766	715	-	-	7958
Surat PETCT Centre	2481	862	-	-	-	-	3343
Vadodra PETCT Centre	909	67	-	-	-	-	976
Raipur PETCT Centre	719	-	-	-	-	-	719
Mumbai PETCT Centre	293	-	-	-	-	-	293
Jaipur PETCT Centre	94	-	-	-	-	-	94
Aurangabad PETCT Centre	18	-	-	-	-	-	18
Total Scans	**22260**	**18532**	**15903**	**11172**	**2350**	**34**	**70251**

*Number of scans reported all from the date of commencement of operation and may cover only part of relevant fiscal.

IV. Related Party Transaction

These have been discussed in detail in the Notes to the Standalone Financial Statements in the Annual Report.

8. OUTLOOK, RISKS AND CONCERNS

This section lists forward-looking statements that involve risks and uncertainties. Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with respect to, but not limited to, regulatory changes pertaining to the industry in India in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our Company's exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation or deflation, unanticipated turbulence in any or all of interest rates or foreign exchange rates or both, equity prices and other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in the competitive environment.

Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following –

- operating highly-competitive and fragmented industry and our business, financial condition and results of operations may be adversely affected if we are not able to compete effectively;
- negative publicity or other harm to our reputation, brand or customer perception of our brand;
- disruption in operations of any our laboratories or offerings of particular tests;
- delay or interruption in transportation of samples to the laboratory and regional processing laboratories and our dependence on hub-and-spoke business model complemented by the regional processing laboratories;
- failure to attract and retain authorized service providers;
- failure of our equipment, information technology and other technological systems; and
- changes in technologies and/or the introduction of new technology could reduce demand for our pathology testing services.
- operational risk associated with molecular imaging business may have effect on results of operations and financial conditions.
- Changing laws, rules, regulations and government policies with reference to our businesses.

9. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The CEO and CFO certification provided in the CEO and CFO certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L85110MH2000PLC123882
2.	Name of the Company	Thyrocare Technologies Limited
3.	Registered Address	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400703.
4.	Website	www.thyrocare.com
5.	E-mail id	investor_relations@thyrocare.com
6.	Financial Year reported	2017-18
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Independent Diagnostic Laboratories - NIC Code: 86095
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Diagnostic Services. (ii) Radiology Services. (iii) Sale of Glucose Strips, Glucometer, vials & kits
9.	Total number of locations where business activity is undertaken by the Company	
	(a) Number of International Locations (Provide details of major 5)	None
	(b) Number of National Locations	The Company has a Central Processing Laboratory at Navi Mumbai and eight Regional Processing Laboratories in New Delhi, Coimbatore, Hyderabad, Kolkata, Bhopal, Bangaluru, Mumbai and Patna.
10.	Markets served by the Company – Local/State/National/ International	National.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	537.24 Million
2.	Total Turnover (INR)	3317.94 Million
3.	Total profit after taxes (INR)	960.38 Million
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.09%
5.	List of activities in which expenditure in 4 above has been incurred:-	i) Promoting Sports.
		ii) Promoting education & enhancing vocational skills
		iii) Promoting gender equality, empowering women, facilities for senior citizens, etc.
		iv) Eradicating hunger, poverty and malnutrition
		v) Ensuring environmental sustainability, conservation of natural resources, etc.
		vi) Contribution to Swachh Bharat campaign

SECTION C: OTHER DETAILS

1.	Does the Company have any Subsidiary Company/ Companies?	Yes. The Company has a wholly-owned subsidiary, viz. Nueclear Healthcare Limited.
2.	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent companhy? If yes, then indicate the number of such subsidiary company(ies)	Yes. The subsidiary company participates in the BR initiatives of the Company by following the basic principles and practices of the Parent company, to the extent applicable.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities. [Less than 30%, 30-60%, More than 60%]	The Company encourages adoption of BR initiatives by its Business Associates to the extent feasible.

SECTION D: BR INFORMATION

1.	**Details of Director/Directors responsible for BR**		
(a)	**Details of the Directors responsible for implementation of the BR policy / policies**		
	1. DIN Number	00002804	00003260
	2. Name	Dr. A. Velumani	Mr. A. Sundararaju
	3. Designation	Chairman & Managing Director	Executive Director & CFO
(b)	**Details of the BR head**		
No.	**Particulars**	**Details**	
1	DIN Number	00002804	
2	Name	Dr. A. Velumani	
3	Designation	Chairman & Managing Director	
4	Telephone number	022-2762 2762	
5	e-mail id	ceo@thyrocare.com	
2	**Principle-wise (as per NVGs) BR Policy/policies**		
	Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability		
	Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
	Principle 3: Businesses should promote the wellbeing of all employees		
	Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginised.		
	Principle 5: Businesses should respect and promote human rights		
	Principle 6: Business should respect, protect, and make efforts to restore the environment.		
	Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner		
	Principle 8: Businesses should support inclusive growth and equitable development		
	Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner		

(a) Details of compliance (Reply in Y/N)

No.	Questions	Policy No.								
		1	2	3	4	5	6	7	8	9
		Ethics, Transparency & Accountability	Safety and Sustainability of Services rendered	Well-being of the employees	Being responsive to the stakeholders' interests	Respect to Human Rights	Protection of Environment	Responsible reaction to Public Policy	Inclusive Growth & Equitable Development	Providing value to customers & consumers
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs, Government of India.								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The policies have been approved by the Board and signed by the Chairman & Managing Director / Executive Director & CFO.								
5.	Does the company have a specified committee of Board / Director / Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Implementation of the Policy would be overseen by the Corporate Social Responsibility Committee, consisting of one Independent Director as Chairman and another Independent Director and one Executive Director (who is also CFO) as Members.								
6.	Indicate the link for the policy to be viewed online?	www.thyrocare.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		The Policy has been communicated to the relevant internal and external stakeholders.								
8.	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy /policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
		Yes.The Grievances can be reported by investors "investor_relations@thyrocare.com" and by others to "complaints@thyrocare.com".								
10.	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(b)	If answer to the question at serial number 1 against any principle, is 'No', please explain why? (Tick up to 2 options)
No.	**Questions**
1.	The company has not understood the Principles.
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specfied principles.
3.	The company does not have financial or manpower resources available for the task.
4.	It is planned to be done within next 6 months
5.	It is planned to be done within the next 1 year √
6.	Any other reason (please specify)
	Not applicable

3.	**Governance related to BR**	
	(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. - Within 3 months, 3-6 months, Annually, More than 1 year.	Annually
	(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewving this report? How frequently it is published?	The Company is publishing Business Responsibility Report, as part of the Annual Report. Since the Annual Report will be uploaded in the Company's website, the BR can also be viewed at the said website.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability		
Thyrocare believes that Ethics, Transparency and Accountability are inter-related - a business which runs its operations ethically and in a transparent manner, would never have any problem of Accountability towards all its stakeholders – to the society at large. Thyrocare has been conducting its business on Ethical lines, and in a Transparent manner from the day of inception. Thyrocare has formulated an elaborate code of conduct, which is applicable to all the Directors and the employees of the Company and its subsidiary. The Company has also put in place a Whistle-Blower policy to enable employees to report any actual or suspected incidence of corruption, bribery, or any kind of unethical behaviour on the part of any employee, including executives and directors. The Code of Conduct and the Whistle Blower Policy have been uploaded in the Company's website.		
	1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group / Joint Venture / Suppliers / Contractors / NGOs / Others	The policy relating to ethics, bribery and corruption are primarily applicable to the Company and its subsidiary. Thyrocare encourages the contractors, suppliers and others to comply with the same, wherever possible.
	2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the Management? If so, provide in about 50 words or so.	The Company has not received any complaint from any stakeholders relating to ethics, bribery and corruption.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
Thyrocare believes that for a diagnostic service oriented company like it, sustainability means providing dependable results at affordable cost. With this in view, Thyrocare established India's first fully automated and IT-enabled laboratory that ensures error-free processing of over 60,000 specimens collected from all over India and sent by using an innovative air-cargo system, and conducting over 4,00,000 clinical investigations per night, and giving results within a turnaround time of four hours. By employing the latest technologies, and fully computerising testing process, Thyrocare is able to remain at par with global standards in terms of quality and service delivery. By handling huge volumes, Thyrocare is able to provide its services at the lowest possible cost, unmatched by any other service provider.		
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company focuses on preventive Clinical Biochemistry based Diagnostic Services, and has introduced groups of tests packaged under the brandname "Aarogyam', and various other tests, all of which have been designed keeping its social responsibility in view - at lowest possible rates, affordable even to the common man. The three most popular tests are mentioned below:
		(a) Aarogyam Profile
		(b) Thyroid Profile
		(c) Diabetic Profile
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (Optional):	Not applicable

	(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3.	Does the company have procedures in place for sustainable sourcing (including transportation)?	The Company has in place adequate procedures through long-term contracts for sustainable sourcing of inputs required for its operations.
	(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Reagents and diagnostic materials are the major inputs for us. By tying up mostly with the same vendors who have also supplied / leased the laboratory equipment / instruments, we ensure that almost 100% of these materials are sourced sustainably.
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Considering factors like cost, quality, timely delivery and commercial obligations, the reagents and diagnostic consumables are procured mostly from those companies who have sold/leased major equipment to us. However, we procure other goods and services from the local business communities surrounding the place of work.
	(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	We encourage individuals and other entities to become our Service Providers and Direct Selling Agents, and thereby help them join us in the progress of the Company.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The bio-medical wastes produced in the laboratory are handed over to the State Pollution Control Board for recycling or safe disposal. The Company has formulated Standard Operating Procedures for waste management, to ensure proper separation, handling, storage and transportation of bio-medical wastes.

Principle 3: Businesses should promote the wellbeing of all employees

Thyrocare is alive to the fact that Human Resources are the most valued assets of any organisation, and hence every entity has to take all possible measures for the well-being of the employees, so as to keep their morale and motivation high. With this in view, Thyrocare has structured many welfare measures and is also taking necessary steps for enhancement of their skills and abilities on a continuous basis. Thyrocare organises recreational events like New Year celebrations and Get-togethers and periodical contests to enable the employees to exhibit their abilities. Thyrocare is also providing other regular facilities like heavily subsidised canteen, free transportation from the workspot to the nearest railway station, etc. Thyrocare allotted shares equivalent to about 0.25% of its then paid up capital to the eligible employees at the face value of ₹ 10/- whereas the current market price is about 60 times of the offer price. Thyrocare has also introduced another liberal Employees Stock Option Scheme whereby shares equivalent to about 1% of the Company's paid up capital would be offered, over a period of ten years at the rate of 0.10% every year, to all the eligible employees at face value , to inculcate into them a deep sense of belonging to the organisation, besides giving them an opportunity of sharing the benefit of the Company's growth.

1.	Please indicate the Total number of employees. (as on 31-03-2018)	974
2.	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	0
3.	Please indicate the Number of permanent women employees.	102
4.	Please indicate the Number of permanent employees with disabilities	0
5.	Do you have an employee association that is recognized by management.	There is no employee association recognized by the Management.
6.	What percentage of your permanent employees is members of this recognized employee association?	N.A.
7.	Please indicate the Number of complaints relating to child labour, forced labour, involunary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	Nil

	No. Category No of complaints filed during the financial year	No. Category No of complaints filed during the financial year	No of complaints as on end of the financial year
	1 Child labour/forced labour / involuntary labour	Nil	Nil
	2 Sexual harassment	Nil	Nil
	3 Discriminatory employment	Nil	Nil
8.	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	The Company believes in constant upgradation of skills of the employees and hence conducts periodical training sessions to improve their work-abilities. Standard Operating Procedures have been formulated for safety measures to be taken on a continuous basis.	
	(a) Permanent Employees	100%	
	(b) Permanent Women Employees	100%	
	(c) Casual/Temporary/Contractual Employees	100%	
	(d) Employees with Disabilities	N.A.	

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginised.

The modern concept of any business is to take care of welfare of not only the shareholders, but all the stake-holders as a whole. True to this concept, Thyrocare takes care to structure its business policies in such a way that they are beneficial to all the stake-holders – investors, employees, customers, vendors, business associates, and to the society at large, and particularly the weaker sections of the society. The Company's pricing policy is based on the principle of taking the company's services within the reach of common man.

1	Has the company mapped its internal and external stakeholders? Yes/No	Yes.
2.	Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?	Yes.
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	The Company is implementing welfare measures for that part of the society which is disadvantaged, vulnerable and marginalised.

Principle 5: Businesses should respect and promote human rights

Thyrocare is conscious of the fact that it is the responsibility of every business enterprise to respect human rights, to avoid infringing on the human rights of others, and should take remedial measures in the event of any such infringement. Therefore, Thyrocare takes efforts to ensure that their own activities or business relationships do not cause any negative human rights impact.

1.	Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The policy on human rights covers the Company and its subsidiary.
2.	How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	See table below

Shareholder related			Employee related			Customer related		
Received	Resolved	Pending	Received	Resolved	Pending	Received	Resolved	Pending
1	1	0	0	0	0	4332	3627	705*

(* Subsequently resolved)

The Company has setup an investor grievance mechanism to respond to investor grievances in a timely and appropriate manner. The investor grievances and action taken are also reviewed at the Board level by the Stakeholders Relationship Committee.

Employees' grievances, if any, are resolved through internal review mechanism by Senior Management. There is also a vigil mechanism in place to report serious grievances and inappropriate action by any other employee/executive/director. A Committee has also been constituted to look into complaints of sexual harassment, if any.

The Company has also established robust customer care system, which tracks customer complaints and responds to them in the minimum time possible and take appropriate remedial measures.

Principle 6: Business should respect, protect, and make efforts to restore the environment.		
Thyrocare is fully aware that protecting the environment around us – air, water, soil, and the entire ecosystem – is of vital importance for our well being; damages to the environment are actually damages to the Nature and will ultimately endangers the very existence of life itself in the long run. Therefore, Thyrocare is taking all possible efforts to prevent any kind of pollution and adhering to the best procedures to protect the environment. Apart from complying with the statutory regulations, Thyrocare has structured Standard Operating Procedures to ensure that the Company's activities do not create any negative impacts on the environment.		
1.	Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others.	The Company's policy on Environment, Health and Safety and Standard Operating Procedures are applicable to the Company and its subsidiary.
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warmning, etc. Yes / No. If yes, please give hyperlink for webpage, etc.	No.
3.	Does the company identify and assess potential environmental risks? Y/N	Yes.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?	No.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewal energy, etc. Yes / No. If Yes, please give hyperlink for web page, etc.	The Company has already installed solar panels, which produce 6 to 7% power. The Company has also entered into a tie up with another company for installing necessary equipment at our site, so as to produce and supply solar power to us for 25 years.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. All emissions/waste generated are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	The Company has not received any Show Cause Notice or Legal Notices from CPCB / SPCB during the financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.		
Though collaborating with similar businesses and representing to the Government for redressal of common grievances is recognised as an acceptable business practice, it is the policy of Thyrocare that any engagement with the Government should be for the welfare of the public at large, and should not be with the intention of advancing the interests or promoting the welfare of a select few.		
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	The Company is not a member of any trade association or chamber.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes /No; If yes, specify the broad areas (Drop box - Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Not applicable.

Principle 8: Buiness should support inclusive growth and equitable development		
Thyrocare believes that real growth and development can be achieved only when equal opportunities are made available to every member of the society and there is equitable development; a lopsided growth will ultimately lead to social unrest and result in negation of the benefits already achieved. Therefore, Thyrocare formulates its policies in such a way that the benefits of its services are easily available to everyone. Thyrocare has also structured its CSR policies on the principle of empowering and enabling the community as a whole to participate in the march towards growth and development.		
1.	Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.	The Company's CSR Policies are aimed at supporting inclusive growth and equitable development. The Company has also introduced Employees Share Purchase Scheme through which shares were allotted to all the eligible employees. The Company has also introduced an Employees Stock Option Scheme for issuing shares equivalent to 1% of the paid-up equity capital over a period of ten years.
2.	Are the programmes/projects undertaken through in-house team/own foundation/external NGO / government structures / any other organisation?	Under the Company's CSR project, appropriate assistance is extended to other entities for programmes designed to achieve inclusive growth and equitable development.
3.	Have you done any impact assessment of your initiative?	A regular assessment of the impact of the initiative is being done.
4.	What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	The Company has spent about ₹20.05 Million during the financial year 2017-18 towards community development projects, as part of its CSR activities. This expenditure is incurred towards:
		Giving financial assistance for (i) promoting education, (ii) enhancing vocational skills (iii) helping citizens suffering from poverty (iv) promoting art & culture and (v) contribution to Swachh Bharat campaign.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Adoption of such initiatives is ensured through periodical contacts with the entities through whom such initiatives are implemented.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner		
Thyrocare has always considered the customer as the most important person in its business and its avowed Mission is to ensure that the right value is given in right time to the right patient at the least cost. High productivity, lean operations, able administration and volume-enabled savings have made Thyrocare the most affordable Clinical Chemistry Laboratory in the world.		
1.	What percentage of customer complaints/consumer cases are pending as on the end of financial year.	We are processing over 60,000 blood samples for conducting more than 4,00,000 investigations every day, from customers living across the breadth and length of the country. The customer complaints we receive constitute hardly 0.8% of the total number of tests done. There is a dedicated team to look into the complaints, and redress them appropriately. The Company has formulated a Standard Operating Procedure for dealing and redressing the complaints.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)	Not applicable to us.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviours during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Nil
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company has not carried out any consumer survey, but has a system of getting feedback from the consumers, based on which appropriate actions are taken to improve the services and resolve the consumer grievances.

Independent Auditor's Report

To the Members of ¬Thyrocare Technologies Limited

REPORT ON THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of ¬Thyrocare Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on 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.

We conducted our audit of the standalone 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 standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone 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 accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2018, its profit (including other comprehensive income), its changes in equity and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, 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 Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   d) in our opinion, the aforesaid standalone 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 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

   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, 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 standalone Ind AS financial statements; - Refer Note 36 to the standalone 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Standalone Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

Annexure A to Independent Auditor's Report - 31 March 2018

With reference to the Annexure referred to in the Independent Auditor's Report to the Members of Thyrocare Technologies Limited ("the Company") on the standalone Ind AS financial statements for the year ended 31 March 2018, we report the following:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of account.

(iii) The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to limited liability partnerships, body corporates, firms or other parties covered in the register required to be maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the Company to a company covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) According to the information and explanations given to us, the unsecured loans granted to the company and interest thereon are repayable on demand. The borrowers has been regular in payment of interest as demanded.

(c) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted by the Company.

(iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act with respect to the investments made.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service tax, sales-tax, service tax, value added tax, cess, duty of excise, and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases. As explained to us, the Company did not have any dues on account of duty of customs.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, cess, goods and service tax, duty of excise and any other material statutory dues were in arrears as on 31 March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, value added tax, cess and duty of excise which have not been deposited with the appropriate authorities on account of any dispute except as disclosed below:

Name of the statute	Nature of dues	Amount	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
The Income tax Act, 1961	Tax deducted at source and interest	140.42	10.00	2008-2009 and 2009-2010	Bombay High Court
The Income tax Act, 1961	Tax deducted at source and interest	228.10	10.00	2010-2011 and 2011-2012	Income-tax Appellate Tribunal

(viii) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institutions, banks or the government nor does it have any dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.

(ix) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required by applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable. Refer note 37 to the standalone Ind AS financial statements.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

Annexure B to Independent Auditor's Report – 31 March 2018

(Referred to in our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 Thyrocare Technologies Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone 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 ('ICAI'). 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 Act.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

Standalone Balance sheet

As at 31 March 2018

In millions of INR

	Note	31 March 2018	31 March 2017	1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	4A	1,012.96	872.35	903.06
Capital-work-in progress	4B	-	21.33	10.18
Investment property	4C	12.70	13.27	13.86
Other intangible assets	5A	3.93	6.44	8.86
Intangible assets under development	5B	-	-	3.37
Equity accounted investees	6	200.00	-	16.15
Financial assets				
Investments	7A	1,946.74	1,946.74	1,946.74
Loans	8A	245.00	6.28	8.61
Deferred tax assets	9	4.05	0.21	-
Other tax assets	10	25.72	26.73	34.51
Other non-current assets	11	21.96	11.52	10.52
Total non-current assets		**3,473.06**	**2,904.87**	**2,955.86**
Current assets				
Inventories	12	164.72	137.61	98.89
Financial assets				
Investments	7B	1,000.98	1,041.59	710.82
Trade receivables	13	92.13	59.78	72.84
Cash and cash equivalents	14	72.39	87.10	75.96
Other bank balances	14	20.37	19.10	0.50
Loans	8B	0.24	136.47	80.06
Other financial assets	15	0.67	1.36	65.40
Prepayments	16	29.04	53.52	74.47
Total current assets		**1,380.54**	**1,536.53**	**1,178.94**
Total assets		**4,853.60**	**4,441.40**	**4,134.80**
Equity and liabilities				
Equity				
Equity share capital	17	537.24	537.24	537.24
Other equity	18	4,001.54	3,642.55	3,361.73
Equity attributable to owners of the Company		4,538.78	4,179.79	3,898.97
Liabilities				
Non-current liabilities				
Financial liabilities				
Loans	19A	80.10	60.38	55.01
Deferred tax liabilities (net)	9	-	-	1.92
Provisions	20A	51.36	43.44	43.33
Total non-current liabilities		**131.46**	**103.82**	**100.26**
Current liabilities				
Financial liabilities				
Trade payables	21	9.72	8.66	14.55
Loans	19B	6.31	4.54	6.94
Other financial liabilities	22	71.91	77.53	45.35
Current tax liabilities (net)	23	50.61	11.98	17.35
Provisions	20B	10.58	9.39	9.46
Other current liabilities	24	34.23	45.69	41.92
Total current liabilities		183.36	157.79	135.57
Total liabilities				
Total equity and liabilities		**4,853.60**	**4,441.40**	**4,134.80**
Significant accounting policies	3			
Notes to the Standalone Ind AS Financial Statements	4-39			

The accompanying notes form an integral part of the Standalone Ind AS Financial Statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Standalone Statement of Profit and Loss

For the year ended 31 March 2018

In millions of INR

	Note	31 March 2018	31 March 2017
Revenue from operations	25	3,317.94	2,975.27
Other income	26	236.35	114.08
Total income		**3,554.29**	**3,089.35**
Expenses			
Cost of materials consumed	27a.	880.68	757.48
Purchases of stock-in-trade	27b.	24.10	25.61
Changes in inventories of stock-in-trade	27c.	3.67	(3.61)
Employee benefits expense	28	324.89	302.21
Finance cost		4.02	2.57
Depreciation and amortisation expense	4,5	120.83	116.91
Other expenses	29	694.53	746.41
Total expenses		**2,052.72**	**1,947.58**
Profit before exceptional items and income tax		1,501.57	1,141.77
Exceptional items	38f.	(21.93)	(274.33)
Profit after exceptional items and before income tax		1,479.64	867.44
Tax expense:	30		
Current tax		523.65	403.02
Deferred tax		(4.39)	(2.26)
		519.26	400.76
Profit for the year		960.38	466.68
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		2.59	0.50
Income tax effect		(0.90)	(0.17)
Other comprehensive income for the year, net of income tax		1.69	0.33
Total comprehensive income for the year		**962.07**	**467.01**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	31(i)	17.91	8.69
(b) Diluted earnings per share (INR)	31(ii)	17.85	8.69
Significant accounting policies	3		
Notes to the Standalone Ind AS Financial Statements	4-39		

The accompanying notes form an integral part of the Standalone Ind AS Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Standalone Statement of Changes in Equity

For the year ended 31 March 2018

A. EQUITY SHARE CAPITAL

In millions of INR	Note	
Balance as at 1 April 2016		537.24
Changes in equity share capital during 2016-17	17	-
Balance as at the 31 March 2017		**537.24**
Changes in equity share capital during 2017-18	17	-
Balance as at the 31 March 2018		**537.24**

B. OTHER EQUITY

	Note	Reserves and surplus					Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Retained earnings	
Balance as at 1 April 2016		**1.06**	**1,232.93**	**25.95**	**91.67**	**2,010.12**	**3,361.73**
Total comprehensive income for the year ended 31 March 2017							
Profit or loss		-	-	-	-	466.68	**466.68**
Other comprehensive income (net of tax)		-	-	-	-	0.33	**0.33**
Total comprehensive income		-	-	-	-	467.01	**467.01**
Transaction with owners recorded directly in equity							
Contributions by and distributions to owners							
Capital contribution by reimbursement of expenses	18(a)	274.33	-	-	-	-	**274.33**
Employee compensation expense for the year	18(c)	-	-	24.43	-	-	**24.43**
Final/ Interim dividend on equity shares	18(e)	-	-	-	-	(402.93)	**(402.93)**
Dividend distribution tax	18(e)	-	-	-	-	(82.03)	**(82.03)**
Total contributions by and distributions to owners		274.33	-	24.43	-	(484.96)	**(186.20)**
Balance as on the 31 March 2017		**275.39**	**1,232.93**	**50.38**	**91.67**	**1,992.17**	**3,642.55**
Balance as on 1 April 2017		275.39	1,232.93	50.38	91.67	1,992.17	**3,642.55**
Total comprehensive income for the year ended 31 March 2018							
Profit or loss		-	-	-	-	960.38	**960.38**
Other comprehensive income (net of tax)		-	-	-	-	1.69	**1.69**
Total comprehensive income		-	-	-	-	962.07	**962.07**
Transaction with owners recorded directly in equity							
Contributions by and distributions to owners							
Transfer of trademark by shareholder at no cost	18(a)	5.20	-	-	-	-	**5.20**
Transfer on exercise of stock option	18(c)	-	39.35	-	-	-	**39.35**
Capital contribution by reimbursement of expenses	18(a)	21.93	-	-	-	-	**21.93**
Employee compensation expense for the year	18(c)	-	-	17.10	-	-	**17.10**
Final/ Interim dividend on equity shares	18(e)	-	-	-	-	(537.24)	**(537.24)**
Dividend distribution tax	18(e)	-	-	-	-	(110.06)	**(110.06)**
Transfer to securities premium account on exercise of stock option	18(c)	-	-	(39.35)	-	-	**(39.35)**
Total contributions by and distributions to owners		27.13	39.35	(22.25)	-	(647.30)	**(603.07)**
Balance as on the 31 March 2018		**302.52**	**1,272.28**	**28.13**	**91.67**	**2,306.94**	**4,001.54**

The accompanying notes form an integral part of the Standalone Ind AS Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Standalone Statement of Cash Flows

For the year ended 31 March 2018

In millions of INR

		Note	31 March 2018	31 March 2017
A.	**Cash flows from operating activities**			
	Net profit before tax		1,479.64	867.44
	Adjustments for:			
	Depreciation and amortisation	4,5	120.83	116.91
	Exceptional items	38f.	21.93	274.33
	Net (gain) on sale of current investments	26	(6.25)	(4.62)
	Loss/ (Profit) on sale of property, plant and equipment	26,29	0.22	(0.31)
	Unrealised loss on foreign exchange fluctuation	29	-	0.49
	Profit on disposal of business undertaking	26	(78.85)	-
	Financial assets mandatorily measured at FVTPL - net change in fair value	29	2.47	9.33
	Provision for doubtful receivables	29	-	6.48
	Financial assets mandatorily maeasured at FVTPL - net change in fair value of investments held for trading	26	(26.24)	(5.53)
	Employee stock compensation expense	28	17.10	24.43
	Dividend income from current investments	26	(36.34)	(42.29)
	Interest income	26	(11.18)	(1.65)
			3.69	**377.57**
	Operating profit before working capital changes		1,483.33	1,245.01
	(Increase) in Inventories	12	(27.18)	(38.72)
	(Increase) / Decrease in Trade receivables	13	(33.83)	6.08
	(Increase) in Loans and advances	8	142.52	(53.87)
	Decrease in Other assets	11,15,16	14.05	82.86
	Increase / (Decrease) in Trade payables	21	1.06	(5.90)
	Increase in Other liabilities	19,22,24	3.38	57.35
	Increase in Provisions	20	11.71	0.55
			111.71	**48.35**
	Cash generated from operations		1,595.04	1,293.36
	Net income tax paid		(479.89)	(400.61)
	Net cash flows from operating activities (A)		**1,115.15**	**892.75**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work in progress and capital advances	4,5	(250.81)	(107.25)
	Proceeds from sale of property, plant and equipment	4	0.15	0.61
	Purchase of equity shares in associates	6	(100.00)	-
	Purchase of current investments	7	(913.00)	(1,202.43)
	Proceeds from sale of current investments	7	979.17	888.41
	Loans to subsidiary	8A	(245.00)	-
	Dividend received	26	36.34	42.29
	Bank deposits (having original maturity of more than 3 months)	14	(1.27)	(18.60)
	Interest received	15,26	11.86	0.32
	Net cash (used in) investing activities (B)		**(482.56)**	**(396.65)**

In millions of INR

		Note	31 March 2018	31 March 2017
C.	**Cash flows from financing activities**			
	Dividend paid on equity shares	18(e)	(537.24)	(402.93)
	Tax paid on dividend	18(e)	(110.06)	(82.03)
	Net cash (used in) financing activities (C)		**(647.30)**	**(484.96)**
	Net (Decrease)/ Increase in Cash and cash equivalents (A+B+C)		**(14.71)**	**11.14**
	Cash and cash equivalents at the beginning of the year		87.10	75.96
	Cash and cash equivalents at the end of the year		72.39	87.10

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (IndAS-7), "Statement of Cash Flows".

2 Reconciliation of cash and cash equivalents with the balance sheet :

Particulars	31 March 2018	31 March 2017
Cash and cash equivalents (refer note 14)	72.39	87.10
Balance as per statement of cash flows	**72.39**	**87.10**

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Notes to the standalone Ind AS financial statements

1. REPORTING ENTITY

Thyrocare Technologies Limited (the "Company") is a company domiciled in India, with its registered office situated at D/37-1, TTC Industrial Area, MIDC Turbhe, Navi Mumbai – 400703, Maharashtra, India. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company primarily operates in healthcare segment and is primarily involved in providing quality diagnostic services at affordable costs to patients, laboratories and hospitals in India.

2. BASIS OF PREPARATION

A. Statement of compliance

These standalone Ind AS financial statements (hereinafter referred to as 'standalone financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's standalone financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 39. The standalone financial statements were authorized for issue by the Company's Board of Directors on 28 April 2018. The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are prepared in India Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements are prepared on the historical cost basis except for the following items :

Certain financial assets and liabilities	Fair value
Liabilities for cash-settled share-based payment arrangements	Fair value
Liabilities for employee benefit obligations	Fair value on the basis of actuarial valuation

D. Use of estimates and judgments

In preparing these standalone financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes :

Note 3(l) and Note 35 – leases : whether an arrangement contains a lease;

Note 3(l) and Note 35 – lease classification;

Note 25 – revenue from imaging services : whether the Company acts as a principal rather than as an agent in a transaction; and

Note 38 (f) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are contribution.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is includedin the following notes :

Note 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life

Note 30 - determining the provision for income taxes;

Note 32 – measurement of defined benefit obligations : key actuarial assumptions;

Note 34 - Fair value measurement of financial instruments; and

Note 36 – recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources;

Notes to the standalone Ind AS financial statements

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company generally relies on the valuation certificates obtained from third party professionals for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the Company's audit committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the f air value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 4C – investment property;
- Note 33 – share-based payment arrangements; and
- Note 34 – financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following creteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Company does not have an unconditions right to defer settlement of liability for atlease twelve months from the reporting date. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Notes to the standalone Ind AS financial statements

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non-current classifications of assets and liabilities.

b. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities are translated at the rate at the date of the transaction. Exchange differences are recognised in profit or loss.

c. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI — equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest cost / income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI These assets are subsequently measured at fair value, Dividends are recognised as income in profit of loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Notes to the standalone Ind AS financial statements

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for - trading, or it is a derivative or it is designated as such on initial recognition

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire."

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

d. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 39).

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Notes to the standalone Ind AS financial statements

Assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 Years	60 Years
Plant and equipment (diagnostic equipment)	13 Years	13 Years
Plant and equipment (others)	15 Years	15 Years
Office equipment	5 Years	5 Years
Furniture and fittings	10 years	10 years
Computers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

e. Other intangible assets

i. Other intangible assets

Other intangible assets including those acquired by the Compay are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Softwares - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Since the Company has leased part of its leasehold land and building to related party to conduct the business operation, based on technical evaluation and consequent advice, the management believes the indicative useful life of relevant type of asset mentioned in Part C of Schedule II to the Act, as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates portion of the investment properties constituting building over a period of 60 years on a written-down value basis and amortises portion of the investment properties constituting land over the period of lease. Any gain or loss on disposal of an investment property is recognised in profit or loss.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the

Notes to the standalone Ind AS financial statements

ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in the processing are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or - the disappearance of an active market for a security because of financial difficulties. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due."

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated

Notes to the standalone Ind AS financial statements

future cash flows, 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 CGU (or the asset). An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service

Notes to the standalone Ind AS financial statements

cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

vi. Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

k. Revenue from operations

i. Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

ii. Rendering of services

Revenue from testing services is recognised once the testing samples are processed for requisitioned diagnostic tests. Revenue from imaging services is recognised once the services are rendered. Revenue from technical assistance and trade mark assignment is recognised once the Company's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trademark is recognised as per the agreed percentage of the turnover of the respective entities, as per the terms of the agreement.

iii. Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for seperately. The allocation of consideration from a revenue arrangement to its seperate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

l. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying

Notes to the standalone Ind AS financial statements

asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

m. Recognition of rental income, dividend income, interest income or expense

Rental income from investment property is recognised as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

n. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

Notes to the standalone Ind AS financial statements

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable/ no longer probable, respectively, that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

o. Discontinued operations

A discontinued operation is a component of the Company's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

p. Events after reporting date

Where events occuring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q. Operating segments

In accordance with Indian Accounting Standard 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company.

r. Recent accounting pronouncements

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 Revenue from Contract with Customers, Appendix B to Ind AS 21 Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are applicable to the company from 1 April 2018. The Company will be adopting the amendments from their effective date.

a) Ind AS 115 Revenue from Contract with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standards can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effects of contracts that are not completed contracts at

Notes to the standalone Ind AS financial statements

the date of initial application of the standard. Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

b) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets,expenses or income. If there are multiple payments or receipts in advance,then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements,as assessed by the Company, is expected to be not material.

Notes to the standalone Ind AS financial statements

4 PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INVESTMENT PROPERTY

See accounting policies in Notes 3(d) and 3(f)

In millions of INR		Cost or deemed cost (gross carrying amount)				Accumulated depreciation and impairment losses				Carrying amounts (net)	
A	Tangible assets	Balance as at 1 April 2017 Balance as at 1 April 2016	Addition	Disposal	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 1 April 2017 Balance as at 1 April 2016	Depreciation/ amortisation expense for the year	Disposal	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2017 Balance as at 1 April 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Leasehold Land	**155.96**	**-**	**-**	**155.96**	**2.40**	**2.40**	**-**	**4.80**	**151.16**	**153.56**
		155.96	-	-	155.96	-	2.40	-	2.40	153.56	155.96
	Freehold Land	**-**	**43.80**	**-**	**43.80**	**-**	**-**	**-**	**-**	**43.80**	**-**
		-	-	-	-	-	-	-	-	-	-
	Buildings Premises	**388.86**	**56.75**	**-**	**445.61**	**19.01**	**19.23**	**-**	**38.24**	**407.37**	**369.85**
		388.86	-	-	388.86	-	19.01	-	19.01	369.85	388.86
	Plant and Equipment	**341.99**	**124.27**	**21.61**	**444.65**	**60.35**	**70.15**	**7.06**	**123.44**	**321.21**	**281.64**
		270.64	71.35	-	341.99	-	60.35	-	60.35	281.64	270.64
	Furniture and Fixtures	**65.37**	**28.38**	**0.28**	**93.47**	**17.20**	**14.44**	**0.12**	**31.52**	**61.95**	**48.17**
		61.88	3.49	-	65.37	-	17.20	-	17.20	48.17	61.88
	Vehicles	**5.62**	**2.53**	**1.49**	**6.66**	**1.90**	**1.38**	**1.31**	**1.97**	**4.69**	**3.72**
		5.86	-	0.24	5.62	-	1.90	-	1.90	3.72	5.86
	Office equipment	**17.78**	**10.15**	**0.10**	**27.83**	**7.79**	**5.22**	**0.08**	**12.93**	**14.90**	**9.99**
		16.10	1.73	0.05	17.78	-	7.79	-	7.79	9.99	16.10
	Computers, printers and scanners	**9.72**	**7.39**	**-**	**17.11**	**4.30**	**4.93**	**-**	**9.23**	**7.88**	**5.42**
		3.76	5.96	-	9.72	-	4.30	-	4.30	5.42	3.76
	Total tangible assets	**985.30**	**273.27**	**23.48**	**1,235.09**	**112.95**	**117.75**	**8.57**	**222.13**	**1,012.96**	**872.35**
		903.06	**82.53**	**0.29**	**985.30**	**-**	**112.95**	**-**	**112.95**	**872.35**	**903.06**
B	**Tangible capital-work-in progress**									-	-
										21.33	10.18
C	**Investment property**	**13.86**	**-**	**-**	**13.86**	**0.59**	**0.57**	**-**	**1.16**	**12.70**	**13.27**
		13.86	-	-	13.86	-	0.59	-	0.59	13.27	13.86

Notes to the standalone Ind AS financial statements

Notes

i. Capital work-in-progress

During the previous year ended 31 March 2017 the Company acquired analysers with the intention of adding more tests and technologies for providing diagnostic services. The cost of acquisition was INR 21.33 million. The Company commenced the business operations only subsequent to end of the year during the current year; cost incurred upto the reporting date totalled INR 21.33 million.

ii. Reclassification of investment property

A portion of the leasehold land and building was reclassified as investment property (see Note 3(f)) on transition to Ind AS.

Disclosre pursuant to Ind AS 40 'Investment Property'

Amount recognised in Statement of profit and loss account for investment property

	31 March 2018	31 March 2017
Rental income derived from investment property	6.95	6.43
Direct operating expenses arising from investment property that generated rental income	0.41	0.41
Direct operating expenditure that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	**6.54**	**6.02**
Depreciation	0.57	0.59
Profit/ (loss) arising from investment properties before indirect expenses	**5.97**	**5.43**

Measurement of fair values

- As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment, intangible assets and investment property.
- The Company has sub-let part of premises to its subsidiary for business operations after getting an approval from the regulator. Since the premises is constructed on leasehold plot of land, the sub-let part of the premises is not saleable independently. The fair value of the investment property would be difficult to determine reliably. The premises is constructed on industrial leasehold plot of land and there are very few recent transactions. In case of the observed recent transaction for transfer of plot prices, the variations in the prices indicate that the transfer price is not indicative of market prices. Also the alternative reliable measurement of fair value are not available due to the regulatory restrictions as to usage, transfer, leasing and subletting of the property within the jurisdiction. The fair value of the investment property on the basis of recently observed transfer prices for the properties within the same jurisdiction, ranges from INR 25.50 million to 30.00 million.

iii. Transfer of business undertaking

The Company, pursuant to the business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The cost of acquisition of the plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block (INR 26.72 million) and the accumulated depreciation thereon (INR 12.30 million). The profit aggregating to INR 78.85 million has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss account was INR 2.85 million for the current period (31 March 2017 : INR 4.23 million).

iv. Deemed cost exemption

On transition to Ind AS, the Company has elected to continue with the carrying value of all its PPE and Investment Property recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE and Investment Property.

Notes to the standalone Ind AS financial statements

Deemed cost as at 1 April 2016

Property, plant and equipment	Gross block as on 1 April 2016	Gross block as on 1 April 2016 transferred to Investment Property [Refer note 39]	Accumulated depreciation/ amortisation till 1 April 2016	Accumulated depreciation/ amortisation till 1 April 2016 transferred to Investment Property [Refer note 39]	Net block treated as deemed cost upon transition
Leasehold Land	168.96	(4.41)	9.12	(0.53)	155.96
Buildings/ Premises	496.58	(15.96)	97.74	(5.98)	388.86
Plant and Equipment	393.82	-	123.18	-	270.64
Furniture and Fixtures	116.12	-	54.24	-	61.88
Vehicles	17.08	-	11.22	-	5.86
Office equipment	51.79	-	35.69	-	16.10
Computers, printers and scanners	41.32	-	37.56	-	3.76
Total	**1,285.67**	**(20.37)**	**368.75**	**(6.51)**	**903.06**

	Gross block as on 1 April 2016 transferred from PPE [Refer note 39(a)]	Accumulated depreciation/ amortisation till 1 April 2016 transferred from PPE [Refer note 39]	Net block treated as deemed cost upon transition
Investment Property	20.37	6.51	13.86
Total	**20.37**	**6.51**	**13.86**

Notes to the standalone Ind AS financial statements

5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

See accounting policies in Note 3(e)

In millions of INR		Gross block				Accumulated amortisation and impairment losses				Net block	
A	**Intangible assets**	**Balance as at 1 April 2017 Balance as at 1 April 2016**	**Addition**	**Disposal**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 1 April 2017 Balance as at 1 April 2016**	**Amortisation expense for the year**	**Disposal**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 31 March 2017 Balance as at 1 April 2016**
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Computer software	**9.81**	**-**	**-**	**9.81**	**3.37**	**2.51**	**-**	**5.88**	**3.93**	**6.44**
		8.86	0.95	-	9.81	-	3.37	-	3.37	6.44	8.86
	Trademark *	**-**	**5.20**	**5.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-	-	-	-
	Total intangible assets	**9.81**	**5.20**	**5.20**	**9.81**	**3.37**	**2.51**	**-**	**5.88**	**3.93**	**6.44**
		8.86	**0.95**	**-**	**9.81**	**-**	**3.37**	**-**	**3.37**	**6.44**	**8.86**
B	**Intangible asset under development**									-	-
										-	3.37

** The trademark was capitalised at fair value on the date of assignment of the trademark in favour of the Company.*

Note

i. Deemed cost exemption

On transition to Ind AS, the Company has elected to continue with the carrying value of all its other intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of other intangible assets.

Deemed cost as at 1 April 2016 — In millions of INR

	Gross block as on 1 April 2016	**Accumulated amortisation till 1 April 2016**	**Net block treated as deemed cost upon transition**
Computer software	25.03	16.17	8.86
Total	**25.03**	**16.17**	**8.86**

Notes to the standalone Ind AS financial statements

6. EQUITY ACCOUNTED INVESTEES

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Interest in associates			
Equity shares (unquoted) 429,185 (31 March 2017 : Nil; 1 April 2016 : Nil) equity shares of Equinox Labs Private Limited	200.00	-	-
5,440 (31 March 2017 : 5,440; 1 April : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	16.15	16.15	16.15
Less : Provision for other than temporary diminution in the value of investments	(16.15)	(16.15)	-
	200.00	**-**	**16.15**

Associates

Equinox Labs Private Limited (Equinox)

The Company has acquired 30% stake in Equinox Labs Private Limited ('Equinox') vide the terms of the Share Subscription and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 31 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash for a total purchase consideration of INR 200.00 million. The equity share holding in Equinox is disclosed under Equity accounted investees as at 31 March 2018. The information for the year ended 31 March 2018 presented in the table includes the results of Equinox for the period from 24 March 2018 to 31 March 2018.

In millions of INR	Year ended 31 March 2018
Revenue	42.53
Profit	0.85
Other comprehensive income	-
Total comprehensive income	0.85
Company's share of Profit (30%)	0.01
Company's share of OCI (30%)	-
	0.01*

*The Company has not recognised the profit amounting to INR 0.01 million, since the management believes that this amount is insignificant/ immaterial to the Group.

As such, no additional disclosure in relation to financial information of the associate has been disclosed."

Thyrocare International Holding Company is in the process of liquidation and already has applied to the Registrar of Companies, Mauritius to wind-up the business operations. The net worth of the associate is fully eroded. The Company has not recognised losses in relation to its interest in this associate, because the Company has no obligation in respect of these losses.

During the year ended 31 March 2018, the Company did not receive any dividend from its associates.

The associate does not have any contingent liabilities and capital commitments as at 31 March 2018.

Notes to the standalone Ind AS financial statements

7 INVESTMENTS

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A	**Non-current investments**			
	Unquoted equity shares			
	Equity shares at cost			
	Investment in subsidiary			
	11,111,000 (31 March 2017 : 11,111,000; 1 April 2016 : 11,111,000) equity shares of INR 10 each of Nueclear Healthcare Limited	1,946.74	1,946.74	1,946.74
		1,946.74	1,946.74	1,946.74
	Aggregate value of unquoted investments	1,946.74	1,946.74	1,946.74
	Aggregate amount of impairment in value of investments	-	-	-
B	**Current investments**			
	Investments in Mutual Funds (Unquoted) measured at FVTPL	1,000.98	1,041.59	703.82
	Investments in Preference shares (Unquoted) measured at FVTPL	-	-	7.00
	Nil units (31 March 2017 : Nil units; 1 April 2016 : 700,000), 9.25% Compulsorily redeemable non convertible cumulative preference shares with maturity period of April 2016 of India Infoline Finance Limited fully paid-up [Market Value - INR Nil (31 March 2017 : INR Nil; 1 April 2016 : INR 7.00)]	-	-	7.00
		1,000.98	1,041.59	710.82
	Aggregate amount of unquoted investments - At cost	939.63	1,023.79	697.08
	Aggregate amount of unquoted investments - At market value	1,000.98	1,041.59	710.82

8 LOANS

(unsecured considered good unless otherwise stated)

A	**Non-current loans and advances**			
	Loans to subsidiary (see Note 38(i))	245.00	-	-
	Security deposits			
	To related parties	-	-	1.65
	To parties other than related parties	-	6.28	6.57
	Loans and advances to employees benefit trust	-	-	0.34
	Loans and advances to employees	-	-	0.05
		245.00	6.28	8.61
B	**Current loans and advances**			
	Amount recoverable from subsidiary (see Note 37)	-	98.04	79.57
	Security deposits			
		0.24	38.04	0.38
	Loans and advances to employees benefit trust	-	0.34	-
	Loans and advances to employees	-	0.05	0.11
		0.24	136.47	80.06

Notes to the standalone Ind AS financial statements

9 RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

See accounting policies in Note 3(n)

A. Deferred tax assets and liabilities are attributable to the following :

In millions of INR	Deferred tax assets			Deferred tax liabilities			Net deferred tax (assets)/ liabilities		
	31 March 2018	31 March 2017	1 April 2016"	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Property, plant and equipment/ Intangible assets/ Investment property	-	-	-	2.13	5.27	8.53	2.13	5.27	8.53
Investments at fair value through profit or loss	-	-	-	21.22	15.99	14.64	21.22	15.99	14.64
Provisions - employee benefits	21.61	18.38	18.36	-	-	-	(21.61)	(18.38)	(18.36)
Other items	5.79	3.09	2.89	-	-	-	(5.79)	(3.09)	(2.89)
Deferred tax (assets) liabilities	27.40	21.47	21.25	23.35	21.26	23.17	(4.05)	(0.21)	1.92
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-	-	-	-
Net deferred tax (assets) liabilities	**27.40**	**21.47**	**21.25**	**23.35**	**21.26**	**23.17**	**(4.05)**	**(0.21)**	**1.92**

B. Movement in temporary differences

In millions of INR	Balance as at 1 April 2016	Recognised in profit or loss during 2016-2017	Recognsed in OCI during 2016-2017	Balance as at 31 March 2017	Recognised in profit or loss during 2017-2018	Recognsed in OCI during 2017-2018	Balance as at 31 March 2018
Property, plant and equipment/ Intangible assets/ Investment property	8.53	(3.26)	-	5.27	(3.14)	-	2.13
Investments at fair value through profit or loss	14.64	1.39	-	15.99	5.23	-	21.22
Provisions - employee benefits	(18.36)	(0.19)	0.17	(18.38)	(4.13)	0.90	(21.61)
Other items	(2.89)	(0.20)	-	(3.09)	(2.35)	-	(5.79)
	1.92	**(2.26)**	**0.17**	**(0.21)**	**(4.39)**	**0.90**	**(4.05)**

Notes to the standalone Ind AS financial statements

10 OTHER TAX ASSETS

See accounting policies in Note 3(n)

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Advance income tax (net of provision for tax)	25.72	26.73	34.51
	25.72	**26.73**	**34.51**

11 OTHER NON-CURRENT ASSETS

Capital advances	-	-	2.44
Prepaid expenses	2.39	1.58	1.55
Security deposits	14.34	4.72	4.44
Balance with government authorities	5.23	5.22	2.09
	21.96	**11.52**	**10.52**

12 INVENTORIES

See accounting policies in Note 3(g)

Reagents, diagnostic material and consumables	164.31	133.53	98.42
Stock-in-trade - Glucose strips/ Gluco meter	0.41	4.08	0.47
	164.72	**137.61**	**98.89**

13 TRADE RECEIVABLES

Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	0.34	0.03	0.34
Unsecured, considered good	2.66	0.51	21.60
	3.00	0.54	21.94
Other Trade receivables			
Secured, considered good	25.62	36.58	18.77
Unsecured, considered good	63.51	22.66	32.13
	89.13	**59.24**	**50.90**
	92.13	**59.78**	**72.84**
Trade receivables from related parties (refer Note 37)	13.29	16.11	31.61

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents			
Cash on hand	0.04	-	-
Balances with banks			
in current accounts	72.35	87.10	75.96
	72.39	**87.10**	**75.96**
Other bank balances			
in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date)	20.37	19.10	0.50
	92.76	**106.20**	**76.46**

Notes to the standalone Ind AS financial statements

15 OTHER FINANCIAL ASSETS - CURRENT

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Other receivables*	-	-	65.37
Interest accrued on deposits	-	1.36	0.03
	0.67	**1.36**	**65.40**

* Receivable towards IPO related expenses to be recovered from the selling shareholders offering their shares for sale in the proposed intial public offering (see Note 38(f))

16 PREPAYMENTS

Advances for supply of goods and services	13.22	5.25	65.68
Prepaid expenses	15.82	48.27	8.79
	29.04	**53.52**	**74.47**

17 SHARE CAPITAL

In millions of INR		31 March 2018		31 March 2017		1 April 2016	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised						
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00	100,000	1,000.00
(b)	Issued, subscribed and paid-up						
	Equity shares of ₹ 10 each with equal voting rights	53,724	537.24	53,724	537.24	53,724	537.24
	Total	**53,724**	**537.24**	**53,724**	**537.24**	**53,724**	**537.24**

All issued shares are fully paid-up

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

In millions of INR	31 March 2018		31 March 2017	
	Number of shares (in thousands)	Amount	"Number of shares (in thousands)	Amount
Equity shares				
At the commencement of the period	53,724	537.24	53,724	537.24
Shares issued on exercise of employee stock options	-	-	-	-
Shares issued for cash	-	-	-	-
At the end of the period	**53,724**	**537.24**	**53,724**	**537.24**
Issued and subscribed share capital	**53,724**	**537.24**	**53,724**	**537.24**

The Company has also issued share options plan for its employees. (see Note 33)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights

Notes to the standalone Ind AS financial statements

of an equity shareholder on a poll (not on show of hands) are in proportion to his/ its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Employee stock option plan

Terms attached to stock options plan to employees are described in Note 33 regarding share-based payments.

Particulars of shareholders holding more than 5% shares of a class of shares

In millions of INR	31 March 2018		31 March 2017		1 April 2016	
	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -						
Dr A Velumani	14,809	27.57%	14,809	27.57%	14,809	27.57%
Thyrocare Publications LLP (formely known as "Thyrocare Publications Private Limited")	6,535	12.16%	6,535	12.16%	6,535	12.16%
Thyrocare Properties and Infrastructue Private Limited	5,218	9.71%	5,218	9.71%	5,218	9.71%
Norwest Venture Partners Fund VIIA Mauritius	-	-	5,065	9.43%	5,065	9.43%
Agalia Private Limited	-	-	1,087	2.02%	11,295	21.02%

Shares reserved for issue under options

		31 March 2018		31 March 2017		1 April 2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
a.	Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 33)	47,610	0.48	-	-	-	-
b.	Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 33)	42,100	0.42	46,719	0.47	-	-
c.	Under Employees Stock Option Scheme, 2015 - at an exercise price of INR 10 per share (see Note 33)	34,714	0.35	38,743	0.39	39,188	0.39

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

a. Employees stock options

During the year ended 31 March 2015, the Company has approved Employees Stock Options Scheme on 20 September 2014 pursuant to which certain employees are entitled to 33,650 equity shares of INR 10 each.

These equity shares have been issued to the ESOP Trust pursuant to the approved terms of employees stock option scheme 2014, for which only the exercise price i.e. the face value of shares has been recovered in cash (See Note 33)."

b. During the year ended 31 March 2015, the Company has allotted 37,383,507 equity shares of INR 10 each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premiumaccount of INR 370.81 million and capital redemption reserve of INR 3.03 million.

Notes to the standalone Ind AS financial statements

c. During the year 31 March 2016 and 31 March 2015, the Company has allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

18 OTHER EQUITY

In millions of INR		31 March 2018	31 March 2017	1 April 2016
(a)	Capital reserve			
	At the commencement of the year	275.39	1.06	1.06
	Transfer of trademark by shareholder at no cost (see Note 38(h))	5.20	-	
	Capital contribution by reimbursement of expenses (see Note 38(f))	21.93	274.33	-
	At the end of the year	**302.52**	**275.39**	**1.06**
(b)	Securities premium			
	At the commencement of the year	1,232.93	1,232.93	1,232.93
	Transfer on exercise of stock option	39.35	-	-
	At the end of the year	**1,272.28**	**1,232.93**	**1,232.93**
(c)	Share options outstanding			
	At the commencement of the year	50.38	25.95	25.95
	Employee compensation expense for the year	17.10	24.43	-
	Transfer to securities premium account on exercise of stock option	(39.35)	-	-
	At the end of the year	**28.13**	**50.38**	**25.95**
(d)	General reserve			
	At the commencement and end of the year	**91.67**	**91.67**	**91.67**
(e)	Retained earnings			
	At the commencement of the year	1,992.17	2,010.12	1,865.04
	Profit for the year	962.07	467.01	-
	Adjustment due to IndAS transtion	-	-	145.08
	Appropriation			
	Final/ Interim dividend on equity shares	537.24	402.93	-
	Dividend distribution tax	110.06	82.03	-
	At the end of the year	**2,306.94**	**1,992.17**	**2,010.12**
		4,001.54	**3,642.55**	**3,361.73**

Capital reserve

Capital reserve is used to record the premium received in business combinations and to record the shareholder's contribution for consideration other than cash. (see Note 38(f) and (h)).

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company. (See Note 33 for further details on these plans).

Notes to the standalone Ind AS financial statements

General reserve

General reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 2013.

Dividends

The following dividends were declared and paid by the Company during the year :

In millions of INR	31 March 2018	31 March 2017
Interim dividend	268.62	268.62
INR 5 per equity share (31 March 2017 : INR 5 per equity share)		
Final dividend of previous financial year	268.62	134.31
INR 5 per equity share (31 March 2016 : INR 5 per equity share)		
Dividend distribution tax on dividend to equity shareholders	110.06	82.03

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends attract dividend distribution tax when declared or paid.

INR 5 per equity share (31 March 2017 : INR 5 per equity share)	268.62	268.62

19 LOANS

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A	**Non-current loans**			
	Trade/Security deposits received	70.24	60.17	54.90
	Security deposits received			
	from related parties	9.77	-	-
	Others	0.09	0.21	0.11
		80.10	**60.38**	**55.01**
B	**Current loans**			
	Security deposits received			
	from parties other than related parties	6.31	4.54	6.94
		6.31	**4.54**	**6.94**

20 PROVISIONS

See accounting policies in Note 3(i)

A	**Non-current provisions**			
	Long-term provisions			
	Provision for employee benefits:			
	Provision for compensated absences	38.37	32.36	34.59
	Provision for gratuity	12.99	11.08	8.74
		51.36	**43.44**	**43.33**

Notes to the standalone Ind AS financial statements

		31 March 2018	31 March 2017	1 April 2016
B	**Current provisions**			
	Short-term provisions			
	Provision for employee benefits:			
	Provision for bonus *	5.82	5.06	4.38
	Provision for compensated absences	4.52	3.81	3.42
	Provision for gratuity	0.18	0.14	0.15
	Others			
	Provision for refundable staff security deposits	0.06	0.38	1.51
		10.58	**9.39**	**9.46**
	*** Movement in provision for bonus**			
	Opening Balance	5.06	4.38	
	Add: Provision during the period	5.80	4.84	
	Less: Bonus paid	(4.85)	(4.16)	
	Less: Excess provision written back	(0.19)	-	
	Closing Balance	5.82	5.06	

21 TRADE PAYABLES

Trade Payables			
- total outstanding dues of micro enterprises and small enterprises (see note 38)	0.17	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	9.55	8.66	14.55
	9.72	8.66	14.55

22 OTHER FINANCIAL LIABILITIES

Employees dues	19.13	17.18	17.30
Statutory dues *	7.77	6.00	6.43
Expenses payable #	44.67	38.20	21.62
Unclaimed dividend	0.34	-	-
Payable to related party	-	16.15	-
	71.91	**77.53**	**45.35**

** Statutory dues include tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.*
 # Expenses payable includes operating, administrative and marketing expenses.
Investor Education and Protection Fund ('IEPF') - As at 31 March there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

23 CURRENT TAX LIABILITIES (NET)

Provision for current tax (net of advance tax and tax deducted at source)	50.61	11.98	17.35
	50.61	11.98	17.35

24 OTHER CURRENT LIABILITIES

Advances received from customer	32.74	26.30	22.82
Contribution received for expenses	-	18.86	-
Others	1.49	0.53	19.10
	34.23	**45.69**	**41.92**

Notes to the standalone Ind AS financial statements

25 REVENUE FROM OPERATIONS

See accounting policies in Note 3(k)

In millions of INR	31 March 2018	31 March 2017
Sale of products (See Note (i) below)	28.44	27.53
Sale of services (See Note (ii) below)	3,234.74	2,860.36
	3,263.18	**2,887.89**
Other operating revenue	54.76	87.38
	3,317.94	**2,975.27**

Note:

(i)	**Sale of products comprises :**		
	Traded goods		
	Glucose strips/ Gluco meter	28.44	27.53
	Total	**28.44**	**27.53**
	* The Goods and Service Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of traded goods are excluding GST.		
(ii)	**Sale of services comprises :**		
	Diagnostic Services	3,130.27	2,625.58
	Sale of consumables for providing diagnostic services	104.47	119.30
	Imaging Services *	-	115.48
	Total	**3,234.74**	**2,860.36**
	*The outsourcing arrangement for imaging services from the subsidiary was discontinued w.e.f. 1 January 2017, the revenue from imaging services for the previous year therefore represents revenue of nine months of the previous financial year with no revenue recognised for the current financial year after discontinuance of the arrangement.		

26 OTHER INCOME

Interest income (see Note (i) below)	11.18	1.65
Dividend income from current investment	36.34	42.29
Technical assistance/ trade mark assignment fees	6.16	1.47
Net gain on sale of current investments	6.25	4.62
Profit on disposal of business undertaking	78.85	-
Rental income from property subleases	6.95	6.43
Financial assets at FVTPL - net change in fair value :		
Mandatorily measured at FVTPL - held for trading	26.24	5.53
Mandatorily measured at FVTPL - others	0.57	0.55
Others (see Note (ii) below)	63.81	51.54
	236.35	**114.08**

Notes to the standalone Ind AS financial statements

Note:

In millions of INR			31 March 2018	31 March 2017
(i)	**Interest income comprises:**			
	Interest from banks on deposits		1.30	1.36
	Interest on deposit for electricity		0.65	0.29
	Interest on other advances		9.23	0.00
	Total - Interest income		**11.18**	**1.65**
(ii)	**Others comprises:**			
	Net gain on sale of property, plant and equipment		-	0.31
	Miscellaneous income		63.81	51.23
	Total - Others		**63.81**	**51.54**

27	**a.**	**Cost of materials consumed**		
		Opening stock	133.53	98.42
		Add: Purchases	911.46	792.59
			1,044.99	**891.01**
		Less: Closing stock	164.31	133.53
		Cost of material consumed	**880.68**	**757.48**
		Material consumed comprises:		
		Reagents/ Diagnostics material	796.73	686.72
		Consumables - laboartory	70.04	15.02
		Consumables - processing	13.91	55.74
27	**b**	**Purchase of Stock in trade**	**880.68**	**757.48**
		Glucose strips/ Gluco meter	24.10	25.61
			24.10	**25.61**
27	**c.**	**Changes in inventories of stock-in-trade**		
		Inventories at the end of the year:		
		Glucose strips/ Gluco meter	0.41	4.08
			0.41	**4.08**
		Inventories at the beginning of the year:		
		Glucose strips/ Gluco meter	4.08	0.47
			4.08	**0.47**
		Net change	**3.67**	**(3.61)**

Notes to the standalone Ind AS financial statements

28 EMPLOYEE BENEFITS EXPENSE

In millions of INR	31 March 2018	31 March 2017
Salaries, wages and bonus	252.48	228.90
Contributions to provident and other funds	24.44	18.28
Employees stock compensation expense	17.10	24.43
Gratuity	5.09	2.90
Compensated absences	13.80	17.05
Staff welfare expenses	11.98	10.65
	324.89	**302.21**

29 OTHER EXPENSES

Outlab processing	17.99	139.62
Power and fuel and water	48.29	46.52
Rent	113.64	107.24
Repairs and maintenance - Buildings	11.14	8.46
Repairs and maintenance - Machinery	16.51	16.24
Repairs and maintenance - Others	0.43	0.64
Insurance	0.94	1.74
Rates and taxes	10.37	21.38
Communication	7.69	5.12
Service charges	141.28	127.46
Postage and courier	29.21	29.91
Travelling and conveyance	4.34	2.49
Printing and stationery	31.59	43.52
Freight and forwarding	1.50	1.37
Sales incentive	95.20	70.24
Advertisement expenses	49.25	7.00
Accreditation expenses	4.71	3.38
Business promotion	50.94	61.93
Bank charges	2.43	1.75
Legal and professional fees	14.94	8.54
Payments to auditors (See Note (i) below)	4.09	5.27
Financial assets mandatorily measured at FVTPL - net change in fair value [See Note 34]	2.47	9.33
Net loss on sale of property, plant and equipment	0.22	-
Loss on foreign exchange fluctuation (net)	6.84	1.85
Provision for doubtful debts	-	6.48
Corporate social responsibility (See Note (ii) below)	20.05	13.51
Miscellaneous expenses	8.47	5.42
	694.53	**746.41**

Notes to the standalone Ind AS financial statements

Notes:

In millions of INR		31 March 2018	31 March 2017
(i)	**Payments to the auditors comprises**		
	Statutory audit fees	3.50	3.64
	Tax audit fees	0.24	0.47
	Others	0.35	1.16
		4.09	**5.27**
(ii)	**Details of corporate social responsibility expenditure**		
	(a) Amount required to be spent by the Company during the year	18.22	15.16
	(b) Amount spent during the year (in cash)		
	- construction / acquisition of any asset	-	-
	- on purpose other than above	20.05	13.51
		20.05	**13.51**

30 INCOME TAX

See accounting policies in Note 3(n)

A.	**Amount recognised in profit or loss**		
	Current tax		
	Current period (a)	523.65	403.65
	Changes in estimates related to prior years (b)	-	(0.63)
	Deferred tax (c)		
	Attirbutable to -		
	Origination and reversal of temporary differences	(4.39)	(2.26)
		(4.39)	(2.26)
	Tax expense (a)+(b)+(c)	**519.26**	**400.76**
B.	**Amount recognised in other comprehensive income**		
	Re-measurement gains/ (losses) on defined benefit plans	(4.05)	0.17
	Revaluation of land and buildings	-	-
	Net (loss)/gain on FVTOCI equity Securities	-	-
	Tax expense in other comprehensive income	(4.05)	0.17

		31 March 2018		31 March 2017	
C.	**Reconciliation of effective tax rate**				
	Profit before tax	1,501.57		1,141.77	
	Tax using the Company's domestic tax rate	519.66	34.6%	395.14	34.6%
	Effect of :				
	Income which is taxed at special rates	(6.58)	-0.4%	(0.54)	0.0%
	Non-deductible expenses (net)	15.69	1.0%	21.79	1.9%
	Tax exempt income	(12.58)	-0.8%	(14.64)	-1.3%
	Tax on income not credited to profit and loss account	9.39	0.6%	-	0.0%
	Others	(6.32)	-0.4%	(0.37)	0.0%
	Total	**519.26**	**34.6%**	**401.39**	**35.2%**
	Adjustment in respect of current income tax of previous year	-		(0.63)	
	Tax expense as per statement of profit and loss	**519.26**		**400.76**	

Notes to the standalone Ind AS financial statements

31 EARRNING PER SHARE

In millions of INR		31 March 2018	31 March 2017
(i)	**Basic**		
	Net profit for the year attributable to equity shareholders	962.07	467.01
	Weighted average number of equity shares outstanding during the year	53,723,533	53,723,533
	Face value per share INR	10	10
	Earnings per share - Basic INR	17.91	8.69
(ii)	**Diluted**		
	Net profit for the year attributable to equity shareholders	962.07	467.01
	Weighted average number of equity shares for Basic EPS	53,723,533	53,723,533
	Add: Equity shares reserved for issuance on ESOP	173,445	83,927
	Weighted average number of equity shares - for diluted EPS	53,896,978	53,807,460
	Face value per share INR	10	10
	Earnings per share - Diluted INR	17.85	8.69

32 ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

A. Defined contribution plans

The Company makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 17.96 million (31 March 2017 : ₹ 14.56 million) for Provident Fund contributions, ₹ 6.41 million (31 March 2017 : 3.65 million) for ESIC contributions and ₹ 0.07 million for Maharashtra Labour Welfare Fund (31 March 2017 : ₹ 0.07 million) in the Statement of Profit and Loss during the year (See note 28). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Company offers the following employee benefit schemes to its employees :

- Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

In millions of INR		31 March 2018	31 March 2017
a.	**Components of employer expense**		
.	i Expenses recognised in profit or loss		
	Current service cost	2.96	2.20
	Interest cost	0.82	0.70
	Past service cost	**1.31**	**-**
	Total expense recognised in the Statement of Profit and Loss	**5.09**	**2.90**
	ii. Expenses recognised in other comprehensive income		
	Actuarial (gain) loss on defined benefit obligations	(2.59)	(0.50)
	Total expense recognised in other comprehensive income	**(2.59)**	**(0.50)**

Notes to the standalone Ind AS financial statements

In millions of INR		31 March 2018	31 March 2017	1 April 2016
b.	**Net asset / (liability) recognised in the Balance Sheet**			
	Present value of unfunded obligation	(13.17)	(11.22)	(8.89)
	Net asset / (liability) recognised in the Balance Sheet	(13.17)	(11.22)	(8.89)
	Net asset/ (liability) is bifurcated as follows :			
	Current	(0.18)	(0.14)	(0.15)
	Non Current	(12.99)	(11.08)	(8.74)
	Net asset / (liability) recognised in the Balance Sheet	(13.17)	(11.22)	(8.89)
c.	**Change in defined benefit obligations (DBO) during the year**			
	Present value of DBO at beginning of the period	11.22	8.90	7.13
	Current service cost	2.96	2.20	1.91
	Interest cost	0.82	0.70	0.63
	Actuarial (gains) / losses	(2.59)	(0.50)	(1.40)
	Past service cost	1.31	-	0.90
	Prior period liability recognised in current year	-	-	-
	Benefits paid	(0.55)	(0.08)	(0.28)
	Present value of DBO at the end of the year	13.17	11.22	8.90
d.	**Actuarial assumptions**			
	Discount rate	7.78%	7.27%	7.86%
	Salary escalation	10%	10%	10%
	Rate of employee turnover	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.	"Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."	"Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

In millions of INR		31 March 2018	31 March 2017
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.18	0.14
	2nd following year	0.21	0.17
	3rd following year	0.24	0.19
	4th following year	0.35	0.22
	5th following year	0.30	0.29
	Sum of years 6 to 10	2.07	1.77
	Sum of years 11 and above	64.28	51.52
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions	13.17	11.23
	Delta effect of +1% change in rate of discounting	(2.04)	(1.83)
	Delta effect of -1% change in rate of discounting	2.57	2.31
	Delta effect of +1% change in rate of salary increase	2.27	1.82
	Delta effect of -1% change in rate of salary increase	(1.86)	(1.54)
	Delta effect of +1% change in rate of employee turnover	(0.47)	(0.41)
	Delta effect of -1% change in rate of employee turnover	0.55	0.49

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The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation 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 the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

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

33 SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements

During the year, the Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017) vide authorisation of shareholders in the annual general meeting held on 12 August 2017. The options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed two years of service as on 31 March 2017, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) vide authorisation of shareholders in their meetings held on 12 September 2016, 26 September 2015 and 20 September 2014 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, in respect of ESOS2014, the Company formed a trust, 'Thyrocare Employee Stock Option Trust' wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Period	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2017	12-Aug-17	50,516	3 years	One year from vesting date	10	10
ESOS2016	12-Sep-16	50,537	3 years	One year from vesting date	10	10
ESOS2015	26-Sep-15	40,434	3 years	One year from vesting date	10	10
ESOS2014	20-Sep-14	134,600*	2.5 years	One year from vesting date	10	10

* Includes 100,950 bonus shares

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B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2018 No of Options	31 March 2017 No of Options
ESOS2017		
Outstanding at 1 April	-	-
Granted during the year	50,516	-
Forfeited during the year	2,906	-
Exercised during the year	-	-
Outstanding at 31 March	47,610	-
ESOS2016		
Outstanding at 1 April	46,719	-
Granted during the year	-	50,537
Forfeited during the year	4,619	3,818
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	42,100	46,719
ESOS2015		
Outstanding at 1 April	38,473	39,188
Granted during the year	-	-
Forfeited during the year	3,759	715
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	**34,714**	**38,473**
ESOS2014		
Outstanding at 1 April	134,600	134,600
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	133,381	-
Shares vested and not exercised during the year	1,219	-
Expired during the year	-	-
Outstanding at 31 March	**-**	**134,600**

C. The key assumptions used to estimate the fair value of options are:

	31-Mar-18	31-Mar-17
Volatility	14.11%	14.11%
Expected life	1.5-2.5 years	1.5-2.5 years
Dividend Yield	100%	100%
Risk-free interest rate (based on government bonds)	6.25% to 6.61%	6.25% to 6.61%
Model Used	Black & Scholes	Black & Scholes

The expense arises from equity settled share based payment transaction amounting to INR 17.10 million and INR 24.43 million for the year ended 31 March 2018 and 31 March 2017 respectively.

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34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classifications and fair values

In millions of INR	Note	Carrying amount				Fair value			
31 March 2018 31 March 2017 *1 April 2016*		**FVTPL**	**FVOCI**	**Amotised cost**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Investments	7A,7B	1,000.98	-	-	1,000.98	1,000.98	-	-	1,000.98
(other than in subsidiary)		1,041.59	-	-	1,041.59	1,041.59	-	-	1,041.59
		710.82	-	-	710.82	710.82	-	-	710.82
Loans	8A,8B	-	-	245.24	245.24	-	-	-	-
		-	-	142.75	142.75	-	-	-	-
		-	-	88.67	88.67	-	-	-	-
Trade receivables	13	-	-	92.13	92.13	-	-	-	-
		-	-	59.78	59.78	-	-	-	-
		-	-	72.84	72.84	-	-	-	-
Cash and cash equivalents	14	-	-	72.39	72.39	-	-	-	-
		-	-	87.10	87.10	-	-	-	-
		-	-	75.96	75.96	-	-	-	-
Other bank balances	14	-	-	20.37	20.37	-	-	-	-
		-	-	19.10	19.10	-	-	-	-
		-	-	0.50	0.50	-	-	-	-
Others	15	-	-	0.67	0.67	-	-	-	-
		-	-	1.36	1.36	-	-	-	-
				65.40	65.40	-	-	-	-
		1,000.98	**-**	**430.80**	**1,431.78**	**1,000.98**	**-**	**-**	**1,000.98**
		1,041.59	-	310.09	1,351.68	1,041.59	-	-	1,041.60
		710.82	-	303.37	1,014.20	710.82	-	-	710.83
Financial liabilities									
Loans	19A,19B	-	-	86.41	86.41	-	-	86.41	86.41
		-	-	64.92	64.92	-	-	64.92	64.92
		-	-	61.95	61.95	-	-	61.95	61.95
Trade payables	21	-	-	9.72	9.72	-	-	-	-
		-	-	8.66	8.66	-	-	-	-
		-	-	14.55	14.55	-	-	-	-
Others	22	-	-	71.91	71.91	-	-	-	-
		-	-	77.53	77.53	-	-	-	-
		-	-	45.35	45.35	-	-	-	-
		-	-	168.04	168.04	-	-	86.41	86.41
		-	-	151.11	151.11	-	-	64.92	64.92
		-	-	121.85	121.85	-	-	61.95	61.95

The above excludes investment in associates amounting to INR 200.00 million (31 March 2017 : INR Nil; 1 April 2016 : INR 16.15 million), which are accounted as per equity method.

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B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

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

a) The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

b) The fair value of the remaining financial instrument is determined using discounted cash flow method. The discount rates used is based on management estimates.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (ii));
- liquidity risk (see (C) (iii))
- market risk (see (C) (iv)).

i. 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 Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. 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, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment delivery terms and conditions are offered. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the management.

The Company limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services. In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether

Notes to the standalone Ind AS financial statements

they are individuals or legal entities, whether they are a wholesale, retails or end-user customers, their geographic locations, industry, trading history with the Company and existence of previous financial difficulties.

The Company is monitoring the credit limits and is taking actions to limit

its exposure to customers including reduction in certain customer credit limits.

The Company's exposure to credit risk for trade receivables by type of counter party was as follows -

In millions of INR	Carrying amount		
	31 March 2018	31 March 2017	1 April 2016
Trade receivables			
Service providers and projects	64.92	33.89	31.09
Others	27.21	25.88	41.75
	92.13	59.78	72.84
Trade receivables			
India	78.71	50.10	41.03
Other regions	13.42	9.68	31.81
	92.13	59.78	72.84

Expected credit loss (ECL) assessment for individual customers as at 1 April 2016, 31 March 2017 and 31 March 2018

As per simplified approach the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date wherever. At March 31, 2018, the ageing of trade receivables that were not impaired was as follows.

In millions of INR	Carrying amount		
	31 March 2018	31 March 2017	1 April 2016
1-30 days past due	51.82	35.61	27.06
31-60 days past due	11.00	7.03	5.08
61-90 days past due	17.02	2.81	2.88
91-180 days past due	9.68	13.70	16.85
More than 180 days past due	2.61	0.62	20.98

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The Company has an exposure of INR 245 million as 31 March 2018 (31 March 2017 : INR Nil; 1 April 2016 : INR Nil) for loans given to subsidiaries. Such loans are classified as financial asset measured at amortised cost. The Company did not have any amounts that were past due but not impaired at 31 March 2018 or 31 March 2017. The Company has no collateral in respect of these loans.

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies. Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries, mutual funds and preference shares. These mutual funds, preference shares and counterparties have low credit risk.

Movement in the allowance for impairment in respect of trade receivables and loans

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The movement in the allowance for impairment in respect of trade receivables and loans is as follows :

In millions of INR	31 March 2018	31 March 2017
Balance at 1 April	-	-
Amounts written off	-	-
Net remeasurement of loss allowance	-	-
Balance at 31 March	-	-

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company uses product cost techniques to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities over the next twelve months. The ratio of cash and cash equivalents to outflows is 11 at 31 March 2018 (31 March 2017 : 10; 1 April 2016 : 11). The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. At 31 March 2018, the expected cash outflows on trade payables and loans maturing within six months are INR 16.03 millions (31 March 2017 : INR 13.20 million; 1 April 2016 : INR 21.49 million). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disaster.

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

In millions of INR	**Carrying amount as on 31 March 2018** 31 March 2017	**Total**	**6months of less**	**6-12 months**	**1-2 years**
Non-derivative financial liabilities					
Trade payables	**9.72**	**9.72**	**9.72**	**-**	**-**
	8.66	8.66	8.66	-	-
Employees dues	**19.13**	**19.13**	**19.13**	**-**	**-**
	17.18	17.18	17.18	-	-
Statutory dues	**7.77**	**7.77**	**7.77**	**-**	**-**
	6.00	6.00	6.00	-	-
Expenses payable	**44.67**	**44.67**	**44.67**	**-**	**-**
	38.20	38.20	38.20	-	-
Payable to related party	-	-	-	-	-
	16.15	**16.15**	**16.15**	**-**	**-**

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1 April 2016

In millions of INR	**Carrying amount**	**Total**	**6months of less**	**6-12 months**	**1-2 years**
Non-derivative financial liabilities					
Trade payables	14.55	14.55	14.55	-	-
Employees dues	17.30	17.30	17.30	-	-
Statutory dues	6.43	6.43	6.43	-	-
Expenses payable	21.62	21.62	21.62	-	-
Payable to related party	-	-	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Company. The functional currency for large number of transactions of the Company is INR and majority of the customers the Company dealt with operate from India only. The Company receives more than 98% of its revenue from the domestic operations only."

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances or enter into long term arrangement with the regular vendors to mitigate the currency rate fluctuations.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

In millions of INR/ USD	**INR**	**USD**
Trade receivables	13.29	0.07
	16.11	**0.25**
Trade payables	1.46	0.00
	0.92	0.01
Net exposure in respect of recognized assets and liabilities	11.83	0.07
	15.19	0.24
1-Apr-16		
Trade receivables	31.63	0.48
Trade payables	9.95	0.15
Net exposure in respect of recognized assets and liabilities	21.68	0.33

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in millions of INR	Profit or loss		Equity, net of tax	
	Strengthning	Weakening	Strengthning	Weakening
31-Mar-18				
INR (10% movement)	1.18	-1.18	1.18	-1.18
31-Mar-17				
INR (10% movement)	1.52	-1.52	1.52	1.52

35 OPERATING LEASES

See accounting policies in Note 3(l)

A. Leases as lessee

The Company has taken a number of offices and premises under operating leases. The leases typically run for a period of three to nine years, with an option to renew the lease after that period. Lease payments are renegotiated every three years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in specified local price indices. The lease for the land at central processing laboratory premises was transferred in the name of the Company about 9-10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Company, is capitalised in the books and amortised over the period of the lease. Further, part of the property on the said leased land, since no longer required for use by the Company has been sublet to it's subsidiary, after approval from the regulator. During the year, the Company has recovered sublease payments of INR 6.95 million (31 March 2017 : INR 6.43 million) in respect of this lease. The portion of the property thus sub-leased was recognised as investment property (see Note 3(f) and note to Note 4).

i. Future minimum lease payments

At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows :

In millions of INR	31-Mar-18	31-Mar-17	1-Apr-16
Payable in less than one year	20.60	10.72	9.79
Payable between one and five years	63.08	49.56	33.39
Payable after more than five years	8.59	16.53	16.22
	92.27	**76.81**	**59.40**

ii. Amounts recognized in profit or loss

In millions of INR	31-Mar-18	31-Mar-17
Lease expenses – minimum lease payments	23.88	21.04
Contingent rent expense	-	-
Sub-lease income	6.95	6.43

B. Equipment placement arrangements

The Company uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Company with option to purchase the equipment at the end of lease term at mutually negotiated price. These arrangements are not in the legal form of lease, but is accounted for as such based on its terms and conditions. The Company has recognised part of the consideration paid/ agreed to be paid to these vendors for reagents as operating lease consideration for use of equipment. The Company has recognised INR 89.76 million (31 March 2017 : INR 86.20 million) as lease rental towards use of equipment and balance towards cost of reagents.

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36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

In millions of INR		31-Mar-18	31-Mar-17	1-Apr-16
	Contingent liabilities			
	Claims against the Company not acknowledged as debts			
a.	Property tax demand (see note (i))	101.48	82.90	67.59
b.	Income tax demands - TDS matter (see note (ii))	368.52	368.52	368.52
c.	Other income tax assessments (see note (iii))	-	3.48	1.43
d.	Employees provident fund matter (see note (iv))	5.23	5.23	5.23

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes :

i. Navi Mumbai Municipal Corporation (NMMC) raised a claim on the original owner of the corporate office premises at D/37 -3 located at Turbhe on account of arrears arising from retrospective amendment in the property tax rates. The Company has not received any reply to the letters filed from time to time with NMMC for the said matter. A writ petition has been filed before the H'ble High Court at Mumbai seeking intervention against the arbitrary assessment of the property tax with retrospective effect for the stated premises. The H'ble High Court vide an order directed NMMC to decide the representation as early as possible and positively within four months after granting an opportunity of hearing to the Company. However, the Company till date has not received any representation / proposal from NMMC to resolve the grievance as regards to the illegal tax demand. The total amount of dues payable to NMMC is INR 121.54 million (31 March 2017: INR 93.24 million; 1 April 2016 : INR 71.04 million). Of the total amount of dues payable, the Company has provided for property tax dues of INR 13.79 million (31 March 2017: INR 10.34 million; 1 April 2016 : INR 3.45 million) for the said premises on the basis of the constructed area and the rates charged for the adjacent plot towards property tax. The balance outstanding amount of INR 101.48 million (31 March 2017: INR 82.90 million; 1 April 2016 : INR 67.59 million) as per NMMC for the corporate office premises has not been acknowledged as debts in the books of the Company.

ii. The Company had received income tax demand of INR 368.52 million (31 March 2017 : INR 368.52 million; 1 April 2016 : INR 368.52 million) on account of TDS survey proceedings initiated by the Income tax department for the FY 2008-09 to 2011-12. The Company has filed an appeal before the H'ble High Court at Mumbai and the H'ble High Court, Mumbai vide their order dated 11 September 2017, set aside the income tax demands. The H'ble High Court, Mumbai further directed the Income Tax Tribunal to hear the Appeals afresh on merits and in accordance with law after giving complete opportunity to both sides to place their versions and arguments. The Company till date however has not received any intimation from Income Tax Tribunal for the date of hearing to decide on the stated tax demands. On the basis of the order of the H'ble High Court, in view of the management no provision is considered necessary as at 31 March 2018.

iii. The CIT (Appeals) vide its order dated 22 March 2017 dismissed an appeal filed by the Company for the Assessment year 2012-13 challenging the Income Tax demand of INR 3.48 million (included under contingent liability as at 1 April 2016). The Company has not preferred further appeal against the stated order and accordingly, the Company has allowed the department to adjust the unpaid demand for the said appeal against the refund due to the Company for AY 2014-15.

iv The Company received an order for Provident Fund demand of ₹ 5.23 million (31 March 2017: INR 5.23 million; 1 April 2016 : INR 5.23 million) on account of an inquiry u/s 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Company has already filed an appeal before the Tribunal and requested for condonation of delay and stay of the demand raised by the Regional Provident Fund Commissioner. The tribunal has passed an order dismissing the appeal in default to which the Company has filed an application for restoring the appeal. The appeal is restored back and is currently pending for hearing. As per the direction of the Provident Fund Appellate Tribunal, the Company has paid 40% of disputed amount aggregating ₹ 2.09

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million (31 March 2017: ₹ 2.09 million; 1 April 2016 : INR 2.09 million) to the Provident Fund organisation. Meanwhile, the Regional Provident Fund Commissioner has proceeded to recover the balance amount in dispute. The Company has filed an application before the Tribunal for refunding the recovery amount, inspite of the stay granted by the Tribunal. The matter is pending for hearing and in view of the management no provision is considered necessary as at 31 March 2018.

In millions of INR		31-Mar-18	31-Mar-17
Commitments			
a.	Estimated amount of contracts remaining to be executed on capital account	-	-
b.	Commitments relating to long term arrangement with vendors (see note (i))	3,648.77	2,631.38

i. The Company has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent supplieINR As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are INR 3,648.77 million (31 March 2017: INR 2,631.38 million) of which annual commitment for next year is INR 856.68 million (31 March 2017 : INR 593.26 million) as per the terms of these arrangements.

37 RELATED PARTIES

A. Details of related parties:

Description of relationship	Names of related parties
Subsidiary	Nueclear Healthcare Limited
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL
	Sumathi Infra Project LLP
	Sumathi Construction Private Limited
	Mahima Advertising LLP
	Thyrocare Properties & Infrastructure Private Limited
	Thyrocare Publications LLP
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	Amruta Velumani (daughter of Dr A Velumani)
	Anand Velumani (son of Dr A Velumani)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

Notes to the standalone Ind AS financial statements

B. Transactions with key management personnel

i. Key management personnel compensation

In millions of INR	Year ended	Year ended	Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Dr A Velumani	(0.00)*	16.00	0.00	0.65	1.40
A Sundararaju	6.00	8.00	0.35	0.36	0.65
	6.00	24.00	0.35	1.01	2.05

* Amount less than ₹ 0.01 million

Compensation of the Company's key managerial personnel includes salaries, non – cash benefits and contributions to post-employment defined benefit plan.

ii. Transactions with key management personnel including directors

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Dividend paid					
Dr A Velumani	148.09	111.07	-	-	-
A Sundararaju	2.49	1.87	-	-	-
Amruta Velumani	7.53	5.64	-	-	-
Assignment of trademark (see note (ii) below)					
Dr A Velumani	0.00	-	-	-	-
Royalty payment					
Dr A Velumani	-	0.03	-	-	-
Waiving of royalty payment (see note (ii) below)					
Dr A Velumani	-	0.03	-	-	-

C. Related party transaction other than those with key management personnel

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Rent Paid / payable					
Sumathi Construction Private Limited	3.31	2.82	-	-	-
Nueclear Healthcare Limited	1.37	0.90	-	-	-
Rent received / receivable					
Nueclear Healthcare Limited	6.90	6.43	-	13.51	-
Outlab processing charges paid / payable					
Nueclear Healthcare Limited	-	104.50	-	-	-
Equinox Labs Private Limited	0.22	-	0.22	-	-

Notes to the standalone Ind AS financial statements

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Transfer of Whaters division					
Equinox Labs Private Limited	100.00	-	-	-	-
Subscription paid for equity shares					
Equinox Labs Private Limited	100.00	-	-	-	-
Revenue from operations					
Thyrocare Gulf Laboratories WLL	19.29	26.35	9.04	9.63	24.63
Other income					
Thyrocare Gulf Laboratories WLL	-	0.19	-	-	-
Provision for other than temporary diminution in the value of long-term investments					
Thyrocare International Holding Company Limited, Mauritius	-	16.15	16.15	16.15	-
Provision for doubtful trade receivables					
Thyrocare Gulf Laboratories WLL	-	6.48	6.48	6.48	-
Sale of non-current investments					
S Susila	-	16.15	-	-	-
Loans to subsidiary					
Nueclear Healthcare Limited	245.00	-	245.00	-	-
Interest received					
Nueclear Healthcare Limited	9.22	-	-	-	-
Reversal of sale of non-current investments					
S Susila	-	16.15	-	-	-
Balances written off					
" Thyrocare International Holding Company Limited, Mauritius"	-	0.03	-	-	-
Expenses incurred on behalf of the company					
Nueclear Healthcare Limited	4.38	5.16	-	-	-
Thyrocare Gulf Laboratories WLL	1.78	0.80	-	-	-

Notes to the standalone Ind AS financial statements

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Expenses incurred by					
Nueclear Healthcare Limited	0.79	0.67	-	-	-
Sumathi Construction Private Limited	0.47	0.37	-	-	-
Technical assistance fees income					
Thyrocare International Holding Company Limited, Mauritius"	2.10	1.47	-	-	-
Thyrocare Gulf Laboratories WLL	4.25	-	4.25	6.48	6.98
Dividend paid					
Anand Velumani	6.33	4.75	-	-	-
Dr A Velumani HUF	9.12	6.84	-	-	-
A Sundararaju HUF	24.16	18.12	-	-	-
Sumathi Infra Project LLP	15.76	11.82	-	-	-
Mahima Advertising LLP	12.60	9.45	-	-	-
Thyrocare Properties & Infrastructure Private Limited	52.18	39.13	-	-	-
Thyrocare Publications LLP	65.35	49.01	-	-	-
Amount recovered/ recoverable					
Nueclear Healthcare Limited	82.80	-	-	84.53	79.57
Thyrocare International Holding Company Limited, Mauritius"	-	-	-	-	0.03
Amount payable					
Nueclear Healthcare Limited	-	-	-	-	9.64
Sumathi Construction Private Limited		-		-	0.08
Thyrocare Gulf Laboratories WLL	-	-	-	-	4.75
S Susila				16.15	-
Investment in equity instruments					
Equinox Labs Private Limited	200.00	-	200.00	-	-
Nueclear Healthcare Limited	-	-	1,946.74	1,946.74	1,946.74
Thyrocare International Holding Company Limited, Mauritius"	-	-	16.15	16.15	16.15

Notes to the standalone Ind AS financial statements

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Security deposit taken					
Nueclear Healthcare Limited	11.50	-	11.50	-	-
Security deposit given					
Nueclear Healthcare Limited	-	-	1.86	1.86	1.86

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel entities on an arm's length basis.

ii. The Company was providing for royalty based on the terms of the agreement for using the trademark. During the previous year, as Dr. A. Velumani has decided to transfer the assigned trademark to the Company, he has decided to waive the royalty payable to him for use of the trademark until the transfer takes effect.

Further during the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has tranferred the rights in the trademark - ""Whaters"" in favour of the company [subsequently disposed off with the water testing business], for a token money of INR 1. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to capital reserves as shareholder's contribution.

38 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

In millions of INR		31 March 2018	31 March 2017
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.17	-
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Notes to the standalone Ind AS financial statements

b. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders. Accordingly, the Company has not raised money by way of initial public offer, and hence no funds received by the Company.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

c. In accordance with Indian Accounting Standard 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company.

d. The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2017. The Company will undertake a study for transactions upto 31 March 2018 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2017 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

e. The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the period ended 31 March 2017 has been disclosed.

In millions of INR	**SBN**	**Other**	**Total**
Closing cash in hand as on 8 November 2016	0.30	0.21	0.51
Transaction between 9 November 2016 to 30 December 2016			
Add: Withdrawal from bank accounts	-	0.38	0.38
Add: Receipts from permitted transactions (see Note 1)	-	38.63	38.63
Add : Receipts for non-permitted transactions			
- TSP related receipts (see Note 2)	13.62	-	13.62
- Others (see Note 1)	1.28	-	1.28
Less : Paid for permitted transactions (see Note 3)	-	(0.31)	(0.31)
Less : Paid for non-permitted transactions (see Note 3)			
Less: Deposited in bank accounts	(1.58)	(7.24)	(8.82)
Less: TSP related direct deposits (see Note 2)	(13.62)	(30.93)	(44.55)
Closing cash in hand as on 30 December 2016	-	0.74	0.74

Note:

1. The Company is into healthcare related services. The consideration towards diagnostic services and imaging services was received in SBN. The Company has deposited the same, without incurring any expenditure out of these received SBN into KYC complied current bank account of the group. The company has collected appropriate details including PAN etc of the patients.

2. The receipts from authorised service providers towards diagnostic services availed and as deposited directly by the service providers in the Company's current banking account is disclosed/prepared to the extent of information available and details as provided by the bank.

3. The Company has not made any direct payment, out of the SBN received, towards either permitted/non-permitted transactions. The payment towards permitted transactions have been incurred outof withdrawal of non SBN currency.

Notes to the standalone Ind AS financial statements

f. Pursuant to the IPO, in the previous year, Agalia Private Limited ('APL' or the selling shareholder) divested part of its share-holding in the Company. At the instance of APL, the Company entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 304.85 million were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts. During year ended 31 March 2018, the Company has incurred advertising costs aggregating to ₹ 21.93 million (31 March 2017 : ₹ 274.33 million) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to Capital Reserves to the extent of reimbursement received from APL post IPO.

In millions of INR	31 March 2018	31 March 2017
Advertisement expenses	21.93	274.33
(debited to Profit and Loss Account under exceptional items)		
Reimbursement received towards the above from shareholder	21.93	274.33
(added to the Capital Reserves as shareholder's contribution under IndAS)		

g. On 28 April 2018, the Board of directors has recommended a final dividend of ₹ 5 per equity share for the financial year ended 31 March 2018. As per the provisions of Companies (Accounting Standards) Amendment Rules, 2016 proposed dividend is not recognised as a liability as at 31 March 2018. Post approval of proposed dividend by shareholders in the ensuing Annual General Meeting, there will be cash outflow of ₹ 323.83 million including dividend distribution tax.

h. During the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" in favour of the Company [subsequently disposed off with the water testing business], for no consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

i. Disclosure as per Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties :

Name of party	**Relationship**	**Amount outstanding as at**		**Maximum balance outstanding during the year**	
		31 March 2018	**31 March 2017**	**31 March 2018**	**31 March 2017**
Nueclear Healthcare Limited	**Wholly owned subsidiary company**	**245.00**	**-**	**245.00**	**-**

The above loan was given to the subsidiary for its business activities (refer note 37).

Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows :

(i) Details of investments made are given in Note 6 and Note 7.

(ii) Details of the loans given by the Company is given in Note 8A.

(iii) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

Notes to the standalone Ind AS financial statements

39 EXPLANATION OF TRANSITION TO IND AS

As stated in Note 2, these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these standalone financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening standalone Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its standalone Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustment made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Optional exemptions availed and mandatory exceptions

In preparing these consolidated financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

1 Business combinations

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition, If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations.

The Company has opted to restate business combinations on or after 1 April 2016.

2 Property plant and equipment, intangible assets and investment properties

As per Ind AS 101 an entity may elect to:

i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was at the date of the revaluation, broadly comparable to:

- fair value;
- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also.

Notes to the standalone Ind AS financial statements

3 Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has elected to avail of the above exemption.

4 Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other investments are classified at fair value through profit or loss (FVTPL).

B. Mandatory exceptions Ind AS

1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement; Key estimates considered in preparation of the standalone financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.

2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Notes to the standalone Ind AS financial statements

Reconciliation of equity

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Assets							
Non-current assets							
Property, plant and equipment	a	916.92	-13.86	903.06	885.62	-13.27	872.35
Tangible capital-work-in progress		10.18	-	10.18	21.33	-	21.33
Investment property	a	-	13.86	13.86	-	13.27	13.27
Other intangible assets	i	8.86	-	8.86	6.05	0.39	6.44
Intangible fixed assets under development	i	3.37	-	3.37	0.40	-0.40	-
Equity accounted investees	b	-	16.15	16.15	-	-	-
Financial assets							
Investments	b	1,962.89	-16.15	1,946.74	1,946.74	-	1,946.74
Loans	c	10.75	-2.14	8.61	8.49	-2.21	6.28
Deferred tax assets (net)	j	25.55	-25.55	-	44.08	-43.87	0.21
Other tax assets		34.51		34.51	26.73		26.73
Other non-current assets	c	8.95	1.57	10.52	9.80	1.72	11.52
Total non-current assets		**2,981.98**	**-26.12**	**2,955.86**	**2,949.24**	**-44.37**	**2,904.87**
Current assets							
Inventories		98.89	-	98.89	137.61	-	137.61
Financial assets							
Investments	d	694.92	15.90	710.82	1,014.83	26.76	1,041.59
Trade receivables	i	73.00	-0.16	72.84	58.60	1.18	59.78
Cash and cash equivalents		75.96	-	75.96	87.10	-	87.10
" Other bank balance in deposit accounts (other than cash and cash equivalents above)		0.50	-	0.50	19.10	-	19.10
Loans	c	80.06	-	80.06	136.57	-0.10	136.47
Others		65.40	-	65.40	1.36	-	1.36
Prepayments	c,i	73.94	0.53	74.47	50.91	2.61	53.52
Total current assets		**1,162.67**	**16.27**	**1,178.94**	**1,506.08**	**30.45**	**1,536.53**
Total assets		**4,144.65**	**-9.85**	**4,134.80**	**4,455.32**	**-13.92**	**4,441.40**

Notes to the standalone Ind AS financial statements

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Equity							
Equity share capital		537.24	-	537.24	537.24	-	537.24
Other equity							
Capital reserve	e	1.06	-	1.06	1.06	274.33	275.39
Securities premium		1,232.93	-	1,232.93	1,232.93	-	1,232.93
Share options outstanding	f	25.92	0.03	25.95	50.55	-0.17	50.38
General reserve		91.67	-	91.67	91.67	-	91.67
Retained earnings		1,865.04	145.08	2,010.12	2,290.88	-298.70	1,992.18
Equity attributable to owners of the Company		**3,753.86**	**145.11**	**3,898.97**	**4,204.33**	**-24.54**	**4,179.79**
Liabilities							
Non-current liabilities							
Financial liabilities							
Loans	c	55.53	-0.52	55.01	62.50	-2.12	60.38
Deferred tax liabilities (net)	j	-	1.92	1.92	-	-	-
Provisions		43.33	-	43.33	43.44	-	43.44
Total non-current liabilities		**98.86**	**1.40**	**100.26**	**105.94**	**-2.12**	**103.82**
Current liabilities							
Financial liabilities							
Trade payables	i	14.55	-	14.55	2.49	6.17	8.66
Loans	c	6.94	-	6.94	4.54	-	4.54
Others		45.35	-	45.35	77.53	-	77.53
Other current liabilities	g	35.87	6.05	41.92	39.12	6.57	45.69
Provisions	h	171.87	-162.41	9.46	9.39	-	9.39
Current tax liabilities (net)		17.35	-	17.35	11.98	-	11.98
Total current liabilities		**291.93**	**-156.36**	**135.57**	**145.05**	**12.74**	**157.79**
Total liabilities							
Total equity and liabilities		**4,144.65**	**-9.85**	**4,134.80**	**4,455.32**	**-13.92**	**4,441.40**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Notes to the standalone Ind AS financial statements

Notes to reconciliation of equity as at 31 March 2017 and as at 1 April 2016 between Previous GAAP to Ind AS:

a Classification of investment property

The Company has reclassified portion of the leasehold land and building with undetermined future use to investment property. This has resulted in decrease in the carrying value of leasehold land by INR 3.83 million (1 April 2016 : INR 3.89 million) and carrying value of buildings/ premises by INR 9.44 million (1April 2016 : INR 9.97 million). The reclassified portion of the leasehold land and building was disclosed under investment property alongwith the accumulated depreciation on the portion of the leasehold land and building on the date of transition.

b Classification of equity accounted investees

The Company has reclassified the investment held in associate company Thyrocare International Holding Company (TIHC), using equity method. This has resulted in decrease in the carrying value of non-current investment by INR 16.15 million on the date of transition.

c Fair valuation of security deposits for rented premises and deferred rent

The Company has given interest free security deposits for rented premises. The interest free security deposits have been fair valued on the date of transition and the difference between the transaction amount and the fair value has been recognised as prepaid rent. The security deposits have been subsequently amortised under effective interest rate method and the prepaid rent on a straight line basis over the term of the lease. This has resulted in recognising prepaid rent of INR 1.72 million (1 April 2016 : INR 1.57 million) in other non-current assets and INR 0.61 million (1 April 2016 : INR 0.53 million) in other current assets. The security deposits have been reduced by INR 2.21 million (1 April 2016 : INR 2.14 million) in non current asset and reduction by INR 0.10 million (1 April 2016 : INR Nil). The lease payments to the lessors structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases are charged to profit and loss account in respective accounting period. This has resulted in reduction in deferred rent of INR 1.67 million (1 April 2016 : INR 0.52 million) in non-current loans and INR 0.03 million (1 April 2016 : INR Nil) in other current liabilities.

d Fair valuation of investment in mutual funds

The Company has invested INR 1014.83 million (1 April 2016 : INR 687.92 million) in debt oriented mutual funds. The fair value of the investment was INR 1041.59 million (1 April 2016 : INR 703.82 million) on that date The amount of investment has increased by INR 26.76 million (1 April 2016 : INR 15.90 million) under Ind AS from that under previous GAAP.

e Contribution from shareholder for reimbursement of expenses

The Company has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

f Fair valuation of share-based payments

The Company granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding by INR 0.17 million (1 April 2016 : increase of INR 0.03 million).

g Deferral of income related to registration fees

An amount of INR 6.57 million (1 April 2016 : INR 6.05 million) has been deferred, in respect of consideration received for one time registration fees from service providers as the same is not considered as a separate obligation and shall be recognised over the period of association of the service providers.

h Recognition of proposed dividend

The proposed final dividend at the reporting date, unless approved by the shareholders are considered to be non-adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed, under IndAS.

Notes to the standalone Ind AS financial statements

i Rectification of prior period adjustments

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

j Deferred tax

The Company has recognised a deferred tax liability of INR 43.87 million (1 April 2016 : INR 27.47 million) on the temporary differences arising on account of the above Ind AS adjustments.

Reconciliation of total comprehensive income for the year ended 31 March 2017

In millions of INR	Note	Year ended 31 March 2017		
		Previous GAAP *	Adjustment on transition to Ind AS	Ind AS
Continuing operations				
Revenue from operations	a,b,l	3,000.59	-25.32	2,975.27
Other income	c,d,l	80.81	33.27	114.08
Total income		**3,081.40**	**7.95**	**3,089.35**
Expenses				
Cost of materials consumed	e,f,l	783.77	-26.29	757.48
Purchases of stock-in-trade	e	86.37	-60.76	25.61
Changes in inventories of stock-in-trade	e	-8.63	5.02	-3.61
Employee benefits expense	g,i,l	293.49	8.72	302.21
Finance cost	b	-	2.57	2.57
Depreciation and amortisation expense		116.89	0.02	116.91
Other expenses	a,b,c,f,j,l	676.50	69.91	746.41
Total expenses		**1,948.39**	**-0.81**	**1,947.58**
Profit before exceptional items and tax		1,133.01	8.76	1,141.77
Exceptional items	k	-	-274.33	-274.33
Profit after exceptional items and before tax		1,133.01	-265.57	867.44
Tax expense:				
Current tax		403.02	-	403.02
Deferred tax	m	-18.49	16.23	-2.26
		384.53	**16.23**	**400.76**
Profit after tax		748.48	-281.80	466.68
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
" Re-measurement gains/ (losses) on defined benefit plans"	i	-	0.50	0.50
Income tax effect	m	-	-0.17	-0.17
		-	**0.33**	**0.33**
Other comprehensive income for the year, net of tax		-	0.33	0.33
Total comprehensive income for the year		**748.48**	**-281.47**	**467.01**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Notes to the standalone Ind AS financial statements

Notes to reconciliation of statement of profit and loss for the year ended 31 March 2017 between previous GAAP to IndAS

a Reclassification of sales incentives and receipts of non-operating nature

Sales incentives directly attributable to sales of INR 8.02 million have been reclassified from other expenses to revenue. This has resulted in decrease of revenue and other expenses by INR 8.02 million. Receipts from service providers not directly attributable to sales of INR 14.44 million have been reclassified from revenue to other income. This has resulted in decrease of revenue and increase in other income by INR 14.44 million.

b Recognition of deemed income on interest free security deposits from service providers

An amount of INR 3.41 million has been recognised as deemed income on unwinding of interest free security deposits from service providers at fair value on initial recognition. This has resulted in increase of revenue INR 3.41 million, recognition of finance cost of INR 2.56 million and increase in other expenses of INR 0.85 million.

c Gain on change in fair value of investment in mutual funds

An amount of INR 1.69 million has been recognised as net loss on change in fair value of investment in investment in mutual funds during the financial year ended 31 March 2017. This further has resulted in decrease in other expenses by INR 12.77 million on account of reversal of provision for diminution in value of the investments due to recognition of these investments at fair value.

d Unwinding of interest income on interest free security deposits for rented premises

The Company has provided an interest free security deposits for rented premises. It has fair valued these security deposits on initial recognition and amortised the same under effective interest rate method. The Company has recognised an interest income INR 0.55 million on unwinding of such security deposits which was recognised at fair value on initial recognition.

e Reclassification of cost of consumables used for providing diagnostic services

Cost of consumables used for providing diagnostic services directly attributable to providing diagnostic services of INR 55.74 million have been reclassified from cost of traded material to cost of material consumed. This has resulted in decrease of purchase of stock-in-trade and changes in inventories of stock-in-trade by INR 55.74 million and increase in cost of material consumed by INR 55.74 million.

f Reclassification of deemed rental charges on plant and equipment held under reagent rental arrangements

The company has acquired testing equipment (analysers), under a number of reagent rental arrangements. Under Ind AS, the company has recognised part of the cost of material consumed on plant and equipment held under reagent rental agreements, on the basis of economic useful life of these equipments, apportioned on straight line basis over the period of useful life as rent. This has resulted in increase of other expenses and decrease of cost of material consumed by INR 85.40 million.

g Fair valuation of share-based payments

The Company granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding and resulted in decrease in employee benefits expense by INR 0.20 million.

i Actuarial gain and loss

Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP the Company recognised actuarial gains and losses in profit or loss amounting to INR 0.50 million.

j Amortisation of prepaid rent arising on fair valuation of security deposits on initial recognition

An amount of INR 0.81 million has been adjusted against rent expenses on account of amortisation of prepaid rent arising on fair valuation of security deposit on initial recognition.

Notes to the standalone Ind AS financial statements

k Contribution from shareholder for reimbursement of expenses

The Company has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

l Rectification of prior period adjustments

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

m Deferred tax

The Company has recognised a deferred tax expense of INR 16.23 million on the temporary differences arising on account of the above Ind AS adjustments.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Thyrocare Technologies Limited

REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of Thyrocare Technologies Limited (hereinafter referred to as "the Holding Company"), its subsidiary, Nueclear Healthcare Limited ('the Subsidiary' or 'NHL') and Thyrocare Employees Stock Option Trust ('the Trust') (together referred to as 'the Group'), its associates, Equinox Labs Private Limited and Thyrocare International Holding Company ('the Associate') which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows, for the year then ended, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated state of affairs, consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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.

We conducted our audit 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 consolidated 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 consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and of its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Group and its associates to cease to continue as a going concern.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of the report of the other auditor referred to in sub-paragraph 1 (a) of the Other Matters

paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor on separate financial statements and on the other financial information of the Trust and an associate, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2018, and their consolidated profit (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows for the year ended on that date.

OTHER MATTERS

1. (a) The consolidated Ind AS financial statements includes the Group's share of net profit of ₹ Nil for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid associate, is based solely on the report of the other auditor.

   (b) We did not audit the financial information of a Trust, whose financial information reflect total assets of ₹ 0.2 million as at 31 March 2018, total revenues of ₹ Nil and net cash outflows/ (inflows) amounting to ₹ Nil for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ Nil for the year ended 31 March 2018, as considered in the consolidated Ind AS financial statements, in respect of an associate whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the Trust and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid Trust and associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

   Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the Trust and associate, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements;

   b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;

   c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

   d) in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;

   e) on the basis of the written representations received from the directors of the Holding Company and NHL as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and of NHL respectively, and the report of the auditor of the associate incorporated in India, none of the directors of the Group companies and its associate, incorporated in India, 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 with reference to financial statements of the Holding Company, its subsidiary company and its associate company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

   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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the Trust and associate, as noted in the 'Other Matters' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 37 to the consolidated Ind AS financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2018.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary company and associate company incorporated in India during the year ended 31 March 2018.

iv. The disclosures in the consolidated Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However, amounts as appearing in the audited consolidated financial statements for the year ended 31 March 2017 have been disclosed.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

Annexure A to Independent Auditor's Report - 31 March 2018

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

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of Thyrocare Technologies Limited ("the Holding Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary company and its associate which are incorporated in India (collectively referred to hereinafter as "the India Group"), as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company, its subsidiary company and its associate which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective 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 (ICAI). 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 the respective 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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the India Group's internal financial controls over financial reporting 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the India Group'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, and taking into consideration the report of the other auditor referred to in the Other Matters paragraph below, the India Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the respective 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 ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one associate which is a company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India. Our opinion is not qualified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No: 103145

Mumbai
28 April 2018

Consolidated Balance sheet

As at 31 March 2018

In millions of INR

	Note	31 March 2018	31 March 2017	1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	4A	1,901.77	1,511.67	1,513.58
Capital-work-in progress	4B	-	174.48	10.18
Goodwill on consolidation	3(e)	1,068.58	1,068.58	1,068.58
Other intangible assets	5A	17.07	6.44	8.86
Intangible assets under development	5B	-	-	3.75
Equity accounted investees	6	200.00	-	16.15
Financial assets				
Loans	8	15.41	6.28	39.95
Deferred tax assets (net)	9	52.31	37.88	23.37
Other tax assets	10	42.08	42.40	46.25
Other non-current assets	11	68.70	35.22	13.78
Total non-current assets		**3,365.92**	**2,882.95**	**2,744.45**
Current assets				
Inventories	12	170.48	144.98	107.16
Financial assets				
Investments	7	1,000.98	1,041.59	937.50
Trade receivables	13	98.40	62.75	74.88
Cash and cash equivalents	14	98.20	98.84	103.47
Other bank balances	14	20.37	19.10	0.50
Loans	8	0.24	69.82	0.49
Other financial assets	15	0.67	1.36	65.61
Prepayments	16	34.60	56.91	76.98
Total current assets		**1,423.94**	**1,495.34**	**1,366.59**
Total assets		**4,789.86**	**4,378.29**	**4,111.05**
Equity and liabilities				
Equity				
Equity share capital	17	537.23	536.90	536.90
Other equity	18	3,895.67	3,541.18	3,298.81
Equity attributable to owners of the Company		**4,432.90**	**4,078.08**	**3,835.71**
Non-controlling interests		**-**	**-**	**-**
Total equity		**4,432.90**	**4,078.08**	**3,835.71**
Liabilities				
Non-current liabilities				
Financial liabilities				
Loans	19	100.76	72.50	55.01
Provisions	20	53.32	51.52	68.22
Total non-current liabilities		**154.08**	**124.02**	**123.23**
Current liabilities				
Financial liabilities				
Trade payables	21	11.60	12.96	18.40
Loans	19	5.48	-	7.11
Other financial liabilities	22	90.20	95.56	56.56
Current tax liabilities (net)	23	50.61	11.98	17.35
Provisions	20	11.40	9.90	10.09
Other current liabilities	24	33.59	45.78	42.60
Total current liabilities		**202.88**	**176.19**	**152.11**
Total liabilities				
Total equity and liabilities		**4,789.86**	**4,378.29**	**4,111.05**
Significant accounting policies	3			
Notes to the Consolidated Ind AS Financial Statements	4-40			

The accompanying notes form an integral part of the consolidated Ind AS financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Consolidated Statement of Profit and Loss

For the year ended 31 March 2018

In millions of INR

	Note	Year ended 31 March 2018	Year ended 31 March 2017
Revenue from operations	25	3,563.15	3,043.87
Other income	26	229.96	122.42
Total income		**3,793.11**	**3,166.29**
Expenses			
Cost of materials consumed	27a.	921.95	792.23
Purchases of stock-in-trade	27b.	24.10	25.61
Changes in inventories of stock-in-trade	27c.	3.67	(3.61)
Employee benefits expense	28	353.39	320.00
Finance cost		4.35	2.68
Depreciation and amortisation expense	4,5	201.00	180.51
Other expenses	29	812.77	757.80
Total expenses		**2,321.23**	**2,075.22**
Profit before exceptional items and income tax		1,471.87	1,091.07
Exceptional items	39d.	(21.93)	(274.33)
Profit after exceptional items and before income tax		1,449.94	816.74
Tax expense:	30		
Current tax		523.65	402.98
Deferred tax		(6.46)	(14.69)
		517.19	388.29
Profit after tax		**932.75**	**428.45**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		2.56	0.51
Income tax effect		(0.89)	(0.18)
Other comprehensive income for the year, net of income tax		1.67	0.33
Total comprehensive income for the year		**934.42**	**428.79**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	31(i)	17.39	7.99
(b) Diluted earnings per share (INR)	31(ii)	17.34	8.13
Significant accounting policies	3		
Notes to the Consolidated Ind AS Financial Statements	4-40		
The accompanying notes form an integral part of the consolidated Ind AS financial statements.			

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Consolidated Statement of Changes in Equity

For the year ended 31 March 2018

		Note	
a.	**Equity share capital**		
	Balance as at 1 April 2016		536.90
	Changes in equity share capital during 2016-17	17	-
	Balance as at the 31 March 2017		**536.90**
	Changes in equity share capital during 2017-18	17	0.33
	Balance as at the 31 March 2018		**537.23**

b. Other equity

	Note	Reserves and surplus					Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Retained earnings	
Balance as at 1 April 2016		**1.06**	**1,232.93**	**25.95**	**91.67**	**1,947.20**	**3,298.81**
Total comprehensive income for the year ended 31 March 2017							
Profit or loss		-	-	-	-	428.45	**428.45**
Other comprehensive income (net of tax)		-	-	-	-	0.34	**0.34**
Total comprehensive income		-	-	-	-	428.79	**428.79**
Transaction with owners recorded directly in equity							
Contributions by and distributions to owners							
Capital contribution by reimbursement of expenses	18(a)	274.33	-	-	-	-	**274.33**
Employee compensation expense for the year	18(c)	-	-	24.43	-	-	**24.43**
Final/ Interim dividend on equity shares	18(e)	-	-	-	-	(402.93)	**(402.93)**
Dividend distribution tax	18(e)	-	-	-	-	(82.26)	**(82.26)**
Total contributions by and distributions to owners		274.33	-	24.43	-	(485.19)	**(186.43)**
Balance as at the 31 March 2017		275.39	1,232.93	50.38	91.67	1,890.81	**3,541.18**

b. Other equity

	Note	Reserves and surplus					Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Retained earnings	
Balance as at 1 April 2017		275.39	1,232.93	50.38	91.67	1,890.81	**3,541.18**
Total comprehensive income for the year ended 31 March 2018							
Profit or loss		-	-	-	-	932.75	**932.75**
Other comprehensive income (net of tax)		-	-	-	-	1.67	**1.67**
Total comprehensive income		-	-	-	-	934.43	**934.43**
Transaction with owners recorded directly in equity							
Contributions by and distributions to owners							
Transfer of trademark by shareholder at no cost	18(a)	19.80	-	-	-	-	**19.80**
Transfer on exercise of stock option	18(c)	-	39.35	-	-	-	**39.35**
Capital contribution by reimbursement of expenses	18(a)	21.93	-	-	-	-	**21.93**
Employee compensation expense for the year	18(c)	-	-	17.10	-	-	**17.10**
Final/ Interim dividend on equity shares	18(e)	-	-	-	-	(537.24)	**(537.24)**
Dividend distribution tax	18(e)	-	-	-	-	(101.52)	**(101.52)**
Transfer to securities premium account on exercise of stock option	18(c)	-	-	(39.35)	-	-	**(39.35)**
Total contributions by and distributions to owners		41.73	39.35	(22.25)	-	(638.76)	**(579.93)**
Balance as at the 31 March 2018		**317.12**	**1,272.28**	**28.13**	**91.67**	**2,186.48**	**3,895.68**

The accompanying notes form an integral part of the consolidated Ind AS Financial Statements.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Consolidated Statement of Cash Flows

For the year ended 31 March 2018

In millions of INR

		Note	Year ended 31 March 2018	Year ended 31 March 2017
A.	**Cash flows from operating activities**			
	Net profit before tax		1,449.94	816.74
	Adjustments for:			
	Depreciation and amortisation	4,5	201.00	180.51
	Exceptional items	39d	21.93	274.33
	Net (gain) on sale of current investments	26	(6.25)	(12.68)
	Loss/ (Profit) on sale of property, plant and equipment	26,29	0.22	(0.31)
	Unrealised loss on foreign exchange fluctuation	29	-	0.49
	Profit on disposal of business undertaking	26	(78.85)	-
	Provision for other than temporary diminution in the value of long-term investments	29	3.08	9.50
	Provision for doubtful receivables	29	-	6.48
	Provision for claims	26	(6.88)	-
	Financial asseets mandatorily maeasured at FVTPL - net change in fair value	26	(26.01)	(3.84)
	Employee stock compensation expense	28	17.10	24.43
	Dividend income from current investment	26	(36.34)	(48.94)
	Interest income	26	(2.23)	(2.04)
			86.77	**427.93**
	Operating profit before working capital changes		1,536.71	1,244.67
	(Increase) in Inventories	12	(25.56)	(37.83)
	(Increase) / Decrease in Trade receivables	13	(37.13)	5.15
	Decrease / (Increase) in Loans and advances	8	60.13	(33.07)
	(Increase) / Decrease in Other assets	11,15,16	(1.19)	71.57
	(Decrease) in Trade payables	21	(1.33)	(5.43)
	Increase in Other liabilities	19,22,24	15.15	71.67
	Increase / (Decrease) in Provisions	20	12.74	(16.39)
			22.81	55.67
	Cash generated from operations		1,559.52	1,300.35
	Net income tax paid		(489.21)	(404.64)
	Net cash flows from operating activities (A)		**1,070.31**	**895.71**
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work in progress and capital advances	4,5	(436.50)	(363.68)
	Proceeds from sale of property, plant and equipment	5	0.15	0.61
	Purchase of equity shares in associate	6	(100.00)	-
	Purchase of current investments	7	(913.00)	(1,209.07)
	Proceeds from sale of current investments	7	979.17	1,125.73
	Dividend received	26	36.34	48.94
	Bank deposits (having original maturity of more than 3 months)	14	(1.27)	(18.60)
	Interest received	15,26	2.92	0.92
	Net cash (used in) investing activities (B)		**(432.19)**	**(415.15)**

Consolidated Statement of Cash Flows

For the year ended 31 March 2018

In millions of INR

		Note	Year ended 31 March 2018	Year ended 31 March 2017
C.	**Cash flows from financing activities**			
	Dividend paid on equity shares	18(e)	(537.24)	(402.93)
	Tax paid on dividend	18(e)	(101.52)	(82.26)
	Net cash (used in) financing activities (C)		**(638.76)**	**(485.19)**
	Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)		**(0.64)**	**(4.63)**
	Cash and cash equivalents at the beginning of the year		98.84	103.47
	Cash and cash equivalents at the end of the year		**98.20**	**98.84**

Notes to cash flow statement

1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (IndAS-7), "Statement of cash flows".

2 Reconciliation of cash and cash equivalents with the balance sheet :

	Particulars	31 March 2018	31 March 2017
	Cash and cash equivalents (refer note 14)	98.20	98.84
	Balance as per statement of cash flows	98.20	98.84

The accompanying notes form an integral part of the Consolidated Ind AS Financial Statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

Notes to the consolidated Ind AS financial statements

1. REPORTING ENTITY

Thyrocare Technologies Limited (the "Company") alongwith its wholly owned subsidiary Nueclear Healthcare Limited (the "Subsidiary") [collectively referred to as the "Group"], are one of India's leading healthcare services providers in diagnostic segment. The consolidated financial statements includes financial statements of the Company, its Subsidiary, Equinox Labs Private Limited (the "Associate") and Thyrocare Employees Stock Option Trust (the "Trust") . The Company, its Subsidiary and its Associate are engaged in providing quality diagnostic services at affordable costs to laboratories, hospitals, corporates, institutions and cancer patients. The Group has its centralised fully automated diagnostic testing laboratory, regional processing laboratories, a medical cycltron facility and PET-CT facilities across the country. The Company and its Subsidiary have been incorporated under the provisions of the Indian Companies Act and the equity shares of the Company are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

2. BASIS OF PREPARATION

A. Statement of compliance

These consolidated Ind AS financial statements (hereinafter referred to as 'consolidated financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act. The Group's consolidated financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 40. The consolidated financial statements were authorized for issue by the Company's Board of Directors on 28 April 2018. The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

These consolidated financial statements are prepared in India Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

C. Basis of measurement

The consolidated financial statements are prepared on the historical cost basis except for the following items :

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Liabilities for cash-settled share-based payment arrangements	Fair value
Liabilities for employee benefit obligations	Fair value on the basis of actuarial valuation

D. Use of estimates and judgments

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes :

Note 3(e) - Impairment testing for goodwill generated on consolidation.

Note 25 – revenue from imaging services : whether the Group acts as a principal rather than as an agent in a transaction;

Note 36 – leases : whether an arrangement contains a lease;

Note 36 – lease classification;

Note 39 (d) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are contribution; and

Note 39 (h) - consolidation : whether the Group has de facto control over an investee.

Notes to the consolidated Ind AS financial statements

Assumptions and estimation uncertainties Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are included in the following notes :

Note 3(e) - Impairment testing for goodwill generated on consolidation;

Note 4 and 5 - determining an assets expected useful life and the expected residual value at the end of its life;

Note 9 - recognition of deferred tax assets : availability of future taxable profit against which tax losses carried forward can be used;

Note 33 – measurement of defined benefit obligations : key actuarial assumptions;

Note 35 - fair value measurement of financial instruments; and

Note 37 – recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The group generally relies on the valuation certificates obtained from third party professionals for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the group assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the company's audit committee.

Fair value are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 34 – share-based payment arrangements; and
- Note 35 – financial instruments.

F. Principles of consolidation and equity accounting

i. Business combinations

As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2016. In respect of such business combinations, goodwill represents the amount recognised under the Group's previously accounting framework under indian GAAP.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of acounting is used for business combination by the group. The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control

Notes to the consolidated Ind AS financial statements

over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member in the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure confirmity with the Group's accounting policies.

Consolidation procedure :

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assetts and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profit and losses resulting from intragroup transactions.

iii. Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

iv. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates and joint ventures. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in associates and join ventures are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The board of directors of the Group assesses the financial performance and position of the Group, and makes strategic decisions.

Notes to the consolidated Ind AS financial statements

b. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following creteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current."

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or (iv) the group does not have an unconditions right to defer settlement of liability for atlease twelve months from the reporting date. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of current - non-current classifications of assets and liabilities.

c. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities rate at the date of the transaction. Exchange differences are recognised in profit or loss.

d. Financial instruments

i. Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

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

Notes to the consolidated Ind AS financial statements

- 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI — equity investment). This election is made on an investment- by- investment basis. All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

Notes to the consolidated Ind AS financial statements

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective at amortised interest method. The amortised cost is reduced by impairment losses. Interest cost / income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI These assets are subsequently measured at fair value, Dividends are recognised as income in profit of loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for - trading, or it is a derivative or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire."

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the consolidated Ind AS financial statements

e. Goodwill on consolidation

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	As at 31 March 2018	As at 31 March 2017	As at 1 April 2016
Goodwill on consolidation			
Nueclear Healthcare Limited	1068.58	1068.58	1068.58

The Group's goodwill on consolidation are tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs.

The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The Group prepares its cash flow forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 20% to 25%. Growth rate used for extrapolation of cash flows beyond the period covered by the forecast is 0% to 2%.

The rates used to discount the forecasted cash flows is 8% to 10%.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

The Group made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management covering a five years period, as the Group believes this is to be most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows. Cash flows beyond the such period were extrapolated using estimate rates stated above.

No impairment on goodwill was recognized during the current year or previous years.

Discount rates - Management estimates discount rates using pre-tax rates that reflects current market assessments of the risks specific to the CGU,taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports.

f. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 39)."

Notes to the consolidated Ind AS financial statements

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iv. Depreciation

Depreciation is calculated on cost' of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 Years	60 Years
Plant and equipment (diagnostic equipment)	13 Years	13 Years
Plant and equipment (others)	15 Years	15 Years
Office equipment	5 Years	5 Years
Furniture and fittings	10 years	10 years
Computers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

g. Other intangible assets

i. Other intangible assets

Before transition to Ind AS, other intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The intangible assets acquired by the Group, after transition to Ind AS are measured at fair value.

ii. Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss. The estimated useful lives are as follows: - Softwares - 5 years. Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

h. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Raw materials, components and other supplies held for use in the processing are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Notes to the consolidated Ind AS financial statements

The comparison of cost and net realisable value is made on an item-by-item basis.

i. Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and At each reporting date, the Group assesses whether financial assets carried at amortised cost. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being past due for 90 days or more;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or - the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk."

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward- looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset). The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To

Notes to the consolidated Ind AS financial statements

determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset). The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis. An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

j. Non-current assets, or disposal groups held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss. Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

k. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive

Notes to the consolidated Ind AS financial statements

obligation to pay further amounts. The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

vi. Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

I. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Notes to the consolidated Ind AS financial statements

m. Revenue from operation

i. Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

ii. Rendering of services

Revenue from testing services is recognised once the testing samples are processed for requisitioned diagnostic tests. Revenue from imaging services is recognised once the services are rendered. Revenue from technical assistance and trade mark assignment is recognised once the Group's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trademark is recognised as per the agreed percentage of the turnover of the respective entities, as per the terms of the agreement.

iii. Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for seperately. The allocation of consideration from a revenue arrangement to its seperate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

n. Leases

i. **Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Notes to the consolidated Ind AS financial statements

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

o. Recognition of rental income, dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

p. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively

Notes to the consolidated Ind AS financial statements

that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

q. Discontinued operations

A discontinued operation is a component of the Group's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

r. Events after reporting date

Where events occuring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s. Recent accounting pronouncements

Standards issued but not yet effective
In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 Revenue from Contract with Customers, Appendix B to Ind AS 21 Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are applicable to the company from 1 April 2018. The Group will be adopting the amendments from their effective date.

a) Ind AS 115 Revenue from

Contract with Customers

Ind AS 115 supersedes Ind AS 11 Construction

Contracts and Ind AS 18 Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standards can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effects of contracts that are not completed contracts at the date of initial application of the standard. Based on the preliminary assessment performed by the Group, the impact of application of the standard is not expected to be material.

b) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration
The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets,expenses or income. If there are multiple payments or receipts in advance,then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements,as assessed by the Group, is expected to be not material.

Notes to the consolidated Ind AS financial statements

4 PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INVESTMENT PROPERTY

See accounting policies in Note 3(f)

		Cost or deemed cost (gross carrying amount)				Accumulated depreciation and impairment losses				Net block	
A	**Tangible assets** *In millions of INR*	**Balance as at 1 April 2017** Balance as at 1 April 2016	**Addition**	**Disposal**	**Balance as at 31 March 2018** Balance as at 31 March 2017	**Balance as at 1 April 2017** Balance as at 1 April 2016	**Depreciation/ amortisation expense for the year**	**Disposal**	**Balance as at 31 March 2018** Balance as at 31 March 2017	**Balance as at 31 March 2018** Balance as at 31 March 2017	**Balance as at 31 March 2017** Balance as at 1 April 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Leasehold Land	**237.90**	**-**	**-**	**237.90**	**4.19**	**3.98**	**-**	**8.17**	**229.73**	**233.71**
		237.90	-	-	237.90	-	4.19	-	4.19	233.71	237.90
	Freehold Land	**27.00**	**139.15**	**-**	**166.15**	**-**	**-**	**-**	**-**	**166.15**	**27.00**
		27.00	-	-	27.00	-	-	-	-	27.00	27.00
	Buildings/ Premises	**711.55**	**56.77**	**-**	**768.32**	**34.67**	**34.32**	**-**	**68.99**	**699.33**	**676.88**
		711.55	-	-	711.55	-	34.67	-	34.67	676.88	711.55
	Plant and Equipment	**587.26**	**357.62**	**21.61**	**923.27**	**99.06**	**127.31**	**7.06**	**219.31**	**703.96**	**488.20**
		423.17	164.09	-	587.26	-	99.06	-	99.06	488.20	423.17
	Furniture and Fixtures	**86.76**	**28.38**	**0.28**	**114.86**	**22.75**	**18.55**	**0.12**	**41.18**	**73.68**	**64.01**
		83.27	3.70	0.21	86.76	-	22.75	-	22.75	64.01	83.27
	Vehicles	**5.61**	**2.52**	**1.47**	**6.66**	**1.89**	**1.38**	**1.30**	**1.97**	**4.69**	**3.72**
		5.86	-	0.25	5.61	-	1.89	-	1.89	3.72	5.86
	Office equipment	**22.45**	**10.22**	**0.10**	**32.57**	**9.94**	**6.45**	**0.08**	**16.31**	**16.26**	**12.51**
		20.54	1.98	0.07	22.45	-	9.94	-	9.94	12.51	20.54
	Computers printers and scanners	**10.28**	**7.37**	**-**	**17.65**	**4.64**	**5.04**	**-**	**9.68**	**7.97**	**5.64**
		4.29	5.99	-	10.28	-	4.64	-	4.64	5.64	4.29
	Total tangible assets	**1,688.81**	**602.02**	**23.46**	**2,267.39**	**177.14**	**197.03**	**8.55**	**365.62**	**1,901.77**	**1,511.67**
		1,513.58	**175.76**	**0.53**	**1,688.81**	**-**	**177.14**	**-**	**177.14**	**1,511.67**	**1,513.58**
B	**Tangible capital-work-in progress**									-	-
										174.48	10.18

Note

i. Capital work-in-progress

During the year ended 31 March 2017 the Group acquired analysers with the intention of adding more tests and technologies for providing diagnostic services. The cost of acquisition was INR 21.33 millions. The Group commenced the business opeations only subsequent to end of the year during the current year; cost incurred upto the reporting date INR 21.33 million. During the year ended 31 March 2017 the Group acquired land and premises with the intention of constructing medical cyclotron facility. The cost of acquisition was INR 95.35 millions. While the Group has received the requisite approval from the AERB, the construction work for the stated medical cyclotron facility is yet to commence as on 31 March 2018. Based on the intended usage, during the current year, the Group has capitalised the entire cost of the acquisition of the stated property under the heading 'Freehold Land'. During the year ended 31 March 2017 the Group acquired PETCT equipment for one of its proposed centre then. The cost of acquisition was INR 57.80 millions. The Group commenced the business opeations only subsequent to end of the year.

ii. Transfer of business undertaking

The Group, pursuant to the business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The cost of acquisition of the plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block and the accumulated depreciation thereon. The profit aggregating to ₹ 78.85 million has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss account was INR 2.85 million for the current period (31 March 2017 : INR 4.23 million).

iii. Deemed cost exemption

On transition to Ind AS, the Group has elected to continue with the carrying value of all its PPE recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE .

Deemed cost as at 1 April 2016 *In millions of INR*	Gross block as on 1 April 2016	Accumulated depreciation/ amortisation till 1 April 2016	Net block treated as deemed cost upon transition
Leasehold Land	254.14	16.24	237.90
Freehold Land	27.00	-	27.00
Buildings/ Premises	874.84	163.29	711.55
Plant and Equipment	646.83	223.66	423.17
Furniture and Fixtures	156.37	73.10	83.27
Vehicles	17.08	11.22	5.86
Office equipment	68.91	48.37	20.54
Computers, printers and scanners	**42.99**	**38.70**	**4.29**

Notes to the consolidated Ind AS financial statements

5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

See accounting policies in Note 3(g)

A	Intangible assets	Gross block				Accumulated depreciation and impairment losses				Net block	
	In millions of INR	Balance as at 1 April 2017 Balance as at 1 April 2016	Addition	Disposal	Balance as at 31 March 2018 Balance as at 31 March 2017"	Balance as at 1 April 2017 Balance as at 1 April 2016	Depreciation/ amortisation expense for the year	Disposal	"Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2017 Balance as at 1 April 2016
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Computer software	**9.81**	**-**	**-**	**9.81**	**3.37**	**2.51**	**-**	**5.88**	**3.93**	**6.44**
		8.86	0.95	-	9.81	-	3.37	-	3.37	6.44	8.86
	Trademark *	**-**	**19.80**	**5.20**	**14.60**	**-**	**1.46**	**-**	**1.46**	**13.14**	**-**
		-	-	-	-	-	-	-	-	-	-
	Total intangible assets	**9.81**	**19.80**	**5.20**	**24.41**	**3.37**	**3.97**	**-**	**7.34**	**17.07**	**6.44**
		8.86	0.95	-	9.81	-	3.37	-	3.37	6.44	8.86
B	**Intangible asset under development**									-	

Note

i. Deemed cost exemption

On transition to Ind AS, the Group has elected to continue with the carrying value of all its other intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of other intangible assets."

Deemed cost as at 1 April 2016	Gross block as on 1 April 2016	Accumulated amortisation till 1 April 2016	Net block treated as deemed cost upon transition
Investment Property	25.03	16.17	8.86
Total	**25.03**	**16.17**	**8.86**

Notes to the consolidated Ind AS financial statements

6. EQUITY ACCOUNTED INVESTEES

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Interest in associates			
Equity shares (unquoted) 429,185 (31 March 2017 : Nil; 1 April 2016 : Nil) equity shares of Equinox Laboratories Private Limited	200.00	-	-
5,440 (31 March 2017 : 5,440; 1 April : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	16.15	16.15	16.15
Less : Provision for other than temporary diminution in the value of investments [see Note 39(h)]	(16.15)	(16.15)	-
	200.00	**-**	**16.15**

Associates

Equinox Laboratories Private Limited (Equinox)

The Group has acquired 30 % stake in Equinox Laboratories Private Limited (Equinox) vide the terms of the Share Subscirption and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 3 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash. The information for the year ended 31 March 2018 presented below in the table includes the results of Equinox for the period from 24 March 2018 to 31 March 2018.

In millions of INR	Year ended 31 March 2018
Revenue	42.53
Profit	0.85
Other comprehensive income	-
Total comprehensive income	0.85
Group's share of Profit (30 %)	0.01
Group's share of OCI (30 %)	-
	0.01

*The Group has not recognised the profit amounting to INR 0.01 million, since the management believes that this amount is insignificant/ immaterial to the Group.

As such, no additional disclosure in relation to financial information of the associate has been disclosed."

Thyrocare International Holding Company is in the process of liquidation and already has applied to the Registrar of Companies, Mauritius to wind-up the business operations. The net worth of the associate is fully eroded. The Company has not recognised losses in relation to its interest in this associate, because the Group has no obligation in respect of these losses.

During the year ended 31 March 2018, the Group did not receive any dividend from its associates.

The associate does not have any contingent liabilities and capital commitments as at 31 March 2018.

Notes to the consolidated Ind AS financial statements

7 INVESTMENTS

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A	**Current investments**			
	"Investments in Mutual Funds (Unquoted) measured at FVTPL"	1,000.98	1,041.59	930.50
	Investments in Preference shares (Unquoted) measured at FVTPL	-	-	7.00
	Nil units (31 March 2017 : Nil units; 1 April 2016 : 700,000), 9.25% Compulsorily redeemable non convertible cumulative preference shares with maturity period of April 2016 of India Infoline Finance Limited fully paid-up [Market Value - ₹ Nil (31 March 2017 : ₹ Nil; 1 April 2016 : ₹ 7.00 million)]	-	-	7.00
		1,000.98	**1,041.59**	**937.50**
	Aggregate amount of unquoted investments - At cost	939.63	1023.79	918.47
	Aggregate amount of unquoted investments - At market value	1,000.98	1,041.59	937.50

8 LOANS

(unsecured considered good unless otherwise stated)

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A.	**Non-current loans and advances**			
	Security deposits			
	To related parties	12.73	-	33.33
	To parties other than related parties	2.68	6.28	6.57
	Loans and advances to employees	-	-	0.05
		15.41	**6.28**	**39.95**
B	**Current loans and advances**			
	Security deposits			
	To related parties	-	32.17	-
	To parties other than related parties	0.24	37.60	0.38
	Loans and advances to employees	-	0.05	0.11
		0.24	**69.82**	**0.49**

9 RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

See accounting policies in Note 3(n)

A. Deferred tax assets and liabilities are attributable to the following :

In millions of INR	Deferred tax assets			Deferred tax liabilities			Net deferred tax (assets)/ liabilities		
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017	1 April 2016
Property, plant and equipment/ Intangible assets/ Investment property	-	-	-	46.64	52.03	71.74	46.64	52.03	71.74
Intangible assets	-	-	-	2.77	1.36	0.32	2.77	1.36	0.32
Investments at fair value through profit or loss	-	-	-	21.22	15.99	16.38	21.22	15.99	16.38
Provisions - employee benefits	22.06	20.66	23.56	-	-	-	(22.06)	(20.66)	(23.56)
Provisions - others	0.16	0.71	0.80	-	-	-	(0.16)	(0.71)	(0.80)
Other items	5.79	3.09	2.89	-	-	-	(5.79)	(3.09)	(2.89)
Tax losses carried forward	89.76	77.63	79.39	-	-	-	(89.76)	(77.63)	(79.39)
MAT entitlement carried forward	5.17	5.17	5.17	-	-	-	(5.17)	(5.17)	(5.17)
Deferred tax (assets) liabilities	**122.94**	**107.26**	**111.81**	**70.63**	**69.38**	**88.44**	**(52.31)**	**(37.88)**	**(23.37)**
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-	-	-	-
Net deferred tax (assets) liabilities	**122.94**	**107.26**	**111.81**	**70.63**	**69.38**	**88.44**	**(52.31)**	**(37.88)**	**(23.37)**

B. Movement in temporary differences

In millions of INR	Balance as at 1 April 2016	Recognised in profit or loss during 2016-2017	Recognsed in OCI during 2016-2017	Balance as at 31 March 2017	Recognised in profit or loss during 2017-2018	"Recognsed in OCI during 2017-2018	Balance as at 31 March 2018
Property, plant and equipment/ Intangible assets/ Investment property	71.74	(19.71)	-	52.03	(5.39)	-	46.64
Intangible assets	0.32	1.04	-	1.36	1.41	-	2.77
Investments at fair value through profit or loss	16.38	(0.57)	0.18	15.99	4.34	0.89	21.22
Provisions - employee benefits	(23.56)	2.90	-	(20.66)	(1.40)	-	(22.06)
Provisions - others	(0.80)	0.09	-	(0.71)	0.55	-	(0.16)
Other items	**(2.89)**	**(0.20)**	**-**	**(3.09)**	**6.16**	**-**	**(5.79)**
Tax losses carried forward	**(79.39)**	**1.76**	**-**	**(77.63)**	**(12.13)**	**-**	**(89.76)**
MAT entitlement carried forward	**(5.17)**	**-**	**-**	**(5.17)**	**-**	**-**	**(5.17)**
	(23.37)	**(14.69)**	**0.18**	**(37.88)**	**(6.46)**	**0.89**	**(52.31)**

Notes to the consolidated Ind AS financial statements

10 OTHER TAX ASSETS

See accounting policies in Note 3(n)

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Advance income tax (net of provision for tax)	42.08	42.40	46.25
	42.08	**42.40**	**46.25**

11 OTHER NON-CURRENT ASSETS

Capital advances	20.00	10.00	2.44
Prepaid expenses	2.34	1.58	1.55
Security deposits	17.66	8.25	7.71
Balance with government authorities	5.23	5.23	2.08
Advances for supply of goods	23.47	10.16	-
	68.70	**35.22**	**13.78**

12 INVENTORIES

See accounting policies in Note 3(g)

Reagents, diagnostic material and consumables	170.07	140.90	106.69
Stock-in-trade (acquired for trading)	0.41	4.08	0.47
	170.48	**144.98**	**107.16**

13 TRADE RECEIVABLES

Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	0.34	0.03	0.34
Unsecured, considered good	2.66	0.51	21.60
	3.00	0.54	21.94
Other Trade receivables			
Secured, considered good	25.62	36.58	18.77
Unsecured, considered good	69.78	25.63	34.17
	95.40	62.21	52.94
	98.40	**62.75**	**74.88**
Trade receivables from related parties (refer Note 38)	13.29	16.11	31.61

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents			
Cash on hand	0.23	0.10	-
Balances with banks			
in current accounts	97.97	98.74	103.47
	98.20	**98.84**	**103.47**
Other bank balances			
in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date) *	20.37	19.10	0.50
	118.57	**117.94**	**103.97**

Notes to the consolidated Ind AS financial statements

15 OTHER FINANCIAL ASSETS

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Other receivables*	-	-	65.37
Interest accrued on deposits	0.67	1.36	0.24
	0.67	**1.36**	**65.61**

* Receivable towards IPO related expenses to be recovered from the selling shareholders offering their shares sale in the proposed intial public offering.

16 PREPAYMENTS

Advances for supply of goods and services	18.52	5.82	67.98
Prepaid expenses	16.09	51.09	9.00
	34.60	**56.91**	**76.98**

17 SHARE CAPITAL

In millions of INR		31 March 2018		31 March 2017		1 April 2016	
		Number of shares (in '000)	Amount	Number of shares (in '000)	Amount	Number of shares (in '000)	Amount
(a)	Authorised						
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00	100,000	1,000.00
(b)	Issued, subscribed and paid-up						
	Equity shares of ₹ 10 each with equal voting rights	53,723.53	537.24	53,723.53	537.24	53,723.53	537.24
	Less : Issued, subscribed and paid-up share capital for Equity shares of ₹ 10 each with equal voting rights held by Employees Stock Option Trust consolidated on transition to Ind AS	(3.0)	(0.01)	(134.6)	(0.34)	(134.6)	(0.34)
	Total	**53,720.49**	**537.23**	**53,588.93**	**536.90**	**53,588.93**	**536.90**

All issued shares are fully paid-up

Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	31 March 2018		31 March 2017	
	Number of shares (in '000)	Amount	Number of shares (in '000)	Amount
Equity shares				
At the commencement of the period	53,588.93	536.90	53,588.93	536.90
Shares issued on exercise of employee stock options	131.55	0.33	-	-
At the end of the period	**53,720.49**	**537.23**	**53,588.93**	**536.90**
Issued and subscribed share capital	**53,720.49**	**537.23**	**53,588.93**	**536.90**

The group has also issued share options plan for its employees. (see Note 34)

Notes to the consolidated Ind AS financial statements

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/ its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Employee stock option plan

Terms attached to stock options granted plan to employees are described in Note 34 regarding share-based payments."

	31 March 2018		31 March 2017		1 April 2016	
	Number of shares (in 'thousands)	% of total shares held	Number of shares (in 'thousands)	% of total shares held	Number of shares (in 'thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -						
Dr A Velumani	14,809	27.57%	14,809	27.64%	14,809	27.64%
Thyrocare Properties & Infrastructue Private Limited	5,218	9.71%	5,218	9.74%	5,218	9.74%
Thyrocare Publications LLP	6,535	12.16%	6,535	12.19%	6,535	12.19%
Norwest Venture Partners Fund VIIA Mauritius	5,065	9.43%	5,065	9.45%	5,065	9.45%
Agalia Private Limited	1,087	2.02%	1,087	2.03%	11,295	21.08%

Shares reserved for issue under options

		31 March 2018		31 March 2017		1 April 2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
a.	Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 34)	47,610	0.48	-	-	-	-
b.	Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 34)	42,100	0.42	46,719	0.47	-	-
c.	Under Employees Stock Option Scheme, 2015 - at an exercise price of INR 10 per share (see Note 34)	34,714	0.35	38,743	0.39	39,188	0.39

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

a. Employees stock options

During the year ended 31 March 2015, the Company has approved Employees Stock Options Scheme on 20 September 2014 pursuant to which certain employees are entitled to 33,650 equity shares of INR 10 each. These equity shares have been issued to the ESOP Trust pursuant to the approved terms of employees stock option scheme 2014, for which only the exercise price i.e. the face value of shares has been recovered in cash (See Note 34).

b. During the year ended 31 March 2015, the Company has allotted 37,383,507 equity shares of INR 10/- each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of INR 370.81 million and capital redemption reserve of INR 3.03 million.

Notes to the consolidated Ind AS financial statements

c. During the years 31 March 2016 and 31 March 2015, the Company has allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

18 OTHER EQUITY

In millions of INR		31 March 2018	31 March 2017	1 April 2016
(a)	**Capital reserve**			
	At the commencement and end of the year	275.39	1.06	1.06
	Transfer of trademark by shareholder at no cost	19.80	-	
	Capital contribution by reimbursement of expenses	21.93	274.33	-
	At the end of the year	**317.12**	**275.39**	**1.06**
(b)	**Securities premium**			
	At the commencement of the year	1,232.93	1,232.93	1,232.93
	Transfer on exercise of stock option	39.35	-	-
	At the end of the year	**1,272.28**	**1,232.93**	**1,232.93**
(c)	**Share options outstanding**			
	At the commencement of the year	50.38	25.95	25.95
	Employee compensation expense for the year	17.10	24.43	-
	Transfer to securities premium account on exercise of stock option	(39.35)	-	-
	At the end of the year	**28.13**	**50.38**	**25.95**
(d)	**General reserve**			
	At the commencement and end of the year	**91.67**	**91.67**	**91.67**
(e)	**Retained earnings**			
	At the commencement of the year	1,890.81	1,947.20	1,767.28
	Profit for the year	934.42	428.79	
	Adjustment due to IndAS transtion			179.92
	Appropriation			
	Final/ Interim dividend on equity shares	(537.24)	(402.93)	-
	Dividend distribution tax	(101.52)	(82.26)	-
	At the end of the year	**2,186.47**	**1,890.81**	**1,947.20**
		3,895.67	**3,541.18**	**3,298.81**

Capital reserve

Capital reserve is used to record the premium received in business combinations and to record the shareholder's contribution for consideration other than cash.

Securities premium\

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The group has established various equity-settled share-based payment plans for certain categories of employees of the Group. (See Note 34 for further details on these plans).

Notes to the consolidated Ind AS financial statements

General reserve

General reserve is used to record the transfer from retained earnings of the company. It is utilized in accordance with the provisions of the Companies Act, 2013.

Dividends

The following dividends were declared and paid by the Company during the year :

In millions of INR	31 March 2018	31 March 2017
Interim dividend	268.62	268.62
INR 5/- per equity share (31 March 2017 : INR 5/- per equity share)		
Final dividend of previous financial year	268.62	134.31
INR 5/- per equity share (31 March 2016 : INR 5/- per equity share)		
Dividend distribution tax on dividend to equity shareholders	54.68	27.34

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends would attract dividend distribution tax when declared or paid.

INR 5/- per equity share (31 March 2017 : INR 5/- per equity share)	268.62	268.62

19 LOANS

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A	**Non-current loans**			
	Trade/Security deposits received	69.42	60.18	
	Security deposits received			
	from parties other than related parties	31.25	12.12	
	Deferred rent	0.09	0.20	
		100.76	**72.50**	**55.01**
B	**Current loans**			
	Security deposits received			
	from parties other than related parties	5.48	-	7.11
		5.48	**-**	**7.11**

20 PROVISIONS

See accounting policies in Note 3(i)

A	Non-current provisions			
	Long-term provisions			
	Provision for employee benefits:			
	Provision for compensated absences	39.92	33.60	35.60
	Provision for gratuity	13.41	11.36	8.90
	Provision for claims			
	Opening Balance	6.56	23.72	23.72
	Add: Provision during the period	-	0.84	-
	Less: Claim settled	-	(18.00)	-
	Less: Claim adjusted	(6.56)	-	-
		53.32	51.52	68.22

Notes to the consolidated Ind AS financial statements

In millions of INR		31 March 2018	31 March 2017	1 April 2016
B	**Current provisions**			
	Short-term provisions			
	Provision for employee benefits:			
	Provision for bonus	6.36	5.37	4.69
	Provision for compensated absences	4.79	4.00	3.62
	Provision for gratuity	0.19	0.14	0.15
	Others			
	Provision for refundable staff security deposits	0.06	0.39	1.63
		11.40	9.90	10.09
	* Movement in provision for bonus			
	Opening Balance	5.37	4.69	
	Add: Provision during the period	6.34	5.15	
	Less: Bonus paid	(5.16)	(4.47)	
	Less: Excess provision written back	(0.19)	-	
	Closing Balance	6.36	5.37	

21 TRADE PAYABLES

Trade Payables				
-	total outstanding dues of micro enterprises and small enterprises	0.17	-	-
-	total outstanding dues of creditors other than micro enterprises and small enterprises	11.43	12.96	18.40
		11.60	12.96	18.40

22 OTHER FINANCIAL LIABILITIES

Employees dues	20.91	20.42	19.56
Statutory dues *	10.08	6.40	7.40
Expenses payable #	58.87	52.59	29.60
Unclaimed dividend	0.34	-	-
Payable to related party	-	16.15	
	71.91	**95.56**	**56.56**

*** Statutory dues include tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.*
 # Expenses payable includes operating, administrative and marketing expenses.
Investor Education and Protection Fund ('IEPF') - As at 31 March there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

23 CURRENT TAX LIABILITIES (NET)

Provision for current tax (net of advance tax and tax deducted at source)	50.61	11.98	17.35
	50.61	11.98	17.35

24 OTHER CURRENT LIABILITIES

Advances received from customer	32.10	26.39	22.82
Contribution received for expenses	-	18.86	-
Others	1.49	0.53	19.78
	33.59	**45.78**	**42.60**

Notes to the consolidated Ind AS financial statements

25 REVENUE FROM OPERATIONS

See accounting policies in Note 3(k)

In millions of INR	31 March 2018	31 March 2017
Sale of products (See Note (i) below)	42.76	44.35
Sale of services (See Note (ii) below)	3,461.88	2,908.92
	3,504.64	**2,953.27**
Other operating revenue	58.51	90.60
	3,563.15	**3,043.87**

NOTE:

(i)	**Sale of products comprises :**		
	Manufactured goods		
	Radioactive pharmaceutical (FDG)	14.32	16.82
	Traded goods		
	Glucose strips/ Gluco meter	28.44	27.53
	Total	**42.76**	**44.35**
	The Goods and Service Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of manufactured/ traded goods are excluding GST.		
(ii)	**Sale of services comprises :**		
	Diagnostic Services	3,130.28	2,625.58
	Sale of consumables for providing diagnostic services	104.47	119.30
	Imaging Services	227.13	164.04
	Total	**3,461.88**	**2,908.92**

26 OTHER INCOME

Interest income (See Note (i) below)	2.23	2.04
Dividend income from current investment	36.34	48.94
Technical assistance/ trade mark assignment fees	6.16	1.47
Net gain on sale of current investments	6.25	12.68
Profit on disposal of business undertaking	78.85	-
Financial assets at FVTPL - net change in fair value :		
Mandatorily measured at FVTPL - held for trading	26.01	3.84
Mandatorily measured at FVTPL - others	3.37	0.55
Others (See Note (ii) below)	70.75	52.90
	229.96	122.42

Notes to the consolidated Ind AS financial statements

Note:

	In millions of INR	31 March 2018	31 March 2017
(i)	**Interest income comprises:**		
	Interest from banks on deposits	1.30	1.36
	Interest on income tax refund	-	0.35
	Interest on deposit for electricity	0.92	0.32
	Interest on other advances	0.01	0.01
	Total - Interest income	**2.23**	**2.04**
(ii)	**Others comprises:**	-	0.31
	Net gain on sale of property, plant and equipment	-	0.31
	Excess provision written back	6.88	17.08
	Miscellaneous income	63.87	35.51
	Total - Others	**70.75**	**52.90**

27. COST OF MATERIALS CONSUMED / TRADED

a.	**Cost of materials consumed**		
	Opening stock	715.16	524.89
	Add: Purchases	951.11	826.44
		1,666.27	**1,351.33**
	Less: Closing stock	744.32	559.10
	Cost of material consumed	**921.95**	**792.23**
	Material consumed comprises:		
	Reagents/ Diagnostics material	796.73	686.72
	Radiopharmaceuticals	8.54	4.52
	Consumables - laboartory	70.04	15.02
	Consumables - processing	**46.64**	**85.97**
		921.95	**792.23**
b	**Glucose strips/ Gluco meter**	24.10	25.61
		24.10	**25.61**
c.	**Changes in inventories of stock-in-trade**		
	Inventories at the end of the year:		
	Glucose strips/ Gluco meter	9.56	10.28
		9.56	**10.28**
	Inventories at the beginning of the year:		
	Glucose strips/ Gluco meter	13.23	6.68
		13.23	**6.68**
	Net change	**3.67**	**(3.61)**

Notes to the consolidated Ind AS financial statements

28 EMPLOYEE BENEFITS EXPENSE

In millions of INR	31 March 2018	31 March 2017
Salaries, wages and bonus	278.18	244.77
Contributions to provident and other funds	26.04	19.43
Employees stock compensation expense	17.10	24.43
Gratuity	5.24	3.01
Compensated absences	14.73	17.62
Staff welfare expenses	12.10	10.74
	353.39	**320.00**

29 OTHER EXPENSES

Outlab processing	17.99	35.12
Power and fuel and water	66.78	63.53
Rent	134.22	151.30
Repairs and maintenance - Buildings	12.73	9.63
Repairs and maintenance - Machinery	22.13	21.44
Repairs and maintenance - Others	0.59	0.88
Insurance	0.94	1.74
Rates and taxes	13.43	34.78
Communication	8.23	5.53
Service charges	141.28	124.24
Postage and courier	34.57	34.56
Travelling and conveyance	4.96	2.84
Printing and stationery	33.69	44.86
Freight and forwarding	1.50	1.37
Sales incentive	95.89	70.24
Advertisement expenses	51.87	7.05
Accreditation expenses	4.71	3.38
Business promotion	50.94	61.93
Bank charges	3.49	1.95
Legal and professional fees	66.87	35.67
Payments to auditors (See Note (i) below)	4.74	6.11
Provision for other than temporary diminution in the value of long-term investments	3.08	9.50
Provision for claims	-	0.84
Net loss on sale of property, plant and equipment	0.22	-
Loss on foreign exchange fluctuation (net)	6.84	1.85
Provision for doubtful debts	-	6.48
Corporate social responsibility	20.05	13.51
Miscellaneous expenses	11.03	7.47
	812.77	**757.80**

Notes to the consolidated Ind AS financial statements

Notes:

In millions of INR		31 March 2018	31 March 2017
(i)	**Payments to the auditors comprises**		
	Statutory audit fees	4.03	4.25
	Tax audit fees	0.35	0.71
	Others	0.36	1.15
		4.74	**6.11**

30 INCOME TAX

See accounting policies in Note 3(n)

A.	**Amount recognised in profit or loss**		
	Current tax		
	Current period (a)	523.65	403.65
	Changes in estimates related to prior years (b)	-	(0.67)
	Deferred tax (c)		
	Attirbutable to -		
	Origination and reversal of temporary differences	(6.46)	(14.69)
		(6.46)	(14.69)
	Tax expense (a)+(b)+(c)	**517.20**	**388.29**
B.	**Amount recognised in other comprehensive income**		
	Re-measurement gains/ (losses) on defined benefit plans	0.89	0.18
	Tax expense in other comprehensive income	0.89	0.18

In millions of INR		31 March 2018		31 March 2017	
C.	**Profit before tax**	1,449.94		816.74	
	Tax using the Company's domestic tax rate	501.79	34.6%	282.66	34.6%
	Effect of :				
	Income which is taxed at special rates	(6.58)	-0.5%	(0.54)	-0.1%
	Non-deductible expenses (net)	17.14	1.2%	23.79	2.9%
	Tax exempt income	(12.58)	-0.9%	(16.47)	-2.0%
	Tax on income not credited to profit and loss account	13.41	0.9%	-	0.0%
	Difference in tax rates	9.71	0.7%	97.86	12.0%
	Others	(5.70)	-0.4%	0.99	0.1%
	Effective tax rate	**517.20**	**35.7%**	**388.29**	**47.5%**
		-		-	
		517.20		**388.29**	

Notes to the consolidated Ind AS financial statements

31 EARRNING PER SHARE

In millions of INR		31 March 2018	31 March 2017
(i)	**Basic**		
	Net profit for the year attributable to equity shareholders	934.42	428.79
	Weighted average number of equity shares outstanding during the year	53,723,533	53,588,933
	Face value per share ₹	10	10
	Earnings per share - Basic (₹)	17.39	7.99
(ii)	**Diluted**		
	Net profit for the year attributable to equity shareholders	934.42	428.79
	Weighted average number of equity shares for Basic EPS	53,723,533	53,588,933
	Add: Equity shares reserved for issuance on ESOP	124424	83927
	Weighted average number of equity shares - for diluted EPS	53,847,957	53,672,860
	Face value per share ₹	10	10
	Earnings per share - Diluted (₹)	17.34	8.13

32 OPERATING SEGMENTS

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance. The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's CEO reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments :

Reportable segments	Operations
Pathology	Diagnostic and testing services, selling of consumables used for collection and promotion of pathology segment
Radiology	Diagnostic and imaging services, selling of radio-pharmaceutical, selling of consumables for reporting
Sale of testing equipment and consumables	Selling of glucometer and glucostrips under the brand name Sugarscan

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis. The Group operates from its centralised laboratory, regional processing laboratories, medical cyclotron facility, PET-CT centres and corporate office in India and therefore does not have much of its operations in economic environments with different risks and returns, hence considering its operation from single geographical segment, the company has not recognised geographical segment as its secondary segment for reporting.

Notes to the consolidated Ind AS financial statements

In millions of INR	Reportable segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
Segment revenue	**3,289.49**	**245.22**	**28.44**	**3,563.15**
	2,832.26	*184.09*	*27.52*	*3,043.87*
Total segment revenue	**3,289.49**	**245.22**	**28.44**	**3,563.15**
	2,832.26	*184.09*	*27.52*	*3,043.87*
Segment profit (loss) before income tax	**1,374.73**	**0.62**	**0.66**	**1,376.01**
	1,113.02	*(17.08)*	*5.55*	*1,101.49*
Unallocable income net off other unallocable expenditure				**95.86**
				(10.42)
Profit before exceptional items and income tax				**1,471.87**
				1,091.08
Exceptional items				**(21.93)**
				(274.33)

	Reportable segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
Segment assets				
Segment assets	**1,318.53**	**995.23**	**7.10**	**2,320.86**
	1,294.43	*858.48*	*13.78*	*2,166.69*
Unallocable assets				**2,469.00**
				2,211.60
Total assets				**4,789.86**
				4,378.29
Segment liabilities	**225.64**	**52.19**	**0.71**	**278.54**
	233.56	*28.82*	*0.65*	*263.03*
Unallocable liabilities				**78.41**
				37.19
Total liabilities				**356.95**
				300.22
Other information				
Capital expenditure (allocable)	**250.81**	**185.62**	**-**	**436.43**
	107.25	*256.45*	*-*	*363.70*

Note : Figures in italic relates to the previous year 31 March 2017

The testing and imaging services to patients and sale of pharmaceuticals to customers are primarily in India and hence information about geographical areas of the operations was not disclosed seperately by the Group. None of the single external customer account for 10 percent or more of Group's revenue and therefore information about major customer was not disclosed seperately by the Group.

Notes to the consolidated Ind AS financial statements

33 EMPLOYEE BENEFITS

A. Defined contribution plans

The Group makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 19.26 million (31 March 2017 : ₹ 15.57 million) for Provident Fund contributions, ₹ 6.71 million (31 March 2017 : 3.78 million) for ESIC contributions and ₹ 0.08 million for Maharashtra Labour Welfare Fund (31 March 2017 : ₹ 0.09 million) in the Statement of Profit and Loss during the year (See note 28). The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The Group does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Group offers the following employee benefit schemes to its employees :

- Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

In millions of INR		31 March 2018	31 March 2017
a.	**Components of employer expense**		
i.	**Expenses recognised in profit or loss**		
	Current service cost	3.09	2.30
	Interest cost	0.84	0.71
	Past service cost	1.31	-
	Total expense recognised in the Statement of Profit and Loss *	**5.24**	**3.01**
ii.	**Expenses recognised in other comprehensive income**		
	Acturial (gain) loss on defined benefit obligations	(2.56)	(0.51)
	Total expense recognised in other comprehensive income	**(2.56)**	**(0.51)**

In millions of INR		31 March 2018	31 March 2017	31 March 2016
b.	**Net asset / (liability) recognised in the Balance Sheet**			
	Present value of defined benefit obligation	**-**	**-**	**-**
	Fair value of plan assets	-	-	-
	Funded status [Surplus / (Deficit)]	-	-	-
	Present value of unfunded obligation	(13.61)	(11.50)	(9.07)
	Unrecognised past service costs	-	-	-
	Net asset / (liability) recognised in the Balance Sheet	**(13.61)**	**(11.50)**	**(9.07)**
	Net asset/ (liability) is bifurcated as follows :			
	Current	(0.19)	(0.14)	(0.15)
	Non Current	(13.42)	(11.36)	(8.92)
	Net asset / (liability) recognised in the Balance Sheet	**(13.61)**	**(11.50)**	**(9.07)**

Notes to the consolidated Ind AS financial statements

In millions of INR		31 March 2018	31 March 2017	31 March 2016
c.	**Change in defined benefit obligations (DBO) during the year**			
	Present value of DBO at beginning of the period	11.50	9.07	7.30
	Current service cost	3.09	2.30	2.03
	Interest cost	0.84	0.71	0.64
	Actuarial (gains) / losses	(2.58)	(0.52)	(1.53)
	Past service cost	1.31	-	0.90
	Prior period liability recognised in current year	-	-	-
	Benefits paid	(0.55)	(0.06)	(0.28)
	Present value of DBO at the end of the year	13.61	11.50	9.06

		31 March 2018	31 March 2017	1 April 2016
d.	**Acturial assumptions**	7.78%	7.27%	7.86%
	Discount rate	10%	10%	10%
	Salary escalation	Employees : For service 2 yrs & below 25% p.a., For service 3 yrs to 4 yrs 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.	"Employees : For service 2 yrs & below 25% p.a., For service 3 yrs to 4 yrs 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."	"Employees : For service 2 yrs & below 25% p.a., For service 3 yrs to 4 yrs 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."
	Rate of employee turnover	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
	Mortality rate during employment			

In millions of INR		31 March 2018	31 March 2017
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.19	0.14
	2nd following year	0.21	0.17
	3rd following year	0.25	0.20
	4th following year	0.36	0.23
	5th following year	0.31	0.30
	Sum of years 6 to 10	2.15	1.82
	Sum of years 11 and above	66.74	53.06

Notes to the consolidated Ind AS financial statements

In millions of INR		31 March 2018	31 March 2017
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions	13.60	11.50
	Delta effect of +1 % change in rate of discounting	(2.12)	(1.88)
	Delta effect of -1 % change in rate of discounting	2.66	2.37
	Delta effect of +1 % change in rate of salary increase	2.36	1.88
	Delta effect of -1 % change in rate of salary increase	(1.93)	(1.59)
	Delta effect of +1 % change in rate of employee turnover	(0.47)	(0.41)
	Delta effect of -1 % change in rate of employee turnover	0.55	0.49

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation 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 the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was not change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

34 SHARE-BASED PAYMENTS

See accounting policies in Note 3(i)

A. Description of share-based payment arrangements

During the year, the Holding Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017) vide authorisation of shareholders in the annual general meeting held on 12 August 2017. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on 31 March 2017, subject to their continuous service till the vesting period.

During the earlier years, the Holding Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) vide authorisation of shareholders in their meetings held on 12 September 2016, 26 September 2015 and 20 September 2014 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, in respect of ESOS2014, the Holding Company formed a trust, 'Thyrocare Employee Stock Option Trust' wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

Notes to the consolidated Ind AS financial statements

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2017	12-Aug-17	50,516	3 years	One year from vesting date	10	10
ESOS2016	12-Sep-16	50,537	3 years	One year from vesting date	10	10
ESOS2015	26-Sep-15	40,434	3 years	One year from vesting date	10	10
ESOS2014	20-Sep-14	134,600*	2.5 years	One year from vesting date	10	10

* Includes 100,950 no. of bonus shares

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2018 No of Options	31 March 2017 No of Options
ESOS2017		
Outstanding at 1 April	-	-
Granted during the year	50,516	-
Forfeited during the year	2,906	-
Exercised during the year	-	-
Outstanding at 31 March	**47,610**	**-**
ESOS2016		
Outstanding at 1 April	46,719	-
Granted during the year	-	50,537
Forfeited during the year	4,619	3,818
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	**42,100**	**46,719**
ESOS2015		
Outstanding at 1 April	38,473	39,188
Granted during the year	-	-
Forfeited during the year	3,759	715
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	**34,714**	**38,473**

Notes to the consolidated Ind AS financial statements

Scheme	31 March 2018 No of Options	31 March 2017 No of Options
ESOS2014		
Outstanding at 1 April	134,600	134,600
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	133,381	-
Shares vested & not exercised during the year	1,219	-
Expired during the year	-	-
Outstanding at 31 March	**-**	**134,600**

C. The key assumptions used to estimate the fair value of options are:

	31-Mar-18	31-Mar-17
Volatility	14.11%	14.11%
Expected life	1.5-2.5 years	1.5-2.5 years
Dividend Yield	100%	100%
Risk-free interest rate (based on government bonds)	6.25% to 6.61%	6.25% to 6.61%
Model Used	Black & Scholes	Black & Scholes

The expense arises from equity settled share based payment transaction amounting to INR 17.10 million and INR 24.43 million for the year ended 31 March 2018 and 31 March 2017 respectively.

Notes to the consolidated Ind AS financial statements

35 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

	In millions of INR	Note	Carrying amount				Fair value			
	31 March 2018 *31 March 2017* 1 April 2016		FVTPL	FVOCI	Amotised cost	Total carrying amount	Level 1	Level 2	Level 3	Total
A.	**Accounting classifications and fair values**									
	Financial assets									
	Investments	**7**	**1,000.98**	**-**	**-**	**1,000.98**	**1,000.98**	**-**	**-**	**1,000.98**
			1,041.59	-	-	*1,041.59*	*1,041.59*	-	-	*1,041.59*
			937.50	-	-	937.50	937.50	-	-	937.50
	Loans	**8**	**-**	**-**	**15.65**	**15.65**	**-**	**-**	**-**	**-**
			-	-	*76.11*	*76.11*	-	-	-	-
			-	-	40.44	40.44	-	-	-	-
	Trade receivables	**13**	**-**	**-**	**98.40**	**98.40**	**-**	**-**	**-**	**-**
			-	-	*62.75*	*62.75*	-	-	-	-
			-	-	74.88	74.88	-	-	-	-
	Cash and cash equivalents	**14**	**-**	**-**	**98.20**	**98.20**	**-**	**-**	**-**	**-**
			-	-	*98.84*	*98.84*	-	-	-	-
			-	-	103.47	103.47	-	-	-	-
	Other bank balances	**14**	**-**	**-**	**20.37**	**20.37**	**-**	**-**	**-**	**-**
			-	-	*19.10*	*19.10*	-	-	-	-
			-	-	0.50	0.50	-	-	-	-
	Others	**15**	**-**	**-**	**0.67**	**0.67**	**-**	**-**	**-**	**-**
			-	-	*1.36*	*1.36*	-	-	-	-
					65.61	65.61	-	-	-	-
			1,000.98	**-**	**233.29**	**1,234.27**	**1,000.98**	**-**	**-**	**1,000.98**
			1,041.59	-	*258.16*	*1,299.75*	*1,041.59*	-	-	*1,041.59*
			937.50	-	284.90	1,222.40	937.50	-	-	937.50
	Financial liabilities									
	Loans	**19**	**-**	**-**	**106.24**	**106.24**	**-**	**-**	**106.24**	**106.24**
			-	-	*72.50*	*72.50*	-	-	*72.50*	*72.50*
			-	-	62.12	62.12	-	-	62.12	62.12
	Trade payables	**21**	**-**	**-**	**11.60**	**11.60**	**-**	**-**	**-**	**-**
			-	-	*12.96*	*12.96*	-	-	-	-
			-	-	18.40	18.40	-	-	-	-
	Others	**22**	**-**	**-**	**90.20**	**90.20**	**-**	**-**	**-**	**-**

Notes to the consolidated Ind AS financial statements

In millions of INR	Note	Carrying amount				Fair value			
31 March 2018 *31 March 2017* 1 April 2016		**FVTPL**	**FVOCI**	**Amotised cost**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
		-	-	*95.56*	*95.56*	-	-	-	-
		-	-	56.56	56.56	-	-	-	-
		-	**-**	**208.04**	**208.04**	**-**	**-**	**106.24**	**106.24**
		-	-	*181.02*	*181.02*	-	-	*72.50*	*72.50*
		-	-	137.08	137.08	-	-	62.12	62.12

The above excludes investment in associates amounting to INR 200.00 million (31 March 2017 : INR Nil; 1 April 2016 : INR 16.15 million), which are accounted as per equity method.

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

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

a) The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date

b) The fair value of the remaining financial instrument is determined using discounted cash flow method. The discount rates used is based on management estimates.

C. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

-credit risk (see (C) (ii))

- liquidity risk (see (C) (iii))

- market risk (see (C) (iv)).

i. Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Group's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Notes to the consolidated Ind AS financial statements

ii. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans.

The Group has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate..

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment delivery terms and conditions are offered. Sale limits are established for each customer and reviewed peiodically. Any sales exceeding those limits require approval from the management."

The Group limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services, if any.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are individuals or legal entities, whether they are a wholesale, retails or end-user customers, their geographic locations, industry, trading history with the Group and existence of previous financial difficulties.

The Group is monitoring the credit limits and is taking actions to limit its exposure to customers including reduction in certain customer credit limits. "

The Company's exposure to credit risk for trade receivables by type of counter party was as follows -

	Carrying amount		
	31 March 2018	31 March 2017	1 April 2016
Trade receivables			
Service providers and projects	64.92	33.89	31.09
Others	27.21	25.88	41.75
Hospital	-	-	-
Associate centres	3.08	2.25	1.63
Standalone centres	2.56	0.01	-
Charitable institution	0.41	0.70	0.41
	98.18	62.75	74.88

The Company's exposure to credit risk for trade receivables by geographic region was as follows -

Trade receivables			
India	84.76	53.06	43.07
Other regions	13.42	9.68	31.81
	98.18	62.75	74.88

Expected credit loss (ECL) assessment for individual customers as at 1 April 2016, 31 March 2017 and 31 March 2018

As per simplified approach the Group makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date wherever.

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At March 31, 2018, the ageing of trade receivables that were not impaired was as follows.

	31 March 2018	31 March 2017	1 April 2016
1-30 days past due	57.87	38.58	29.09
31-60 days past due	11.00	7.03	5.08
61-90 days past due	17.02	2.81	2.88
91-180 days past due	9.68	13.70	16.85
More than 180 days past due	2.61	0.62	20.98

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses product cost techniques to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities over the next twelve months. The ratio of cash and cash equivalents to outflows is 9 at 31 March 2018 (31 March 2017 : 8; 1 April 2016 : 11). The Group also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. At 31 March 2018, the expected cash outflows on trade payables and loans maturing within six months are INR 17.08 millions (31 March 2017 : INR 12.96 million; 1 April 2016 : INR 25.52 million). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disaster."

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

In millions of INR	**Carrying amount as on 31 March 2018 31 March 2017**	**Total**	**6months of less**	**6-12 months**	**1-2 years**
Non-derivative financial liabilities					
Trade payables	11.60	11.60	11.60	-	-
	12.96	12.96	12.96	-	-
Employees dues	20.91	20.91	20.91	-	-
	20.42	20.42	20.42	-	-
Statutory dues	10.08	10.08	10.08	-	-
	6.40	6.40	6.40	-	-
Expenses payable	58.87	58.87	58.87	-	-
	52.59	52.59	52.59	-	-
Payable to related party	-	-	-	-	-
	16.15	16.15	16.15	-	-

Notes to the consolidated Ind AS financial statements

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices

– will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Group. The functional currency for large number of transactions of the Group is INR and majority of the customers the Group dealt with operate from India only. The Group receives more than 98 % of its revenue from the domestic operations only.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances or enter into long term arrangement with the regular vendors to mitigate the currency rate fluctuations. Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows."

In millions of INR/ USD	**INR**	**USD**
Trade receivables	13.29	0.07
	16.11	0.25
Trade payables	1.46	0.00
	0.92	0.01
Net exposure in respect of recognized assets and liabilities	**11.83**	**0.07**
	15.19	0.24
1-Apr-16		
In millions of INR		
Trade receivables	31.63	0.48
Trade payables	9.95	0.15
Net exposure in respect of recognized assets and liabilities	**21.68**	**0.33**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in millions of INR	**Profit or loss**		**Equity, net of tax**	
	Strengthning	**Weakening**	**Strengthning**	**Weakening**
31-Mar-18				
INR (10 % movement)	1.18	-1.18	1.18	-1.18
31-Mar-17				
INR (10 % movement)	1.52	-1.52	1.52	1.52

Notes to the consolidated Ind AS financial statements

36 OPERATING LEASES

See accounting policies in Note 3(n)

A. Leases as lessee

The Group has taken on lease a number of offices and premises under operating leases. The lease typically run for a period of three to nine years, with an option to renew the lease after that period. Lease payments are renegotiated every three years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in specified local price indices. The lease for the land at central processing laboratory premises was transferred in the name of the Company about 9-10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Group, is capitalised in the books and amortised over the period of the lease.

i. Future minimum lease payments

At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows :

In millions of INR	31-Mar-18	31-Mar-17	1-Apr-16
Payable in less than one year	39.58	31.68	45.72
Payable between one and five years	90.64	49.56	54.35
Payable after more than five years	8.59	16.53	16.22
	138.81	97.77	116.29

ii. Amounts recognized in profit or loss

	31-Mar-17	31-Mar-16
Lease expenses – minimum lease payments	52.39	64.42
Sub-lease income	7.88	7.36

B. Equipment placement arrangements

The Group uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Group with option to purchase the equipment at the end of lease term at mutually negotiated price. These arrangements are not in the legal form of lease, but is accounted for as such based on its terms and conditions. The group has recognised part of the consideration paid/ agreed to be paid to these vendors for reagents as operating lease considerationfor use of equipment. The Group has recognised INR 89.76 million (31 March 2017 : INR 86.20 million) as lease rental towards use of equipment and balance towards cost of reagents.

37 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	In millions of INR	31-Mar-18	31-Mar-17	1-Apr-16
	Contingent liabilities			
	Claims against the Company not acknowledged as debts			
a.	Property tax demand (see note (i))	101.48	82.90	67.59
b.	Income tax demands - TDS matter (see note (ii))	368.52	368.52	368.52
c.	Other income tax assessments (see note (iii))	27.56	3.48	5.26
d.	Employees provident fund matter (see note (iv))	5.23	5.23	5.23
f.	Other matter (see note (v))	-	10.07	8.67

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes to the consolidated Ind AS financial statements

Notes :

i. Navi Mumbai Municipal Corporation (NMMC) raised a claim on the original owner of the corporate office premises at D/37 -3 located at Turbhe on account of arrears arising from retrospective amendment in the property tax rates. The Company has not received any reply to the letters filed from time to time with NMMC for the said matter. A writ petition has been filed before the H'ble High Court at Mumbai seeking intervention against the arbitrary assessment of the property tax with retrospective effect for the stated premises. The H'ble High Court vide an order directed NMMC to decide the representation as early as possible and positively within four months after granting an opportunity of hearing to the Company. However, the Company till date has not received any representation / proposal from NMMC to resolve the grievance as regards to the illegal tax demand. The total amount of dues payable to NMMC is INR 121.54 million (31 March 2017: INR 93.24 million; 1 April 2016 : INR 71.04 million). Of the total amount of dues payable, the Company has provided for property tax dues of INR 13.79 million (31 March 2017: INR 10.34 million; 1 April 2016 : INR 3.45 million) for the said premises on the basis of the constructed area and the rates charged for the adjacent plot towards property tax. The balance outstanding amount of INR 101.48 million (31 March 2017: INR 82.90 million; 1 April 2016 : INR 67.59 million) as per NMMC for the corporate office premises has not been acknowledged as debts in the books of the Company.

ii. The Company had received income tax demand of INR 368.52 million (31 March 2017 : INR 368.52 million; 1 April 2016 : INR 368.52 million) on account of TDS survey proceedings initiated by the Income tax department for the FY 2008-09 to 2011-12. The Company has filed an appeal before the H'ble High Court at Mumbai and the H'ble High Court, Mumbai vide their order dated 11 September 2017, set aside the income tax demands. The H'ble High Court, Mumbai further directed the Income Tax Tribunal to hear the Appeals afresh on merits and in accordance with law after giving complete opportunity to both sides to place their versions and arguments. The Company till date however has not received any intimation from Income Tax Tribunal for the date of hearing to decide on the stated tax demands. On the basis of the order of the H'ble High Court, in view of the management no provision is considered necessary as at 31 March 2018.

iii. The CIT (Appeals) vide its order dated 22 March 2017 dismissed an appeal filed by the Company for the Assessment year 2012-13 challenging the Income Tax demand of INR 3.48 million (included under contingent liability as at 1 April 2016). The Group has not preferred further appeal against the stated order and accordingly, the Group has allowed the department to adjust the unpaid demand for the said appeal against the refund due to the Company for AY 2014-15. The CIT (Appeals) vide its order dated 14 November 2017 dismissed an appeal filed by the Subsidiary for the Assessment year 2012-13 and Assessment year 2013-14 challenging the diallowance of expenditure by the assessing officer vide its order dated 23 March 2015. The Group has filed an appeal before the Income Tax Appellate Tribunal (ITAT) on 2 February 2018. The appeal is pending for hearing and since there are no tax demands vide the stated order pending before the ITAT, according to the management no provision is considered necessary as at 31 March 2018. The carry forward losses for the respective years may reduce to the extent of INR 13.86 million, if the Group does not succeed in the appeal.

iv The Group received an order for Provident Fund demand of ₹ 5.23 million (31 March 2017: INR 5.23 million; 1 April 2016 : INR 5.23 million) on account of an inquiry u/s 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Group has already filed an appeal before the Tribunal and requested for condonation of delay and stay of the demand raised by the Regional Provident Fund Commissioner. The tribunal has passed an order dismissing the appeal in default to which the Group has filed an application for restoring the appeal. The appeal is restored back and is currently pending for hearing. As per the direction of the Provident Fund Appellate Tribunal, the Group has paid 40% of disputed amount aggregating ₹ 2.09 million (31 March 2017: ₹ 2.09 million; 1 April 2016 : INR 2.09 million) to the Provident Fund organisation. Meanwhile, the Regional Provident Fund Commissioner has proceeded to recover the balance amount in dispute. The Company has filed an application before the Tribunal for refunding the recovery amount, inspite of the stay granted by the Tribunal. The matter is pending for hearing and in view of the management no provision is considered necessary as at 31 March 2018.

v. The Group had received a claim towards statutory dues for purchase of capital assets from one of its vendor. The vendor had filed a suit before Civil Court, Thane for the said claim. The Civil Court, Thane has passed an order on 12 August 2016 directing the Group to settle the claim along with interest @ 24% p.a. The total amount due towards settlement of the claim is ₹ 34.63 million (31 March 2017 : ₹ 34.63 million; 1 April 2016 : INR 32.40 million) inclusive of interest of ₹ 16.11 million (31 March 2017 : ₹ 16.11 million; 1 April 2016 : INR 13.88 million) calculated @ 24% p.a from the date of filing of suit till the date of passing an order. Of the total statutory dues claimed of ₹ 18.52 million, the Group had in earlier years made provision of ₹ 18.52 million. Towards the interest amount of ₹ 16.11 million, the Group had made a provision of ₹ Nil in the current year (31 March 2017 : ₹ 0.84 million; 1 April 2016 : INR 5.20 million). During the previous year, an amount of ₹ 18.00 million was paid to the vendor, pursuant to the

Notes to the consolidated Ind AS financial statements

order passed by the Civil Court, Thane and the management has carried a provision of ₹ 6.56 million primarily towards interest. The Group has not received any demand notice further and has written off the balance provision carried forward during the current year. The balance not claimed of ₹ 6.56 million (31 March 2017: outstanding of ₹ 10.07 million; 1 April 2016 : INR 8.67 million) has not been acknowledged as debt in the books of the Group.

In millions of INR		31-Mar-18	31-Mar-17
Commitments			
a.	Estimated amount of contracts remaining to be executed on capital account	844.33	449.40
b.	Commitments relating to long term arrangement with vendors (see note (i))	3,648.77	2,631.38

i. The Group has entered into an arrangements for purchase of cyclotron and PET CT from vendor over a period of 7 years. The commitments as per these arrangements are the operational commitments and supply of certain quantities of FDG at no cost to the vendor over the period of the arrangement.

The value of purchase commitments as per the terms of arrangement is ₹ 12 million (31 March 2017: ₹ 12 million) per annum for 7 years against supply of all essential consumables, replaceables and repairables.

In furtherance to the above arrangements, the Subsidiary has entered into an arrangement for purchase of two cyclotron and upgradation of existing cyclotron from vendor over a period of 7 years. The commitments as per these arrangements are the operational commitment and the commitments as per the earlier arrangements shall get amended upon the upgradation of existing cyclotron.

The value of purchase commitments as per the terms of arrangement for new cyclotron is USD 0.28 million per annum, as minimum assured revenue, for 7 years against supply of all essential consumables, replaceables and repairable. Apart from the minimum assured revenue as per the terms, the Subsidiary is obliged to pay on the basis of number of runs and production per run. The existing commitments as per the earlier arrangement shall also be amended upon the upgradation of existing cyclotron in the same line."

ii. The Group has entered into Reagent Rental Arrangements for a year ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are ₹ 3,648.77 million (31 March 2017: ₹ 2,631.38 million) of which annual commitment for next year is ₹ 856.68 million (31 March 2017 : ₹ 593.26 million) as per the terms of these arrangements.

38 RELATED PARTIES

Description of relationship	Names of related parties
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL
	Sumathi Construction Private Limited
	Mahima Advertising LLP
	Thyrocare Properties & Infrastructure Private Limited
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	Amruta Velumani (daughter of Dr A Velumani)
	Anand Velumani (son of Dr A Velumani)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

Notes to the consolidated Ind AS financial statements

B. Transactions with key management personnel

i. Key management personnel compensation

In millions of INR	31 March 2018	31 March 2017	Balance outstanding		
			31 March 2018	31 March 2017	1 April 2016
Dr A Velumani	(0.00)*	16.00	0.00	0.65	1.40
A Sundararaju	6.00	8.00	0.35	0.36	0.65
	6.00	**24.00**	**0.35**	**1.01**	**2.05**

* Amount less than ₹ 0.01 million

Compensation of the Company's key managerial personnel includes salaries, non – cash benefits and contributions to post-employment defined benefit plan.

ii. Transactions with key management personnel including directors

	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Dividend paid					
Dr A Velumani	148.09	111.07	-	-	-
A Sundararaju	2.49	1.87	-	-	-
Amruta Velumani	7.53	5.64	-	-	-
Assignment of trademark (see note (ii) below)					
Dr A Velumani	0.00	-	-	-	-
Loan taken from					
Anand Velumani	-	10.00	-	-	-
Loan repaid to					
Anand Velumani	-	10.00	-	-	-
Royalty payment					
Dr A Velumani	-	1.27	-	-	-
Waiving of royalty payment (see note (ii) below)					
Dr A Velumani	-	1.27	-	-	-

Notes to the consolidated Ind AS financial statements

C. Related party transaction other than those with key management personnel

	Transaction value		Balance outstanding		
In millions of INR	Year ended 31 March 2018	Year ended 31 March 2017	31 March 2018	31 March 2017	1 April 2016
Rent Paid / payable					
Sumathi Construction Private Limited	22.41	38.75	-	-	-
Outlab processing charges paid / payable					
Equinox Labs Private Limited	0.22	-	0.22	-	-
Transfer of whaters division					
Equinox Labs Private Limited	100.00	-	-	-	-
Subscription paid for equity shares					
Equinox Labs Private Limited	100.00	-	-	-	-
Revenue from operations					
Thyrocare Gulf Laboratories WLL	19.29	26.35	9.04	9.63	24.63
Other income					
Thyrocare Gulf Laboratories WLL	-	0.19	-	-	-
Provision for other than temporary diminution in the value of long-term investments					
Thyrocare International Holding Company Limited, Mauritius	-	16.15	16.15	16.15	-
S Susila	-	16.15	-	-	-
Reversal of sale of non-current investments					
S Susila	-	16.15	-	-	-
Balances written off					
Thyrocare International Holding Company Limited, Mauritius"	-	0.03	-	-	-
Expenses incurred on behalf of the company					
Thyrocare Gulf Laboratories WLL	1.78	0.80	-	-	-
Expenses incurred by					
Sumathi Construction Private Limited	6.45	5.15	-	-	4.21

Notes to the consolidated Ind AS financial statements

	Transaction value		Balance outstanding		
In millions of INR	Year ended 31 March 2018	Year ended 31 March 2017	31 March 2018	31 March 2017	1 April 2016
Technical assistance fees income					
Thyrocare International Holding Company Limited, Mauritius	2.10	1.47	-	-	-
Thyrocare Gulf Laboratories WLL	4.25	-	4.25	6.48	6.98
Dividend paid					
Anand Velumani	6.33	4.75	-	-	-
Dr A Velumani HUF	9.12	6.84	-	-	-
A Sundararaju HUF	24.16	18.12	-	-	-
Sumathi Infra Project LLP	15.76	11.82	-	-	-
Mahima Advertising LLP	12.60	9.45	-	-	-
Thyrocare Properties & Infrastructure Private Limited	52.18	39.13	-	-	-
Thyrocare Publications LLP	65.35	49.01	-	-	-
Amount recovered/ recoverable					
Thyrocare International Holding Company Limited, Mauritius	-	-	-	-	0.03
Amount payable					
Sumathi Construction Private Limited		-		-	0.08
Thyrocare Gulf Laboratories WLL	-	-	-	-	4.75
S Susila				16.15	-
Investment in equity instruments					
Equinox Labs Private Limited	200.00	-	200.00	-	-
Thyrocare International Holding Company Limited, Mauritius	-	-	16.15	16.15	16.15

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Group during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel entities on an arm's length basis.

Notes to the consolidated Ind AS financial statements

ii. The Group was providing for royalty based on the terms of the agreement for using the trademark. During the previous year, as Dr. A. Velumani has decided to transfer the assigned trademark to the Group, he has decided to waive the royalty payable to him for use of the trademark until the transfer takes effect.

Further during the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has tranferred the rights in the trademark - ""Whaters"" [subsequently disposed off with the water testing business] & ""Nueclear"" in favour of the holding company , for a token money of INR 1 each. The fair value of the trademark on the date of assignment of the trademark in favour of the company was capitalised by crediting the fair value to capital reserves as shareholder's contribution.

39 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

a. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10/- each at a price of ₹ 446/- by the Selling shareholders. Accordingly, the Company has did not raised money by way of initial public offer, and hence no funds received by the Company.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

b. The Group's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2017. The Group will undertake a study for transactions upto 31 March 2018 and an independent opinion will be obtained for the same. Management believes that the Group's international transactions and domestic transactions with related parties post 31 March 2017 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

c. The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the period ended 31 March 2017 has been disclosed.

	SBN	Other	Total
Closing cash in hand as on 8 November 2016	**0.30**	**0.25**	**0.55**
Transaction between 9 November 2016 to 30 December 2016			
Add: Withdrawal from bank accounts	-	0.44	0.44
Add: Receipts from permitted transactions (Refer Note 1)	-	39.78	39.78
Add : Receipts for non-permitted transactions			
TSP related receipts (Refer Note 2)	13.62	-	13.62
Patient related receipts (Refer Note 3)	0.20	-	0.20
Others (Refer Note 1)	1.28	-	1.28
Less : Paid for permitted transactions (Refer Note 4)	**-**	**(0.38)**	**(0.38)**
Less : Paid for non-permitted transactions (Refer Note 3)			
Less: Deposited in bank accounts	(1.79)	(8.39)	(10.18)
Less: TSP related direct deposits (Refer Note 2)	(13.62)	(30.93)	(44.55)
Closing cash in hand as on 30 December 2016	**-**	**0.77**	**0.77**

Note:

1. The company is into healthcare related services. The consideration towards diagnostic services was received in SBN. The company has deposited the same, without incurring any expenditure out of these received SBN into KYC complied current bank account of the group. The company has collected appropriate details including PAN no etc of the patients.

Notes to the consolidated Ind AS financial statements

2. The receipts from authorised service providers towards diagnostic services availed from us and as deposited directly by the service providers in our KYC complied current banking account is disclosed/prepared to the extent of information available and details as provided by the bank.

3. The subsidiary renders imaging healthcare related services. The consideration towards certain imaging services for cancer related tests was received in SBN considering medical emergencies of patients. The sunsidiary has deposited the SBN, without incurring any expenditure out of these into KYC complied current bank account of the subsidiary.

   The Company has collected appropriate details including PAN no etc of the patients.

4. The company has not made any direct payment, out of the SBN received, towards either permitted/non-permitted transactions. The payment towards permitted transactions have been incurred outof withdrawal of non SBN currency."

d. Pursuant to the IPO, Agalia Private Limited ('APL' or the selling shareholder) has divested part of its share-holding in the Company. At the instance of APL, the Company has entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 304.85 million were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts.

During year ended 31 March 2018, the Company has incurred advertising costs aggregating to ₹ 21.93 million (31 March 2017 : ₹ 274.33 million) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves to the extent of reimbursement received from APL post IPO.

In millions of INR	31 March 2018	31 March 2017
Advertisement expenses	21.93	274.33
(debited to profit and loss account under exceptional items)		
Reimbursement received towards the above from shareholder	21.93	274.33
(added to the capital reserves as shareholder's contribution under IndAS)		

e. On 28 April 2018, the Board of directors has recommended a final dividend of ₹ 5 per equity share for the financial year ended 31 March 2018. As per the provisions of Companies (Accounting Standards) Amendment Rules, 2016 proposed dividend is not recognised as a liability as at 31 March 2018. Post approval of proposed dividend by shareholders in the ensuing Annual General Meeting, there will be cash outflow of ₹ 323.83 million including dividend distribution tax.

f. During the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" and "Nueclear" in favour of the Group ["Whater" trademark was subsequently disposed off with the water testing business], for no consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Group was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

g. Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group, the primary objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The capital structure of the Group consists of equity attirbutable to the owners of the Company, comprising issued capital, resevers and accumulated profits as presented in the statement of changes in equity. Consequent to such capital sturcture, there are no externall imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or reinvestment into business based on its long term financial plans.

Notes to the consolidated Ind AS financial statements

h. Details of interests in subsidiaries and associates

Subsidiaries

The details of the Company's subsidiaries at March 31, 2018 is set below.

The country of incorporation is also the principal place of business."

Name of entity	Country of Incorporation	Shareholding % As on		
		31 March 2018	31 March 2017	1 April 2016
Nueclear Healthcare Limited	India	100%	100%	100%

Associates

The details of the Company's associates at March 31, 2018 is set below.

The country of incorporation is also the principal place of business."

Equinox Labs Private Limited	India	30%	-	-
Thyrocare International Holding Company	Mauritius	9.09%	9.09%	9.09%

Thyrocare International Holding Company is in the process of liquidation and already has applied to the Registrar of Companies, Mauritius to wind-up the business operations. The net worth of the associate is fully erroded. The Group has not recognised losses in relation to its interest in this associate, because the Company has no obligation in respect of these losses.

i. Additional information as required under para 2 of General Instruction for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013.

Name of the enterprises	Net assets i.e total assets minus total liabilities		Share in profit or loss	
	As (%) of consolidated net assets	Amount (₹ in millions)	As (%) of consolidated profit and loss	Amount (₹ in millions)
Parent group				
Thyrocare Technologies Limited	102.39%	4,538.78	102.96%	962.07
Subsidiary				
Nueclear Healthcare Limited	17.60%	780.39	0.00%	-
Eliminations	-19.99%	(886.26)	-2.96%	(27.65)
	100.00%	4,432.90	100.00%	934.42

j. On 28 April 2018, the Board of directors has recommended a final dividend of ₹ 5 per equity share for the financial year ended 31 March 2018. As per the provisions of Companies (Accounting Standards) Amendment Rules, 2016 proposed dividend is not recognised as a liability as at 31 March 2018. Post approval of proposed dividend by shareholders in Annual General Meeting, there will be cash outflow of ₹ 323.83 million including dividend distribution tax.

Notes to the consolidated Ind AS financial statements

40 EXPLANATION OF TRANSITION TO IND AS

As stated in Note 2, these are the Group's first consolidated financial statements prepared in accordance with Ind AS. For the year ended 31 march 2017, the Group had prepared its consolidated financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP')/

The accounting policies set out in Note 3 have been applied in preparing these consolidated financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening consolidated Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its consolidated Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Group has adjusted amounts reported previously in consolidated financial statements prepared in accordance with previous GAAP. This note explains the principal adjustment made by the Group in restating its consolidated financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Group's financial position, financial performance and cash flows."

A. Optional exemptions availed and mandatory exceptions

In preparing these consolidated financial statements, the Group has applied the below mentioned optional exemptions and mandatory exceptions.

1 Business combinations

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition, If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations.

The Group has opted to restate business combinations on or after 1 April 2016. For business combinations prior to 1 April 2016 which have not been restated as per Ind AS 103, goodwill represents the amount recognised under the previous GAAP subject to specific adjustments as prescribed under Ind AS 101.

2 Property plant and equipment, intangible assets and investment properties

As per Ind AS 101 an entity may elect to:

i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was at the date of the revaluation, broadly comparable to:

- fair value;

- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Group has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also. "

Notes to the consolidated Ind AS financial statements

3 Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Group has elected to avail of the above exemption.

4 Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other equity investments are classified at fair value through profit or loss (FVTPL). The Group has opted to avail this exemption to designate certain equity investments as FVOCI on the date of transition.

B. Mandatory exceptions Ind AS

1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Group's estimates under Ind AS are consistent with the above requirement; Key estimates considered in preparation of the consolidated financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost."

2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Group has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Notes to the consolidated Ind AS financial statements

Reconciliation of equity

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
Assets							
Non-current assets							
Property, plant and equipment	k	1,513.58	-	1,513.58	1,511.62	0.05	1,511.67
Tangible capital-work-in progress		10.18	-	10.18	174.48		174.48
Goodwill on consolidation		1,068.58	-	1,068.58	1,068.58		1,068.58
Other intangible assets	k	8.86	-	8.86	6.07	0.37	6.44
Intangible fixed assets under development	k	3.75	-	3.75	0.40	-0.40	-
Equity accounted investees	a	-	16.15	16.15			-
Financial assets							
Investments	a	16.15	-16.15	-	-	-	-
Loans	b,c	42.57	-2.62	39.95	8.49	-2.21	6.28
Deferred tax assets (net)	l	30.89	-7.52	23.37	49.26	-11.38	37.88
Other tax assets	k	46.44	-0.19	46.25	42.40		42.40
Other non-current assets	c,d	11.71	2.07	13.78	32.87	2.35	35.22
Total non-current assets		**2,752.71**	**-8.26**	**2,744.45**	**2,894.17**	**-11.22**	**2,882.95**
Current assets							
Inventories		107.16		107.16	144.98		144.98
Financial assets							
Investments	e	916.31	21.19	937.50	1,014.82	26.77	1,041.59
Trade receivables	k	75.05	-0.17	74.88	61.57	1.18	62.75
Cash and cash equivalents	b	102.45	1.02	103.47	96.78	2.06	98.84
Other bank balance in deposit accounts (other than cash and cash equivalents above)		0.50		0.50	19.10		19.10
Loans	b,c	0.49	-	0.49	70.36	-0.54	69.82
Others		65.61	-	65.61	1.36	-	1.36
Prepayments	c	76.45	0.53	76.98	54.30	2.60	56.90
Total current assets		**1,344.02**	**22.57**	**1,366.59**	**1,463.27**	**32.07**	**1,495.34**
Total assets		**4,096.73**	**14.32**	**4,111.05**	**4,357.44**	**20.85**	**4,378.29**

Notes to the consolidated Ind AS financial statements

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP	Adjustment on transition to Ind AS	Ind AS	Previous GAAP	Adjustment on transition to Ind AS	Ind AS
Equity							
Equity share capital	b	537.24	-0.34	536.90	537.24	-0.34	536.90
Other equity							
Capital reserve	f	1.06		1.06	1.06	274.33	275.39
Securities premium		1,232.93		1,232.93	1,232.93		1,232.93
Share options outstanding	g	25.92	0.04	25.96	50.55	-0.17	50.38
General reserve		91.67		91.67	91.67		91.67
Retained earnings		1,767.27	179.92	1,947.19	2,153.80	-263.00	1,890.80
Equity attributable to owners of the Company		**3,656.09**	**179.62**	**3,835.71**	**4,067.25**	**10.83**	**4,078.08**
Liabilities							
Non-current liabilities							
Financial liabilities							
Borrowings		-		-			-
Loans	c,h	58.33	-3.32	55.01	74.49	-1.99	72.50
Provisions		68.22		68.22	51.52		51.52
Total non-current liabilities		**126.55**	**-3.32**	**123.23**	**126.01**	**-1.99**	**124.02**
Current liabilities							
Financial liabilities							
Trade payables	k	20.24	-1.84	18.40	6.79	6.17	12.96
Loans		7.11		7.11	-		-
Others	b	55.54	1.02	56.56	93.50	2.06	95.56
Other current liabilities	c,i	41.35	1.25	42.60	42.01	3.77	45.78
Provisions	j	172.50	-162.41	10.09	9.90		9.90
Current tax liabilities (net)		17.35		17.35	11.98		11.98
Total current liabilities		**314.09**	**-161.98**	**152.11**	**164.18**	**12.00**	**176.19**
Total liabilities							
Total equity and liabilities		**4,096.73**	**14.32**	**4,111.05**	**4,357.44**	**20.85**	**4,378.29**

*** The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note**

Notes to the consolidated Ind AS financial statements

Notes to reconciliation of equity as at 31 March 2017 and as at 1 April 2016 between Previous GAAP to Ind AS:

a Classification of equity accounted investees

The Group has reclassified the investment held in associate company Thyrocare International Holding Company (TIHC), using equity method. This has resulted in decrease in the carrying value of non-current investment by INR 16.15 million on the date of transition.

b Consolidation of employees stock option trust

The Group has consolidated the accounts of the employee stock option trust on transition to Ind AS. On consolidation the Group has combined like items of assets, liabilities and equity of the trust and eliminated (off-set) the carrying amount of the equity shares held by the trust in the Company out of the equity of parent for disclosure in consolidated financial statement. This has resulted in reduction in current/ non-current loans of INR 0.34 million (1 April 2016 : INR 0.34 million), off-set in equity of INR 0.34 million (1 April 2016 : INR 0.34 million), increase in cash and cash equivalents of INR 2.06 million (1 April 2016 : INR 1.02 million) and increase in other financial liabilities of INR 2.06 million (1 April 2016 : INR 1.02 million).

c Fair valuation of security deposits for rented premises and deferred rent

The Group has given interest free security deposits for rented premises. The interest free security deposits have been fair valued on the date of transition and the difference between the transaction amount and the fair value has been recognised as prepaid rent. The security deposits have been subsequently amortised under effective interest rate method and the prepaid rent on a straight line basis over the term of the lease. This has resulted in recognising prepaid rent of INR 2.19 million (1 April 2016 : INR 2.08 million) in other non-current assets and INR 2.61 million (1 April 2016 : INR 0.53 million) in other current assets. The security deposits have been reduced by INR 2.21 million (1 April 2016 : INR 2.30 million) in non-current loans and by INR 0.21 million (1 April 2016 : INR Nil) in current loans. The lease payments to the lessors structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases are charged to profit and loss account in respective accounting period. This has resulted in reduction in deferred rent of INR 2.12 million (1 April 2016 : INR 3.32 million) in non-current loans and INR 2.83 million (1 April 2016 : INR 4.80 million) in other current liabilities.

d Fair valuation of advances to entities for future supply of goods

The Group has given interest free advances to an entity for future supply of goods. It has fair valued this advance on initial recognition and subsequently accounted these at amortised cost using effective interest rate method. As a result the other non-current assets have increased by INR 0.16 million.

e Fair valuation of investment in mutual funds

The Group has invested INR 1014.82 million (1 April 2016 : INR 916.31 million) in debt oriented mutual funds. The fair value of the investment was INR 1041.59 million (1 April 2016 : INR 937.50 million) on that date. The amount of investment has increased by INR 26.72 million (1 April 2016 : INR 21.19 million) million under Ind AS from that under previous GAAP.

f Contribution from shareholder for reimbursement of expenses

The Group has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

g Fair valuation of share-based payments

The Company granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding by INR 0.17 million (1 April 2016 : increase of INR 0.04 million).

Notes to the consolidated Ind AS financial statements

For the year ended 31 March 2018

h Fair valuation of security deposits for equipment

The Group has taken interest free security deposits from the customers. The interest free security deposits have been fair valued on the date of transition and the difference between the transaction amount and the fair value has been recognised as prepaid income from the period the customer has availed services. The security deposits have been subsequently amortised under effective interest rate method and the income on a straight line basis over the term of the arrangement is credited to profit and loss account. This has resulted in the increase of security deposits by INR 0.12 million (1 April 2016 : INR Nil).

i Deferral of income related to registration fees

An amount of INR 6.61 million (1 April 2016 : INR 6.04 million) has been deferred, in respect of consideration received for one time registration fees from service providers as the same is not considered as a separate obligation and shall be recognised over the period of association of the service providers.

j Recognition of proposed dividend

The proposed final dividend at the reporting date, unless approved by the shareholders are considered to be non-adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed, under IndAS.

k Rectification of prior period adjustments

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

l Deferred tax

The Company has recognised a deferred tax liability of INR 11.38 million (1 April 2016 : INR 7.36 million) on the temporary differences arising on account of the above Ind AS adjustments.

Reconciliation of total comprehensive income for the year ended 31 March 2017

	Note	Year ended 31 March 2017		
In millions of INR		**Previous GAAP**	**Adjustment on transition to Ind AS**	**Ind AS**
Revenue from operations	a,b,l	3,053.62	-9.75	3,043.87
Other income	c,d,e,l	118.87	3.55	122.42
Total income		3,172.49	-6.20	3,166.29
Expenses				
Cost of materials consumed	f,l	871.28	-79.05	792.23
Purchases of stock-in-trade		25.61		25.61
Changes in inventories of stock-in-trade		-3.61		(3.6)
Employee benefits expense	g,h	319.69	0.31	320.00
Finance cost	i	-	2.68	2.68
Depreciation and amortisation expense	l	180.47	0.04	180.51
Other expenses	b,c,f,j	685.54	72.26	757.80
Total expenses		2,078.98	-3.76	2,075.22
Profit before exceptional items and tax		1,093.51	-2.44	1,091.07
Exceptional items	k	-	-274.33	-274.33
Profit after exceptional items and before tax		1,093.51	-276.77	816.74
Tax expense:				

Notes to the consolidated Ind AS financial statements

	Note	Year ended 31 March 2017		
In millions of INR		**Previous GAAP**	**Adjustment on transition to Ind AS**	**Ind AS**
Current tax	l	403.03	-0.05	402.98
Deferred tax	m	-18.53	3.84	-14.69
		384.50	3.79	388.29
Profit after tax		709.01	-280.56	428.45
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Re-measurement gains/ (losses) on defined benefit plans	h		0.51	0.51
Income tax effect	m		-0.18	-0.18
Other comprehensive income for the year, net of tax		-	0.33	0.33
Total comprehensive income for the year		709.01	-280.22	428.79

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note

Notes to reconciliation of statement of profit and loss for the year ended 31 March 2017 between previous GAAP to IndAS

a Reclassification of excise duty

Excise duty of INR 1.13 million has been reclassified from revenue to other expenses. This has resulted in increase of revenue and expenses by INR 1.13 million.

b Reclassification of sales incentives

Sales incentives directly attributable to sales of INR 8.02 million have been reclassified from other expenses to revenue. This has resulted in decrease of revenue and other expenses by INR 8.02 million.

c Gain on change in fair value of investment in mutual funds

An amount of INR 6.98 million has been recognised as net loss on change in fair value of investment in investment in mutual funds during the financial year ended 31 March 2017. This further has resulted in decrease in other expenses by INR 12.77 million on account of reversal of provision for diminution in value of the investments due to recognition of these investments at fair value.

d Unwinding of interest income on interest free security deposits for rented premises

The Group has provided an interest free security deposits for rented premises. It has fair valued these security deposits on initial recognition and amortised the same under effective interest rate method. The Group has recognised an interest income INR 2.77 million on unwinding of such security deposits which was recognised at fair value on initial recognition.

e Unwinding of interest on advances to entities for future supply of goods

The Group has given interest free advances to an entity for future supply of goods. It has fair valued this advance on initial recognition and subsequently accounted these at amortised cost using effective interest rate method. The Group has recognised an interest income INR 0.16 million on unwinding of such security deposits which was recognised at fair value on initial recognition.

f Reclassification of deemed rental charges on plant and equipment held under reagent rental arrangements

The Group has acquired testing equipment (analysers), under a number of reagent rental arrangements. Under Ind AS, the company has recognised part of the cost of material consumed on plant and equipment held under reagent rental agreements, on the basis of economic useful life of these equipments, apportioned on straight line basis over the period of useful life as rent. This has resulted in increase of other expenses and decrease of cost of material consumed by INR 85.40 million.

Notes to the consolidated Ind AS financial statements

g Fair valuation of share-based payments

The Group granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding and resulted in decrease in employee benefits expense by INR 0.20 million.

h Actuarial gain and loss

Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP the Company recognised actuarial gains and losses in profit or loss amounting to INR 0.52 million.

i Recognition of deemed income on interest free security deposits from service providers

An amount of INR 3.41 million has been recognised as deemed income on unwinding of interest free security deposits from service providers at fair value on initial recognition. This has resulted in increase of revenue INR 3.41 million, recognition of finance cost of INR 2.68 million and increase in other expenses of INR 0.85 million.

j Amortisation of prepaid rent arising on fair valuation of security deposits on initial recognition

An amount of INR 7.71 million has been adjusted against rent expenses on account of amortisation of prepaid rent arising on fair valuation of security deposit on initial recognition.

k Contribution from shareholder for reimbursement of expenses

The Company has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

l Rectification of prior period adjustments

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

m Deferred tax

The Company has recognised a deferred tax expense of INR 3.84 million on the temporary differences arising on account of the above Ind AS adjustments.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D	**Dr. A Velumani**	**A Sundararaju**
Company Secretary	Managing Director	Director and Chief Financial Officer
Membership No - F2966	DIN - 00002804	DIN - 00003260

Mumbai
28 April 2018

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Company will be held at 4.30 P.M. on Saturday, August 11, 2018, at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Stand-alone Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Board's Report and Auditors' Report thereon.

2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Auditors' Report thereon.

3. To confirm the Interim Dividend of ₹. 5/- per equity share already paid and declare a Final Dividend of ₹. 5/- per equity share, totaling to ₹. 10/- (Rupees Ten only) per equity share, as total dividend, for the Financial Year 2017-18.

4. To appoint a Director in place of Mr. A. Sundararaju (DIN: 00003260), who retires by rotation, and being eligible, offers himself for re-appointment.

5. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration, and in this regard, to consider and if deemed fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142, read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendation made by the Audit Committee and the Board of Directors and in accordance with the resolution passed by the Members of the Company at 16th Annual General Meeting held on September 12, 2016, the reappointment of M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, having Firm Registration No. 101248W/W-100022, as the Statutory Auditors of the Company to hold office from the conclusion of the 18th Annual General Meeting till the conclusion of the 19th Annual General Meeting, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to fix up their remuneration in consultation with the Auditors in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company, as already recommended by the Audit Committee."

SPECIAL BUSINESS:

6. **Appointment of Miss. Amruta Velumani (DIN: 06534120) as a Director liable to retire by rotation:**

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

"**RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and 161, and any other applicable provisions of the Companies Act, 2013, if any, read with rules made thereunder, Miss. Amruta Velumani, (DIN: 06534120), who was appointed by the Board of Directors at its meeting held on February 22, 2016, as a Director in the casual vacancy caused due to sad demise of Mrs. Sumathi Velumani, and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Ratification of Remuneration to the Cost Auditor for the Financial Year 2017-18:**

To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, remuneration of ₹. 1,00,000/- (Rupees One Lakh only) fixed for Mr. S. Thangavelu, Cost and Management Accountant, appointed as the Cost Auditor of the Company by the Board of Directors, for conducting audit of the cost records of the Company for the financial year 2017-18, excluding applicable tax, if any, and reimbursement of travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

8. **Introduction of Employees Stock Option Scheme 2017-18:**

To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED AS SPECIAL RESOLUTION

THAT pursuant to the provisions of Section 62 (1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and the provisions of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time, consent of the Members be and is hereby given for

granting Stock Options equivalent to a total number of 40,452 equity shares of the Company, to the eligible employees of the Company as Employees Stock Option for the financial year 2017-18, to be exercised as per the rules of the relevant scheme.

THAT the Board of Directors of the Company be and is hereby authorised to issue and allot equity Shares upon exercise of option by the eligible employees from time to time in respect of options already granted and to be granted, and to get the new shares listed with National Stock Exchange of India Limited and BSE Limited, and such equity Shares shall be subject to the Memorandum and Articles of Association of the Company and Shall rank pari passu in all respects with the then existing equity Shares of the Company.

THAT the Board of Directors of the Company be and is hereby authorised and empowered:

i) to formulate such policies, rules, regulations and guidelines as may be required to be formulated to govern the introduction, implementation, management and administration of the Scheme subject to the applicable statutory rules for the time being in force.

ii) to make necessary disclosures in the Annual Report and to comply with all applicable rules & regulations.

iii) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation, introduction, implementation, management and administration of the ESOP Scheme without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board
For Thyrocare Technologies Limited
Ramjee Dorai.
Head (L & S) and Company Secretary

April 28, 2018
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (''the Act''), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice, is annexed hereto and forms part of this Notice.

2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.

3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other shareholder. Members may please note that the Proxy does not have the right to speak at the Meeting and can only vote on poll.

4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by certified copy of appropriate resolutions/authority, as applicable. Form of Proxy is enclosed.

5. The Members / Proxies / Authorised Representatives are requested to bring their copy of the Annual Report along with the Attendance Slips, duly filled in, for attending the Meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from August 04, 2018 to August 11, 2018 (both days inclusive) for the purpose of determining the entitlement of Members for the final dividend, if declared.

7. Subject to the provisions of the Companies Act, 2013, the final dividend as recommended by the Board, if declared at the Meeting, will be paid within 30 days from the date of declaration to those Members whose names appear on the Register of Members as at the end of 03-08-2018.

8. The Company's equity shares are Listed at (i) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051 and (ii) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400 001 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2017-18.

9. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at M/s. Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083.

10. The details of unclaimed dividend for the earlier years, which have been transferred to the respective Unpaid Dividend Accounts, are given below.

Year	2015-16 Final	2016-17 Interim	2016-17 Final	2017-18 Interim
Unclaimed – Amount- ₹.	205505	62925	72265	36070
No. of Shareholders	1457	375	372	153

11. Members may please note that dividends that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account will be transferred to the Investor Education & Protection Fund, as required under Section 124 of the Companies Act, 2013, and such shares shall also be transferred to the said Fund. Therefore, those members who have not claimed their dividend for the above periods may send their claims to the Registrar & Share Transfer Agent at the address given above, or to the Company Secretary at the Company's Corporate Office address, at the earliest.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the said Act, will be available for inspection by the members at the venue of the meeting.

13. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for 2017-18 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company / Depository Participants, a physical copy of the Annual Report for 2017-18 is being sent by the permitted mode.

14. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Private Limited, the Company's Registrar & Share Transfer Agents / their respective Depository Participants.

15. In terms of Section 72 of the Act read with the applicable rules thereto, the facility of making nomination is available to all the Members in respect of the shares held by them. Those who have not registered their nomination may do so by submitting Form No. SH-13 to their Depository Participant. The said Form can be downloaded from the Company's website, "www.thyrocare.com." The said Form can also be obtained from the Company's Registrar & Share Transfer Agents.

16. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to all the Members of the Company, whose names appear on the Register of Members as on 03-08-2018, (End of the Day), being the cut-off date fixed for determining the eligibility of Members to participate in the e-voting process, through the e-voting platform provided by M/s. Link Intime India Private Limited through CDSL, to enable them to cast their vote electronically on all the resolutions set forth in the notice convening the 18th Annual General Meeting of the Company.

Detailed instructions for voting through e-voting platform are given in a separate sheet attached to the Notice.

The e-voting facility will be available from 09.00 A.M. on Wednesday, August 08, 2018 upto 5.00 P.M. on Friday, August 10, 2018. During this period, members holding shares in physical or dematerialised form, may cast their votes electronically, using the above facility. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again at the Annual General Meeting on any resolution for which he has already cast his vote using the e-voting facility.

However, those who have not cast their vote using the e-voting facility may cast their vote using the ballot paper that will be made available at the Annual General Meeting venue, pursuant to the provisions of Section 107 of the Act read with Rule 20 of the Companies (Management and Administrations) Rules, 2014.

The Company has appointed S. Anantha & Ved LLP., Practising Company Secretaries, Mulund (W), Mumbai-400 080, as Scrutinizers to scrutinize the e-voting and polling process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

The Chairman or the person authorised by him, shall declare the result of the voting forthwith and the said results, along with the report of the Scrutinizer, shall be placed on the website of the Company, www.thyrocare.com and on the website of CDSL, www.cdslindia.com, and will also be forwarded simultaneously to National Stock Exchange of India Limited and BSE Limited.

By Order of the Board
For Thyrocare Technologies Limited

Ramjee Dorai.
Head (L & S) and Company Secretary

April 28, 2018
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

Item No. 4: Reappointment of Mr. A. Sundararaju as Director (DIN: 00003260):

Details of Mr. A. Sundararaju, seeking reappointment as Director at the 18th Annual General Meeting.

Date of Birth	04-09-1958
Date of Appointment on the Company's Board.	28-01-2000
Brief Resume	Mr. A. Sundararaju is one of the Promoter-directors of the Company. He is a graduate in law from the University of Bombay. He has been in charge of the finance, legal, administrative and franchisee departments of our Company since inception. He has been a Director on our Board since incorporation, and is currently holding the position of Executive Director and Chief Financial Officer. He is also Director & Chief Financial Officer of Nueclear Healthcare Limited, our wholly owned subsidiary.
Expertise in specific functional areas	He has over 22 years of experience in finance, legal and administrative functions.
Disclosure of relationship between directors inter-se.	He is the brother of Dr. A. Velumani, Chairman & Managing Director.
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He holds 2,49,669 equity shares in the Company, equivalent to 0.46% of the total paid-up equity capital of the Company.

The Directors recommend the above resolution to the Members for their approval.

Item No. 5: Ratification of reappointment of Auditors:

At the 16th Annual General Meeting (AGM) of the Company held on September 12, 2016, M/s. B S R & Co. LLP were appointed as Statutory Auditors of the Company for a period of five years from the conclusion of 16th Annual General Meeting till the conclusion of 21st Annual General Meeting, subject to ratification by the Members at every Annual General Meeting.

The Audit Committee considered the matter at its meeting held on 28-04-2018 and recommended reappointment of M/s. B S R & Co. LLP. The Board of Directors has also, at its meeting held on 28-04-2018, considered the matter and decided to accept the recommendation of the Audit Committee and accordingly, the proposal to reappoint M/s. B S R & Co. LLP, as the Statutory Auditors from the conclusion of the 18th AGM till the conclusion of the 19th AGM, is being placed before the Members for ratification.

B S R & Co. LLP, have confirmed that their firm is eligible for appointment, and is not disqualified for the proposed ratification in accordance with the criteria provided under Section 141 of the Companies Act, 2013 and the rules or regulations made thereunder.

The Directors recommend the above resolution to the Members for their approval.

EXPLANATORY STATEMENT

(Pursuant to the Section 102 of the Companies Act, 2013)

Item No. 6: Appointment of Miss. Amruta Velumani (DIN: 06534120) as a Director:

Miss. Amruta Velumani was appointed as a Director by the Board of Directors at its meeting held on 22-02-2016, in the casual vacancy caused by the sad, untimely demise of Mrs. Sumathi Velumani. As per the provisions of Sec. 161 (4) of the Companies Act, 2013, she would hold office till the date of the ensuing Annual General Meeting, viz. the date upto which Mrs. Sumathi Velumani would have otherwise held office. The Company has received a notice from a Member, along with the requisite deposit amount, proposing her candidature for appointment as a Director liable to retire by rotation. She is daughter of Dr. A. Velumani, Chairman & Managing Director. Her brief resume is given below:

Date of Birth	29-05-1991
Date of Appointment on the Company's Board in the casual vacancy	22-02-2016
Brief Resume	Miss. Amruta Velumani is a graduate, and is currently pursuing a Master's Degree from ITM University, Navi Mumbai. She is presently the Managing Director of Sumathi Construction Private Limited. She was earlier a director of the Company from 27-09-2013 to 15-11-2014. She was again appointed as a Non-Executive Non-Independent Director on 22-02-2016 in the casual vacancy caused by the sad, untimely demise of her mother, Mrs. Sumathi Velumani.
Expertise in specific functional areas	She has about nine years experience in functional areas relating to General Administration, Personnel and Human Resources Management.
Disclosure of relationship between directors inter-se.	She is the daughter of Dr. A. Velumani, Chairman & Managing Director.
Names of listed entities in which she holds the directorship and the membership of Committees of the board;	She is not holding directorship in any other listed entity.
Number of shares held in the Company	She holds 752,512 equity shares in the Company, equivalent to 1.40% of the total paid-up equity capital of the Company.

The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest

Dr. A. Velumani, Chairman & Managing Director, and Mr. A. Sundararaju, Executive Director & Chief Financial Officer, who is the brother of Dr. A. Velumani, should be deemed to be interested in her appointment. None of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Ordinary Resolution set out at item No. 6 of the Notice.

Item No. 7: Ratification of remuneration to Cost Auditor:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company was required to appoint a cost auditor to conduct an audit of the cost records of Company for Financial Year 2017-18 and the remuneration payable to him has to be ratified / approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, having Membership No. 11315 as the Cost Auditor of the Company, for the financial year 2017-18 on a remuneration of ₹. 1,00,000/-, plus reimbursement of applicable tax, if any, and all out of pocket expenses incurred, if any, in connection with the cost audit. Remuneration fixed for the cost auditor is required to be ratified by the Members in accordance with the above provisions. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 7 of the Notice.

Item No. 8: Introduction of Employees Stock Option Scheme 2017-18:

The Company had issued and allotted 33,650 Nos. of equity shares of the Company to be offered to such of those employees of the Company who had contributed for the growth of the Company and who were on the rolls of the Company as on the date of sanction of the Scheme. These shares were allotted in the name of Thyrocare Employees Stock Option Trust, specially formed for this purpose. Subsequent to the issue of Bonus Shares thereafter, the total number of shares registered in the name of the Trust had gone up to 1,34,600. These shares were offered, after completion of 3-year waiting period, to the eligible employees and all of them have accepted the offer; out of these, 1,33,381 shares have already been transferred to the respective employees together with dividend paid thereon and kept in the Bank, and transfer of the remaining 1,219 equity shares to four employees is in the process and is expected to be completed shortly.

The Company had also decided to grant the employees Stock Options equivalent to 1 % (one per cent) of the paid up capital of the Company as on date of sanction of the Scheme, to be distributed every year over a period of ten years, commencing from the Financial Year 2014-15, which would work out to 0.1 % every year. It was also decided that this ratio would be fine-tuned in correlation with the growth of the Company each year as follows:

< 20 % Growth 0.08 %

> 20 % Growth 0.10 %

> 30 % Growth 0.12 %

On this basis, the Company has already issued stock options aggregating to 40,434 shares for the year 2014-15, 50,537 shares for the year 2015-16 and 50,529 shares for the year 2016-17, to the eligible employees.

As the Growth during the year under review has not been more than 20 %, it is proposed to distribute Stock Options equivalent to 0.08 % of the paid-up capital of the Company, aggregating to 40,452 equity shares, (with individual entitlements rounded off) as Employees Stock Options for the Financial Year 2017-18.

The Scheme will be subject to the applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations 2014, and such other rules & regulations as are already applicable or as may become applicable during the subsistence of the Scheme. The brief details of the Thyrocare Employees Stock Option Scheme 2018 are as follows:

a	Brief description of the scheme(s);	This is part of the Employees Stock Option Scheme approved by the Members, which envisages issue of 1% of the then paid-up capital of the Company made up of 5,05,35,971 equity shares of ₹. 10/- each, aggregating to 5,05,360 equity shares to be distributed over a period of ten years, commencing from Financial Year 2014-15, at the rate of 0.1 % each year which would be fine-tuned in correlation with the growth of the Company each year as follows:
		< 20 % Growth 0.08 %
		> 20 % Growth 0.10 %
		> 30 % Growth 0.12 %
		Within this limit, the number of Options to be issued to individual employees will be decided based on the norms fixed by the Nomination & Remuneration Committee and Board of Directors for each year.
		The Company has already issued Stock Options as follows:
		Financial Year — **Stock Options equivalent to**
		2014-15 — 40,434 Equity Shares
		2015-16 — 50,537 Equity Shares
		2016-17 — 50,529 Equity Shares
b	The total number of options, SARs, shares or benefits, as the case may be, to be granted;	Stock Options equivalent to 40,452 Equity Shares.
c	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);	Those employees who have completed two years of service as on the date of sanction of the Scheme by the Board would be entitled to participate and be beneficiaries in the Scheme.

d	Requirements of vesting and period of vesting;	The employees should continue to be in the service for a period of three years from the date of granting the Option. Period of vesting is 3 years after date of granting.
e	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested;	Three years from the date of granting of Options.
f	Exercise price, SAR price, purchase price or pricing formula;	Exercise price will be ₹. 10/- per share.
g	Exercise period and process of exercise;	The grantees can exercise their option within one year from the date of vesting.
h	The appraisal process for determining the eligibility of employees for the scheme(s);	All those permanent employees who have completed two years of continuous service will be eligible to participate. Individual eligibility will be determined based on their contribution, seniority, etc.
i	Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	Stock Options equivalent to 40,452 equity shares are granted to the eligible employees of the Company.
j	Maximum quantum of benefits to be provided per employee under a scheme(s);	Maximum quantum of benefit is equivalent to the difference between the market price and the issue price in respect of the number of shares allotted for each employee.
k	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The scheme is to be implemented and administered directly by the Company.
l	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	The scheme envisages new issue of shares.
m	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	Not applicable, since the employees will have to pay and acquire the shares offered to them.
n	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	The Company does not envisage any secondary acquisition for this purpose.
o	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15;	The Company shall conform to the accounting policies specified in regulation 15.
p	The method which the company shall use to value its options or SARs;	Intrinsic value method would be used for valuation of the Options granted.
q	The following statement, if applicable:	
	In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'	It is confirmed that the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the Options shall be disclosed in the Board's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Board's Report.

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, until expiry of three years from the date of granting, which is determined as the Vetting Date for exercising the Option.

The Scheme would be implemented, managed and administered directly by the Company. The shares to be issued to the employees on their exercising the Option would be by way of fresh allotment, and not sourced from secondary market. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested in the passing of the Resolution set out at Item No. 8 of the Notice.

By order of the Board,
For Thyrocare Technologies Limited
Ramjee Dorai
Head (L & S) and Company Secretary

April 28, 2018
Registered office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

FORM NO. MGT-11
PROXY FORM

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

CIN: **L85110MH2000PLC123882**

Name of the Company: **THYROCARE TECHNOLOGIES LIMITED**

Registered Office: **D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai 400703**

Name of Members:
Registered Address:
E-mail ID:
Folio no./Client ID No. :
DP ID:

I/We, being the member (s) of _____ equity shares of the above named Company, hereby appoint

1. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him
2. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him
3. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company for Financial Year 2017-18 to be held on Saturday, August 11, 2018, at 4.30 P.M., at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400705 and/or at any adjournment thereof in respect of resolutions as are indicated below:

Resolution No.:

Ordinary Business:

1. To adopt the Audited Standalone Financial Statements of the Company for FY 2017-18.
2. To adopt the Audited Consolidated Financial Statements of the Company for FY 2017-18.
3. To declare Dividend for the Financial Year 2017-18.
4. To appoint a Director in the place of retiring Director, Mr. A. Sundararaju (DIN. 00003260) who offers himself for reappointment.
5. To ratify reappointment of M/s. B S R & Co. LLP as Statutory Auditors of the Company to hold office from the conclusion of 18th Annual General Meeting till the conclusion of the 19th Annual General Meeting.

Special Business:

6. To appoint Miss. Amruta Velumani (DIN: 06534120) as a Director liable to retire by rotation.
7. To ratify remuneration fixed for the Cost Auditor for FY 2017-18.
8. To approve Employees Stock Option Scheme for the FY 2017-18.

Please affix Revenue Stamp

Signed this _____

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For corporate members of the Company, duly certified copy of Board Resolution passed at the meeting of their Board of Directors shall be required to appoint a representative to attend and vote at the General Meeting.

MEETING VENUE

Thyrocare®

Think Thyroid. Think Thyrocare.

Rail Route

Train From Thane to Vashi

Catch the train from thane for vashi and get down at either in **Turbhe** or **Sanpada** station

Train From Thane to Panvel

Catch the train from thane for Panvel and get down at either in **Turbhe** or **Juinagar** station

Train From Kurla to Panvel/Belapur

Catch the train from **Kurla** for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From Dadar (2 route to change)

Catch the train from **Dadar** for **Kurla** get down at **Kurla.** then from **Kurla** Catch the train for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From CST

Catch the train from **CST** for **Panvel/Juinagar /Nerul** and get down at either in **Sanpada** or **Juinagar** station

Road Route

Bus From Thane Route

Catch the bus from Mulund West (Bus No. **511 / 512)** or From Mulund East - Bus No.**523.** Get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Thane to Panvel

Catch the Bus **- Thane to Panvel** (ST) from Thane Cidco stop and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Kurla Depo to Sanpada

Catch the Bus from kurla Depo. (Bus No. **507**) get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

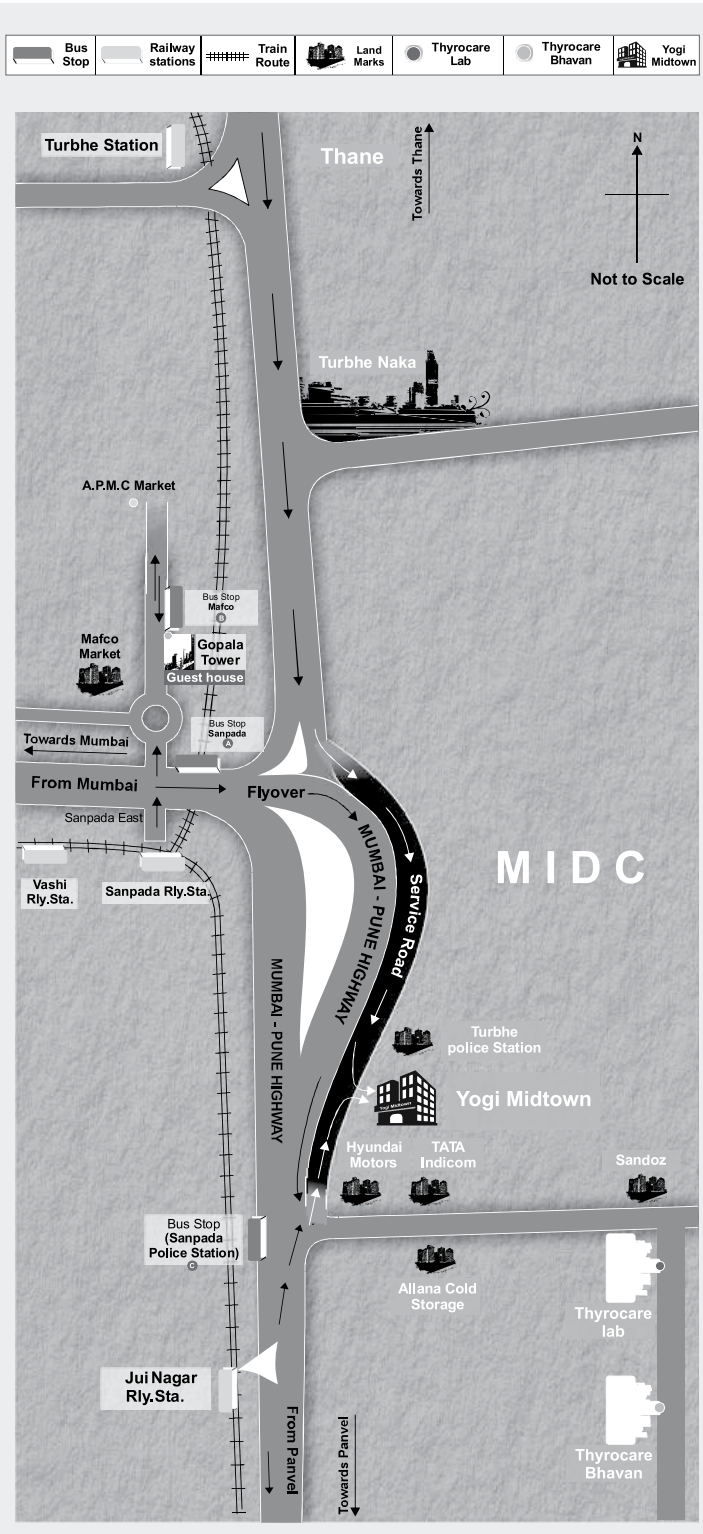
Bus From Dadar to Panvel

Catch Bus from **Dadar** for **Panvel (ST)** and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

AGM Venue

Hotel Yogi Midtown,
Plot No. DX-12,
TTC Industrial Area,
Mumbai - Pune Road,
Turbhe, Navi Mumbai - 400 705

Date : August 11, 2018
Day : Saturday
Time : 4:30. P.M.



NOTES

NOTES

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www.thyrocare.com

Concept, Content & Design
WYATT Media COMMUNICATIONS (info@wyatt.co.in)
www.sapprints.com

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Company will be held at 3.00 P.M. on Saturday, September 01, 2018, at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Stand-alone Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Board's Report and Auditors' Report thereon.
2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2018, together with the Auditors' Report thereon.
3. To confirm the Interim Dividend of ₹ 5/- per equity share already paid and declare a Final Dividend of ₹ 5/- per equity share, totaling to ₹ 10/- (Rupees Ten only) per equity share, as total dividend, for the Financial Year 2017-18.
4. To appoint a Director in place of Mr. A. Sundararaju (DIN: 00003260), who retires by rotation, and being eligible, offers himself for re-appointment.
5. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration, and in this regard, to consider and if deemed fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 139, 141 and 142, read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendation made by the Audit Committee and the Board of Directors and in accordance with the resolution passed by the Members of the Company at 16th Annual General Meeting held on September 12, 2016, the reappointment of M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, having Firm Registration No. 101248W/W-100022, as the Statutory Auditors of the Company to hold office from the conclusion of the 18th Annual General Meeting till the conclusion of the 19th Annual General Meeting, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to fix up their remuneration in consultation with the Auditors in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company, as already recommended by the Audit Committee."

SPECIAL BUSINESS:

6. **Appointment of Miss. Amruta Velumani (DIN: 06534120) as a Director liable to retire by rotation:**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 152, 160 and 161, and any other applicable provisions of the Companies Act, 2013, if any, read with rules made thereunder, Miss. Amruta Velumani, (DIN: 06534120), who was appointed by the Board of Directors at its meeting held on February 22, 2016, as a Director in the casual vacancy caused due to sad demise of Mrs. Sumathi Velumani, and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a Notice in writing from a Member along with the deposit of the requisite amount under Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. **Ratification of Remuneration to the Cost Auditor for the Financial Year 2017-18:**

   To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, remuneration of ₹ 1,00,000/- (Rupees One Lakh only) fixed for Mr. S. Thangavelu, Cost and Management Accountant, appointed as the Cost Auditor of the Company by the Board of Directors, for conducting audit of the cost records of the Company for the financial year 2017-18, excluding applicable tax, if any, and reimbursement of travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

8. **Introduction of Employees Stock Option Scheme 2017-18:**

   To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

   "RESOLVED AS SPECIAL RESOLUTION

   THAT pursuant to the provisions of Section 62 (1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and the provisions of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time, consent of the Members be and is hereby given for granting Stock Options equivalent to a total number of 40,452 equity shares of the Company, to the eligible employees of the Company as Employees Stock Option for the financial year 2017-18, to be exercised as per the rules of the relevant scheme.

   THAT the Board of Directors of the Company be and is hereby authorised to issue and allot Equity Shares upon exercise of options by eligible Employees from time to time in respect of Options already granted and to be granted, and to get the new shares listed with National Stock Exchange of India Limited and BSE Limited, and such Equity shares shall be subject to the Memorandum & Articles of Association of the Company and shall rank pari passu in all respects with the then existing Equity Shares of the Company.

THAT the Board of Directors of the Company be and is hereby authorised and empowered:

i) to formulate such policies, rules, regulations and guidelines as may be required to be formulated to govern the introduction, implementation, management and administration of the Scheme subject to the applicable statutory rules for the time being in force.

ii) to make necessary disclosures in the Annual Report and to comply with all applicable rules & regulations.

iii) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation, introduction, implementation, management and administration of the ESOP Scheme without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

9. Buy Back Proposal:

To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED THAT pursuant to Article 13 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 70 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Share Capital and Debentures) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in compliance with the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("Buyback Regulations"), as amended from time to time, and subject to such other approvals, permissions, sanctions and exemptions as may be necessary and subject to such conditions and modifications, if any, as may be prescribed or imposed by the appropriate authorities while granting such approvals, permissions, sanctions and exemptions, which may be agreed to by the Board of Directors of the Company ("Board"), (which expression shall include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), consent of the Members be and is hereby accorded for the buyback by the Company of its fully paid-up equity shares of face value of ₹ 10/- (Rupees Ten) each, at a price not exceeding ₹ 730/- (Rupees Seven Hundred and Thirty only) per Equity Share payable in cash, from the Members of the Company, other than the Promoters and Shareholders belonging to Promoter Group, through Open Market through the Stock Exchanges, as prescribed under the Buyback Regulations ("Buyback"), up to 8,63,013 (Eight Lakhs Sixty Three Thousand and Thirteen) Equity Shares for an aggregate consideration which shall not exceed ₹ 63,00,00,000/- (Rupees Sixty Three Crores only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. (hereinafter referred to as "Transaction Costs"), being 14.97% of the aggregate of the paid-up share capital and free reserves as per the audited financial statements of the Company as on March 31, 2018, to be paid out of the Free Reserves of the Company (including Securities Premium Account) and Retained Earnings"

"RESOLVED FURTHER THAT the Company proposes to utilise at least 50% of the said amount, viz. ₹ 31,50,00,000/- (Rupees Thirty One Crore and Fifty Lakhs only) for Buyback, excluding Transaction Costs, representing 7.49% of the paid-up share capital and free reserves as per the audited financial statements of the Company as on March 31, 2018.

"RESOLVED FURTHER THAT the Buyback from non-resident shareholders, overseas corporate bodies, foreign institutional investors, foreign portfolio investors, and any other shareholders of foreign nationality / origin / domicile shall be subject to such approvals as may be required, including approvals from the Reserve Bank of India under the applicable Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the power(s) conferred hereinabove as it may in its absolute discretion deem fit, to any Committee ("Buyback Committee") in order to give effect to this resolution, including but not limited to Finalizing the terms of the Buyback such as Opening Date, Closing Date, Appointments of merchant banker, brokers, registrar, lawyers, depository participants, escrow agents, advertising agencies, and other advisors, consultants/ intermediaries/ agencies, as may be required, for implementation of the Buyback; Preparation, finalizing, signing and filing of the Public Announcements, with the Securities and Exchange Board of India ("SEBI"), the stock exchanges where the Equity Shares are listed and other appropriate authorities and to make all necessary applications to the appropriate authorities for their approvals including but not limited to approvals as may be required from SEBI, RBI under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder; and to initiate all necessary actions for preparation / issue /filing / release of necessary documents including Pre Buyback / Post Buyback Public Announcements, Opening, operation and closure of necessary bank accounts including escrow account, Entering into necessary agreements, Filing of declaration of solvency, Obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law, commencing the Buy-back and deciding on the number of Equity Shares and price at which orders would be placed with the brokers and timing thereof, Extinguishment of dematerialized shares and physical destruction of share certificates in respect of the physical Equity Shares bought back by the Company, and sign and submit such other undertakings, agreements, papers, documents and correspondence, as may be required to be filed in connection with the Buyback with SEBI, RBI, stock exchanges, Registrar of Companies, Depositories and/or other regulators and statutory authorities, and settling all questions, difficulties or doubts that may arise in relation to the proposed Buy-back at any stage in confirmations as may be necessary for the implementation of the Buyback, without requiring to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto

expressly by the authority of this resolution, as may be required from time to time".

"RESOLVED FURTHER THAT nothing contained herein shall confer any right on the part of any Members to offer and/or any obligation on the part of the Company or the Board or the Buyback Committee to Buyback any shares, and/or impair any power of the Company or the Board or the Buyback Committee to terminate any process in relation to such Buyback, if so permissible by law."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board and the Buyback Committee be and are hereby empowered and authorised severally on behalf of the Company to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements or any conditions laid down by any authority while giving its approval as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as the Board / Buyback Committee may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT the actual number of Equity Shares bought back will depend upon the actual price paid for the Buyback, excluding the Transaction Costs paid for the Equity Shares bought back and the aggregate amount paid in the Buyback, subject to the Maximum Buyback Size

RESOLVED FURTHER THAT the Buyback would be subject to the condition of maintaining minimum public shareholding requirements as specified in Regulation 38 of the Listing Regulations.

RESOLVED FURTHER THAT the amount required by the Company for the Buyback is intended to be met out of the accumulated internal accruals and on such terms and conditions as the Board may decide from time to time at its absolute discretion.

RESOLVED FURTHER THAT the Company shall intimate the Stock Exchanges and shall upload the information regarding the Equity Shares bought-back on its website on a daily basis as prescribed by the Buyback Regulations."

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai.
Head (L & S) and Company Secretary

August 04, 2018
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (''the Act''), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice, is annexed hereto and forms part of this Notice.

2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.

3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other shareholder. Members may please note that the Proxy does not have the right to speak at the Meeting and can only vote on poll.

4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by certified copy of appropriate resolutions/authority, as applicable. Form of Proxy is enclosed.

5. The Members / Proxies / Authorised Representatives are requested to bring their copy of the Annual Report along with the Attendance Slips, duly filled in, for attending the Meeting.

6. The Register of Members and Share Transfer Books of the Company would remain closed from August 04, 2018 to August 11, 2018 (both days inclusive) for the purpose of determining the entitlement of Members for the final dividend, if declared.

7. Subject to the provisions of the Companies Act, 2013, the final dividend as recommended by the Board, if declared at the Meeting, will be paid within 30 days from the date of declaration to those Members whose names appear on the Register of Members as at the end of 03-08-2018.

8. The Company's equity shares are Listed at (i) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051 and (ii) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400 001 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2017-18.

9. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at M/s. Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083.

10. The details of unclaimed dividend for the earlier years, which have been transferred to the respective Unpaid Dividend Accounts, are given below.

Year	2015-16 Final	2016-17 Interim	2016-17 Final	2017-18 Interim
Unclaimed – Amount- ₹.	205505	62925	72265	36070
No. of Shareholders	1457	375	372	153

11. Members may please note that dividends that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account will be transferred to the Investor Education & Protection Fund, as required under Section 124 of the Companies Act, 2013, and such shares shall also be transferred to the said Fund. Therefore, those members who have not claimed their dividend for the above periods may send their claims to the Registrar & Share Transfer Agent at the address given above, or to the Company Secretary at the Company's Corporate Office address, at the earliest.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the said Act, will be available for inspection by the members at the venue of the meeting.
13. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for 2017-18 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company / Depository Participants, a physical copy of the Annual Report for 2017-18 is sent by the permitted mode.
14. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Private Limited, the Company's Registrar & Share Transfer Agents / their respective Depository Participants.
15. In terms of Section 72 of the Act read with the applicable rules thereto, the facility of making nomination is available to all the Members in respect of the shares held by them. Those who have not registered their nomination may do so by submitting Form No. SH-13 to their Depository Participant. The said Form can be downloaded from the Company's website, "www.thyrocare.com." The said Form can also be obtained from the Company's Registrar & Share Transfer Agents.
16. The Board of Directors, at their meeting held on 04-08-2018, decided to approve a proposal to buy back equity shares of ₹ 10/- each at a price not exceeding ₹ 730/- (Rupees Seven Hundred and Thirty only), for an aggregate amount not exceeding ₹ 63,00,00,000/- (Rupees Sixty Three Crores only) with the objective of returning surplus cash to the shareholders, and to enhance the share value in the long run. As the approval of shareholders is required for this proposal, the Board of Directors decided to postpone the 18th Annual General Meeting to 01 September 2018. Hence this revised notice is being issued.
17. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to all the Members of the Company, whose names appear on the Register of Members as on 25-08-2018, being the cut-off date fixed for determining the eligibility of Members to participate in the e-voting process, through the e-voting platform provided by M/s. Link Intime India Private Limited through CDSL, to enable them to cast their vote electronically on all the resolutions set forth in the notice convening the 18th Annual General Meeting of the Company.

    Detailed instructions for voting through e-voting platform are given in a separate sheet attached to the Notice.

    The e-voting facility will be available from 09.00 A.M. on Wednesday, August 29, 2018 upto 5.00 P.M. on Friday, August 31, 2018. During this period, members holding shares in physical or dematerialised form, may cast their votes electronically, using the above facility. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again at the Annual General Meeting on any resolution for which he has already cast his vote using the e-voting facility.

    However, those who have not cast their vote using the e-voting facility may cast their vote using the ballot paper that will be made available at the Annual General Meeting venue, pursuant to the provisions of Section 107 of the Act read with Rule 20 of the Companies (Management and Administrations) Rules, 2014.

    The Company has appointed S. Anantha & Ved LLP., Practising Company Secretaries, Mulund (W), Mumbai-400 080, as Scrutinizers to scrutinize the e-voting and polling process in a fair and transparent manner.

    The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

    The Chairman or the person authorised by him, shall declare the result of the voting forthwith and the said results, along with the report of the Scrutinizer, shall be placed on the website of the Company, www.thyrocare.com and on the website of CDSL, www.cdslindia.com, and will also be forwarded simultaneously to National Stock Exchange of India Limited and BSE Limited.

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By Order of the Board,
For **Thyrocare Technologies Limited**
Ramjee Dorai.
Head (L & S) and Company Secretary

August 04, 2018
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

Item No. 4: Reappointment of Mr. A. Sundararaju as Director (DIN: 00003260):

Details of Mr. A. Sundararaju, seeking reappointment as Director at the 18th Annual General Meeting.

Date of Birth	04-09-1958
Date of Appointment on the Company's Board.	28-01-2000
Brief Resume	Mr. A. Sundararaju is one of the Promoter-directors of the Company. He is a graduate in law from the University of Bombay. He has been in charge of the finance, legal, administrative and franchisee departments of our Company since inception. He has been a Director on our Board since incorporation, and is currently holding the position of Executive Director and Chief Financial Officer. He is also Director & Chief Financial Officer of Nueclear Healthcare Limited, our wholly owned subsidiary.
Expertise in specific functional areas	He has over 22 years of experience in finance, legal and administrative functions.
Disclosure of relationship between directors inter-se.	He is the brother of Dr. A. Velumani, Chairman & Managing Director
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He holds 2,49,669 equity shares in the Company, equivalent to 0.46 % of the total paid-up equity capital of the Company.

The Directors recommend the above resolution to the Members for their approval.

Item No. 5: Ratification of reappointment of Auditors:

At the 16th Annual General Meeting (AGM) of the Company held on September 12, 2016, M/s. B S R & Co. LLP were appointed as Statutory Auditors of the Company for a period of five years from the conclusion of 16th Annual General Meeting till the conclusion of 21st Annual General Meeting, subject to ratification by the Members at every Annual General Meeting.

The Audit Committee considered the matter at its meeting held on 28-04-2018 and recommended reappointment of M/s. B S R & Co. LLP. The Board of Directors has also, at its meeting held on 28-04-2018, considered the matter and decided to accept the recommendation of the Audit Committee and accordingly, the proposal to reappoint M/s. B S R & Co. LLP, as the Statutory Auditors from the conclusion of the 18th AGM till the conclusion of the 19th AGM, is being placed before the Members for ratification.

B S R & Co. LLP, have confirmed that their firm is eligible for appointment, and is not disqualified for the proposed ratification in accordance with the criteria provided under Section 141 of the Companies Act, 2013 and the rules or regulations made thereunder.

The Directors recommend the above resolution to the Members for their approval.

EXPLANATORY STATEMENT

(Pursuant to the Section 102 of the Companies Act, 2013)

Item No. 6: Appointment of Miss. Amruta Velumani (DIN: 06534120) as a Director:

Miss. Amruta Velumani was appointed as a Director by the Board of Directors at its meeting held on 22-02-2016, in the casual vacancy caused by the sad, untimely demise of Mrs. Sumathi Velumani. As per the provisions of Sec. 161 (4) of the Companies Act, 2013, she would hold office till the date of the ensuing Annual General Meeting, viz. the date upto which Mrs. Sumathi Velumani would have otherwise held office. The Company has received a notice from a Member, along with the requisite deposit amount, proposing her candidature for appointment as a Director liable to retire by rotation. She is daughter of Dr. A. Velumani, Chairman & Managing Director. Her brief resume is given below:

Date of Birth	29-05-1991
Date of Appointment on the Company's Board in the casual vacancy	22-02-2016
Brief Resume	Miss. Amruta Velumani is a graduate, and is currently pursuing a Master's Degree from ITM University, Navi Mumbai. She is presently the Managing Director of Sumathi Construction Private Limited. She was earlier a director of the Company from 27-09-2013 to 15-11-2014. She was again appointed as a Non-Executive Non-Independent Director on 22-02-2016 in the casual vacancy caused by the sad, untimely demise of her mother, Mrs. Sumathi Velumani.
Expertise in specific functional areas	She has about nine years experience in functional areas relating to General Administration, Personnel and Human Resources Management.
Disclosure of relationship between directors inter-se.	She is the daughter of Dr. A. Velumani, Chairman & Managing Director.
Names of listed entities in which she holds the directorship and the membership of Committees of the board;	She is not holding directorship in any other listed entity.
Number of shares held in the Company	She holds 752,512 equity shares in the Company, equivalent to 1.40% of the total paid-up equity capital of the Company.

The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest

Dr. A. Velumani, Chairman & Managing Director, and Mr. A. Sundararaju, Executive Director & Chief Financial Officer, who is the brother of Dr. A. Velumani, should be deemed to be interested in her appointment. None of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Ordinary Resolution set out at item No. 6 of the Notice.

Item No. 7: Ratification of remuneration to Cost Auditor:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company was required to appoint a cost auditor to conduct an audit of the cost records of Company for Financial Year 2017-18 and the remuneration payable to him has to be ratified / approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, having Membership No. 11315 as the Cost Auditor of the Company, for the financial year 2017-18 on a remuneration of ₹ 1,00,000/-, plus reimbursement of applicable tax, if any, and all out of pocket expenses incurred, if any, in connection with the cost audit. Remuneration fixed for the cost auditor is required to be ratified by the Members in accordance with the above provisions. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 7 of the Notice.

Item No. 8: Introduction of Employees Stock Option Scheme 2017-18:

The Company had issued and allotted 33,650 Nos. of equity shares of the Company to be offered to such of those employees of the Company who had contributed for the growth of the Company and who were on the rolls of the Company as on the date of sanction of the Scheme. These shares were allotted in the name of Thyrocare Employees Stock Option Trust, specially formed for this purpose. Subsequent to the issue of Bonus Shares thereafter, the total number of shares registered in the name of the Trust had gone up to 1,34,600. These shares were offered, after completion of 3-year waiting period, to the eligible employees and all of them have accepted the offer; out of these, 1,33,381 shares have already been transferred to the respective employees together with dividend paid thereon and kept in the Bank, and transfer of the remaining 1,219 equity shares to four employees is in the process and is expected to be completed shortly.

The Company had also decided to grant the employees Stock Options equivalent to 1 % (one per cent) of the paid up capital of the Company as on date of sanction of the Scheme, to be distributed every year over a period of ten years, commencing from the Financial Year 2014-15, which would work out to 0.1 % every year. It was also decided that this ratio would be fine-tuned in correlation with the growth of the Company each year as follows:

< 20 % Growth 0.08 %

> 20 % Growth 0.10 %

> 30 % Growth 0.12 %

On this basis, the Company has already issued stock options aggregating to 40,434 shares for the year 2014-15, 50,537 shares for the year 2015-16 and 50,529 shares for the year 2016-17, to the eligible employees.

As the Growth during the year under review has not been more than 20 %, it is proposed to distribute Stock Options equivalent to 0.08 % of the paid-up capital of the Company, aggregating to 40,452 equity shares, (with individual entitlements rounded off) as Employees Stock Options for the Financial Year 2017-18.

The Scheme will be subject to the applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations 2014, and such other rules & regulations as are already applicable or as may become applicable during the subsistence of the Scheme. The brief details of the Thyrocare Employees Stock Option Scheme 2018 are as follows:

a	Brief description of the scheme(s);	This is part of the Employees Stock Option Scheme approved by the Members, which envisages issue of 1% of the then paid-up capital of the Company made up of 5,05,35,971 equity shares of ₹ 10/- each, aggregating to 5,05,360 equity shares to be distributed over a period of ten years, commencing from Financial Year 2014-15, at the rate of 0.1 % each year which would be fine-tuned in correlation with the growth of the Company each year as follows:
		< 20 % Growth 0.08 %
		> 20 % Growth 0.10 %
		> 30 % Growth 0.12 %
		Within this limit, the number of Options to be issued to individual employees will be decided based on the norms fixed by the Nomination & Remuneration Committee and Board of Directors for each year.
		The Company has already issued Stock Options as follows:
		Financial Year — **Stock Options equivalent to**
		2014-15 — 40,434 Equity Shares
		2015-16 — 50,537 Equity Shares
		2016-17 — 50,529 Equity Shares
b	The total number of options, SARs, shares or benefits, as the case may be, to be granted;	Stock Options equivalent to 40,452 Equity Shares.
c	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);	Those employees who have completed two years of service as on the date of sanction of the Scheme by the Board would be entitled to participate and be beneficiaries in the Scheme.

d	Requirements of vesting and period of vesting;	The employees should continue to be in the service for a period of three years from the date of granting the Option. Period of vesting is 3 years after date of granting.
e	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested;	Three years from the date of granting of Options.
f	Exercise price, SAR price, purchase price or pricing formula;	Exercise price will be ₹ 10/- per share.
g	Exercise period and process of exercise;	The grantees can exercise their option within one year from the date of vesting.
h	The appraisal process for determining the eligibility of employees for the scheme(s);	All those permanent employees who have completed two years of continuous service will be eligible to participate. Individual eligibility will be determined based on their contribution, seniority, etc.
i	Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	Stock Options equivalent to 40,452 equity shares are granted to the eligible employees of the Company.
j	Maximum quantum of benefits to be provided per employee under a scheme(s);	Maximum quantum of benefit is equivalent to the difference between the market price and the issue price in respect of the number of shares allotted for each employee.
k	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The scheme is to be implemented and administered directly by the Company.
l	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	The scheme envisages new issue of shares.
m	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	Not applicable, since the employees will have to pay and acquire the shares offered to them.
n	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	The Company does not envisage any secondary acquisition for this purpose.
o	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15;	The Company shall conform to the accounting policies specified in regulation 15.
p	The method which the company shall use to value its options or SARs;	Intrinsic value method would be used for valuation of the Options granted.
q	The following statement, if applicable:	
	In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'	It is confirmed that the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the Options shall be disclosed in the Board's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Board's Report.

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, until expiry of three years from the date of granting, which is determined as the Vetting Date for exercising the Option.

The Scheme would be implemented, managed and administered directly by the Company. The shares to be issued to the employees on their exercising the Option would be by way of fresh allotment, and not sourced from secondary market. The Directors recommend the above resolution to the Members for their approval..

Disclosure of Interest:

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested in the passing of the Resolution set out at Item No. 8 of the Notice.

Item No. 9: Approval of Buy Back of Equity Shares:

The Board of Directors of the Company at its meeting held on Saturday, August 04, 2018, ("Board Meeting") has, subject to the approval of the Members of the Company by way of Special Resolution and subject to such approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved buyback of fully paid-up Equity Shares of face value of Rs 10/- (Rupee Ten) each ("Equity Shares") up to 8,63,013 (Eight Lakhs Sixty Three Thousand and Thirteen) Equity Shares, through Open Market through Stock Exchanges, as provided under the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, ("Buyback Regulations"), as amended from time to time, at a price of ₹ 730/- (Rupees Seven Hundred and Thirty only) per Equity Share payable in cash for an aggregate consideration not exceeding ₹ 63,00,00,000/- (Rupees Sixty Three Crores only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, goods and services tax, stamp duty, etc. ("Buyback"). The Buyback is within 15% of the aggregate of paid-up capital and free reserves of the Company as per audited financial statements of the Company as on March 31, 2018 (the last audited financial statements available as on the date of Board Meeting recommending the proposal of the Buyback). The Offer Size of the Buyback constitutes 14.97% of the aggregate paid-up share capital and free reserves of the Company, and represents 1.61% of the total issued and paid-up equity share capital of the Company.

Since the Buyback is more than 10% of the total paid-up equity share capital and free reserves of the Company, in terms of Section 68(2)(b) of the Act, it is necessary to obtain the consent of the Members of the Company, for the Buyback, by way of a special resolution. Accordingly, the Company is seeking your consent for the aforesaid proposal as contained in the Resolution provided in this Notice.

Requisite details relating to the Buyback, pursuant to Schedule II – Part A of the SEBI (Buy Back of Securities) Regulations, 1998, as amended, are given below:

i.	Date of the Board meeting at which the proposal for buy back was approved by the Board of Directors of the company:	The Proposal for Buyback was approved by the Board of Directors of the Company at its meeting held on August 04, 2018.
ii.	Necessity for the buy back;	The current Buyback is considered necessary to achieve the objective of returning the Surplus cash to the shareholders, improving the Company's Return on Equity and increasing shareholder value in the longer term.
iii.	Maximum amount required under the buy back and its percentage of the total paid up capital and free reserves;	The Maximum amount of the Buyback is ₹ 63,00,00,000/- (Rupees Sixty Three Crores) and its percentage of the total paid up capital and free reserves is 14.97%.
iv.	Maximum price at which the shares or other specified securities are proposed be bought back and the basis of arriving at the buyback price;	The maximum price would be ₹ 730/- (Rupees Seven Hundred and Thirty only) per share. This was decided taking into consideration various factors including (but not limited to) stock price performance on the Stock Exchange, book value, other financial ratios, and the possible impact of the Buy-back on the Company's earnings per share.
v.	Maximum number of securities that the company proposes to buy back;	8,63,013 (Eight Lakhs Sixty Three Thousand and Thirteen only)
vi.	Method to be adopted for buyback as referred in sub-regulation(1) of regulation 4;	The shares would be acquired by the Open Market Method through Stock Exchanges.

vii.	(a)	the aggregate shareholding of the promoter and of the directors of the promoters, where the promoter is a company and of persons who are in control of the company as on the date of the notice convening the General Meeting or the Meeting of the Board of Directors;	The Promoters and the Shareholders belonging to Promoter Group are holding 3,43,61,745 shares representing 63.96% of the total paid up equity capital of the Company.
	(b)	aggregate number of shares or other specified securities purchased or sold by persons including persons mentioned in (a) above from a period of six months preceding the date of the Board Meeting at which the buyback was approved till the date of notice convening the general meeting	Nil – There has been no purchase or sale of shares by the Promoters or other Shareholders belonging to the Promoter Group during the period mentioned above
	(c)	the maximum and minimum price at which purchases and sales referred to in (b) above were made along with the relevant dates;	Not applicable
viii.		Intention of the promoters and persons in control of the company to tender shares or other specified securities for buy-back indicating the number of shares or other specified securities ,details of acquisition with dates and price;	The Promoters and the Shareholders belonging to the Promoter Group are not permitted to offer any shares in the buyback and the buyback is open only to the public shareholders.

ix. The Board of Directors confirms that there are no defaults subsisting in repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks;

x. The Board of Directors confirms that it has made a full enquiry into the affairs and prospects of the company and that they have formed the opinion-

a) that immediately following the date on which the General Meeting or the meeting of the Board of Directors is convened there will be no grounds on which the company could be found unable to pay its debts;

(b) as regards its prospects for the year immediately following that date that, having regard to their intentions with respect to the management of the company's business during that year and to the amount and character of the financial resources which will in their view be available to the company during that year, the company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date; and

(c) in forming their opinion for the above purposes, the directors shall take into account the liabilities as if the company were being wound up under the provisions of the Companies Act, 2013 (including prospective and contingent liabilities);

xi. The report addressed to the Board of Directors of the Company on determination of the permissible capital payment for the equity shares in question and the opinion formed by directors regarding insolvency is reproduced below:

The Board of Directors

Thyrocare Technologies Limited

D/37-1, TTC Industrial Area

MIDC, Turbhe

NAVI MUMBAI 400 703

Dear Sirs,

Statutory Auditors' Report in respect of proposed buyback of equity shares by Thyrocare Technologies Limited ("the Company") in terms of clause (xi) of Part A of Schedule II of Securities and Exchange Board of India (Buy -Back of Securities) Regulations, 1998, as amended ("the SEBI Buyback Regulations") and Section 68 of the Companies Act, 2013 ("the Act").

1. This report is issued in accordance with the terms of our engagement letter dated 27 July 2018. The Board of Directors of Thyrocare Technologies Limited have approved a proposed buyback of equity shares by the Company at its meeting held on 04 August 2018 in pursuance of the provisions of Section 68, 69 and 70 of the Act and the SEBI Buyback Regulations.

2. The accompanying Statement of permissible capital payment ("Annexure A") as at 31 March 2018 (hereinafter referred to as "the Statement") is prepared by the Management. We have initialed the Statement for identification purposes only.

Management's Responsibility

3. The preparation of the Statement in accordance with Section 68 of the Act including the relevant rules issued thereunder and the compliance with the SEBI Buyback Regulations, is the responsibility of the Management of the Company, including the computation of

the amount of the permissible capital payment, the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimated that are reasonable in the circumstances.

Auditors' Responsibility

4. Pursuant to the requirements of Section 68 of the Act and the SEBI Buyback Regulations, it is our responsibility to provide reasonable assurance:
   i. whether we have inquired into the state of affairs of the Company in relation to the audited standalone financial statements for the year ended 31 March 2018;
   ii. if the amount of permissible capital payment as stated in Annexure A, has been properly determined considering the audited standalone financial statements in accordance with Section 68 of the Act; and
   iii. if the Board of Directors in their meeting dated 04 August 2018, have formed the opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company will not having regard to its state of affairs, be rendered insolvent within a period of one year from that date.
5. The standalone financial statements referred to in paragraph 4 above, which we have considered for the purpose of this report, have been audited by us, on which we have issued an unmodified audit opinion vide our report dated 28 April 2018.
6. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Report

8. Based on inquiries conducted and our examination as above, we report that:

a) We have inquired into the state of affairs of the Company in relation to its audited standalone financial statements as at and for the year ended 31 March 2018.

b) The amount of permissible capital payment towards buyback of equity shares as computed in the Statement attached herewith is, in our view properly determined as follows in accordance with Section 68 of the Act. The amounts of share capital and free reserves have been extracted from the audited standalone financial statements of the Company as at and for the year ended 31 March 2018; and

c) The Board of Directors of the Company, in their meeting held on 04 August 2018 have formed their opinion as specified in clause (x) of Part A of Schedule II to the SEBI Buyback Regulations, on reasonable grounds and that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board Meeting resolution dated 04 August 2018.

Restriction on Use

9. This report has been issued at the specific request of the Company solely for use of the Company
   (i) in connection with the proposed buyback of equity shares of the Company in pursuance to the provisions of Section 68 and other applicable provisions of the Act and the SEBI Buyback Regulations;
   (ii) to enable the Board of Directors of the Company to include in the public announcement, and other documents pertaining to buyback of the Company or filed with (a) the Registrar of Companies, the Securities and Exchange Board of India, stock exchanges, public shareholders and any other regulatory authority as per applicable law and (b) the Central Depository Services (India) Limited and National Securities Depository Limited; and
   (iii) for providing to the authorized dealer for the purpose of capital payment. Accordingly, this report may not be suitable for any other purpose and we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner
Membership No. 103145

Mumbai
04, August 2018

Annexure A

(₹ in million)

Paid up equity share capital as at 31 March 2018 53,723,533 equity shares of ₹ 10 each	537.24
Free reserves as at 31 March 2018:	
Securities Premium	1,272.28
General Reserve	91.67
Retained Earnings	2,306.94
Total Free reserves	4,208.13
Permissible Capital Payment in accordance with proviso to Section 68(2)(c) of the Act (25% of the paid up equity capital and free reserves)	1,052.03
Permissible Capital Payment for Buy-back under Open Market option, in accordance with proviso to Regulation 4 (1) (b) of the SEBI (Buy Back of Securities) Regulations, 1998, as amended. (15% of the paid up capital and free reserves)	631.22
Amount proposed by Board Resolution dated 4 August 2018 approving the Buyback, subject to shareholders approval by special resolution, based on the audited financial statements for the year ended 31 March 2018	630.00

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding equity shares of the Company. The Directors, therefore, recommend the Special Resolution as set out in the accompanying Notice for approval by the Members.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 9 of the Notice, and none of them would be participating in the buyback offer.

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai
Head (L & S) and Company Secretary

August 04, 2018
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

FORM NO. MGT-11
PROXY FORM

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

CIN: **L85110MH2000PLC123882**

Name of the Company: **THYROCARE TECHNOLOGIES LIMITED**

Registered Office: D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai 400703

Name of Members:
Registered Address:
E-mail ID:
Folio no./Client ID No. :
DP ID:

I/We, being the member (s), holding _____ equity shares of the above named Company, hereby appoint

1. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him
2. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him
3. Name: _____
   Address: _____
   E-mail ID: _____
   Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company for Financial Year 2017-18 to be held on Saturday, September 01, 2018, at 3.00 P.M., at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai- 400705 and/or at any adjournment thereof in respect of resolutions as are indicated below:

Resolution No.:

Ordinary Business:

1. To adopt the Audited Standalone Financial Statements of the Company for FY 2017-18.
2. To adopt the Audited Consolidated Financial Statements of the Company for FY 2017-18.
3. To declare Dividend for the Financial Year 2017-18.
4. To appoint a Director in the place of retiring Director, Mr. A. Sundararaju (DIN. 00003260) who offers himself for reappointment.
5. To ratify reappointment of M/s. B S R & Co. LLP as Statutory Auditors of the Company to hold office from the conclusion of 18th Annual General Meeting till the conclusion of the 19th Annual General Meeting..

Special Business:

6. To appoint Miss. Amruta Velumani (DIN: 06534120) as a Director liable to retire by rotation.
7. To ratify remuneration fixed for the Cost Auditor for FY 2017-18.
8. To approve Employees Stock Option Scheme for the FY 2017-18.
9. To approve Buy Back proposal.

Signed this _____

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Please affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For corporate members of the Company, duly certified copy of Board Resolution passed at the meeting of their Board of Directors shall be required to appoint a representative to attend and vote at the General Meeting.

MEETING VENUE

Thyrocare®

Think Thyroid. Think Thyrocare.

Rail Route

Train From Thane to Vashi

Catch the train from thane for vashi and get down at either in **Turbhe** or **Sanpada** station

Train From Thane to Panvel

Catch the train from thane for Panvel and get down at either in **Turbhe** or **Juinagar** station

Train From Kurla to Panvel/Belapur

Catch the train from **Kurla** for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From Dadar (2 route to change)

Catch the train from **Dadar** for **Kurla** get down at **Kurla.** then from **Kurla** Catch the train for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From CST

Catch the train from **CST** for **Panvel/Juinagar /Nerul** and get down at either in **Sanpada** or **Juinagar** station

Road Route

Bus From Thane Route

Catch the bus from Mulund West (Bus No. **511 / 512)** or From Mulund East - Bus No.**523.** Get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Thane to Panvel

Catch the Bus **- Thane to Panvel** (ST) from Thane Cidco stop and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Kurla Depo to Sanpada

Catch the Bus from kurla Depo. (Bus No. **507**) get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

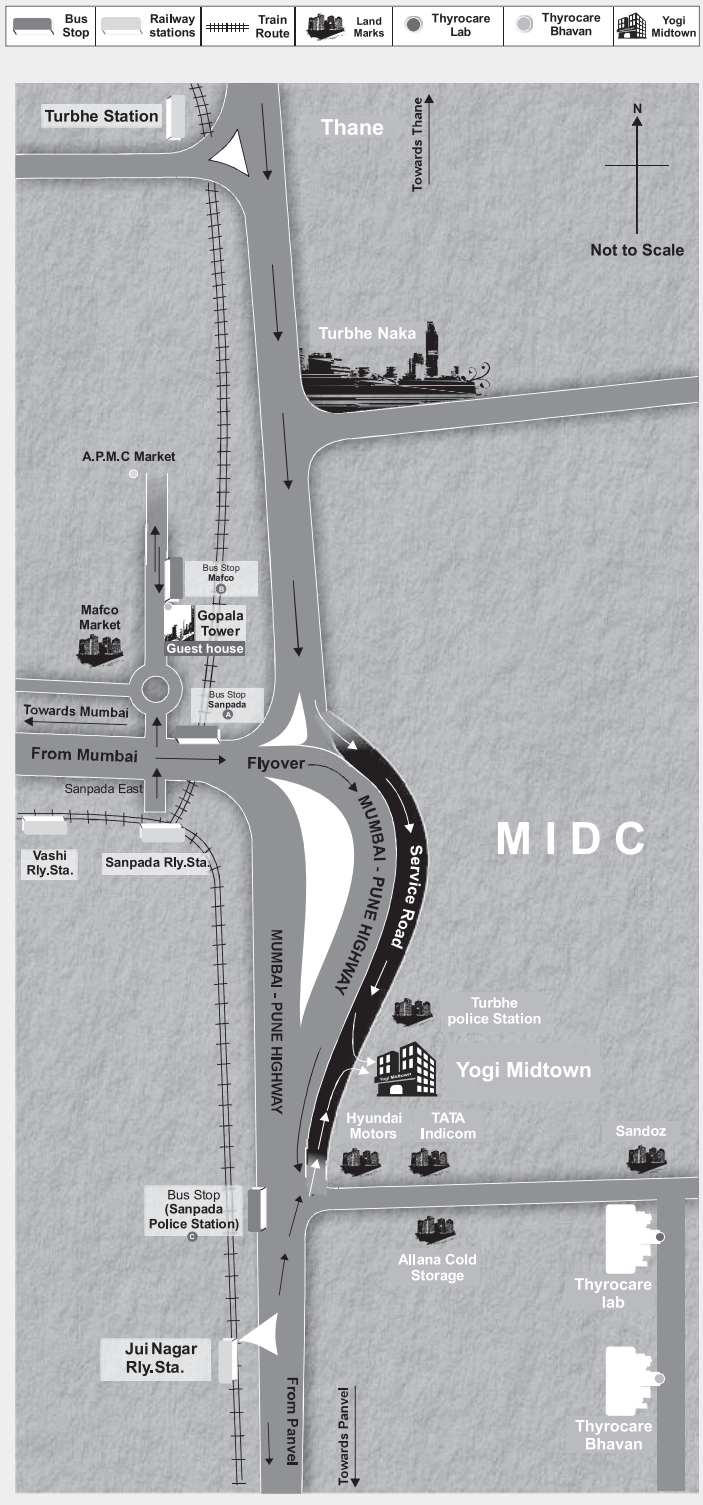
Bus From Dadar to Panvel

Catch Bus from **Dadar** for **Panvel (ST)** and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

AGM Venue

Hotel Yogi Midtown,
Plot No. DX-12,
TTC Industrial Area,
Mumbai - Pune Road,
Turbhe, Navi Mumbai - 400 705

Date : September 1, 2018
Day : Saturday
Time : 3.00 P.M.



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