LOTUS

EMPOWERING EYES - ILLUMINATING LIVES



21st ANNUAL REPORT 2017 - 2018

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

(Formerly Lotus Eye Care Hospital Limited)

CONTENTS

	PAGE No.
Corporate Information	1
Notice to Shareholders & Instruction for e-voting facility	2
Route Map to the Venue of AGM	7
Directors' Report	9
Information required under Section 197 of the Companies Act, 2013 (Annexure-I)	15
Secretarial Audit Report (Annexure-II)	17
Extract of Annual Report - MGT-9 (Annexure-III)	21
Management Discussion and Analysis (Annexure-IV)	30
Report on Corporate Governance (Annexure-V)	32
Declaration regarding adherence to the Code of Conduct	40
Auditors' certificate on Corporate Governance	41
CEO / CFO Certification	42
Independent Auditors' Report	43
Balance Sheet	49
Statement of Profit and Loss	50
Statement of Changes in Equity	51
Cash Flow Statement	52
Notes forming part of Financial Statements	53

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L85110TZ1997PLC007783

Regd. Office & Corporate Office : SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014
E-mail : companysecretary@lotuseye.org Website : www.lotuseye.org | www.refractive.lotuseye.org
Phone : 0422 4229900 Fax : 0422 4229933

Chairman cum Managing Director	-	**Dr. S.K. Sundaramoorthy**
Whole-time Director	-	**Ms. Sangeetha Sundaramoorthy**
Directors	-	**Dr. Kavetha Sundaramoorthy**
	-	**Dr. S.S. Badrinath**
	-	**Mr. D. R. Kaarthikeyan**
	-	**Dr. Yogesh Shah**
	-	**Mr. G.R. Karthikeyan**
	-	**CA R. Subramanian**
	-	**CA M. Alagiriswamy**
	-	**Mr. P.R. Rangaswami** **(Alternate Director to Dr. Kavetha Sundaramoorthy)** **With effect from 27/05/2017**
Chief Financial Officer	-	**Mr. L. Sriram**
Company Secretary & Compliance Officer	-	**CS Aakanksha Parmar**
Statutory Auditors	-	**M/s. Anbarasu and Jalapathi** Chartered Accountants 30C, Alagesan Road, Saibaba Colony, Coimbatore - 641 011
Internal Auditors	-	**CA P. Vishnu Adithan,** Chartered Accountant, Coimbatore
Secretarial Auditor	-	**P. Eswaramoorthy & Company** Company Secretaries Ramanathapuram, Coimbatore - 641 045
Bankers	-	**HDFC Bank Ltd** **Axis Bank Ltd** **The Federal Bank Ltd** **State Bank of India** **Indusind Bank Ltd**
Registered Office	-	S.F. No. 770/12, Avinashi Road Civil Aerodrome Post, Coimbatore - 641 014
Registrar and Share Transfer Agent	-	**M/s. S.K.D.C. Consultants Limited** Kanapathy Towers 3rd Floor, 1391/A-1, Sathy Road Ganapathy Post, Coimbatore - 641 006
Audit Committee	-	**CA R. Subramanian, Chairman** **Mr. D.R. Kaarthikeyan** **Ms. Sangeetha Sundaramoorthy** **Mr. G.R. Karthikeyan** **CA M. Alagiriswamy**
Nomination & Remuneration Committee	-	**Mr. D.R. Kaarthikeyan, Chairman** **Dr. S.K. Sundaramoorthy** **Dr. Yogesh Shah** **Mr. G.R. Karthikeyan**
Stakeholders' Relationship Committee	-	**CA R. Subramanian, Chairman** **Mr. D.R. Kaarthikeyan** **Dr. S.K. Sundaramoorthy** **CA M. Alagiriswamy**

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 21st Annual General Meeting of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED will be held on Monday, 24th day of September, 2018 at 2.00 P.M. at Kasthuri Sreenivasan Trust Culture Centre, Avinashi Road, Coimbatore – 641 014 to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, including the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon.**

2. **To appoint a director in place of Ms. Sangeetha Sundaramoorthy (holding DIN: 01859252), who retires by rotation and being eligible, offers herself for re-appointment.**

3. **To declare dividend on Equity Shares.**

Lunch shall be from 1.00 pm to 2.00 pm

Registered Office:
770/12, Avinashi Road
Civil Aerodrome Post
Coimbatore - 641 014

Place : Coimbatore
Date : 29th May, 2018

By Order of the Board
For **LOTUS EYE HOSPITAL AND INSTITUTE LIMITED**

(Sd/-) Aakanksha Parmar
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**

   A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company.

   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.

2. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting (AGM) are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. Members/ proxies/ authorized representatives should bring the duly filled attendance slip enclose herewith to attend the meeting.

4. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September, 2018 to 24th September, 2018 (both days inclusive) for the purpose of payment of final dividend for the financial year ended 31.03.2018 and Annual General Meeting.

5. The Final Dividend for the financial year ended 31st March, 2018, as recommended by the Board, if approved at the Annual General Meeting, will be paid on or after Saturday, 29th September, 2018 to those Members whose name appears in the Register of Members of the Company as on the book closure dates.

6. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.

7. Shareholders holding shares in the physical form and wish to avail Electronic Clearing Services (ECS) facility (subject to availability of the facility) may authorize the Company with ECS mandate in the prescribed form and the same should be lodged with the Registrars and Share Transfer Agents M/s. SKDC Consultants Limited for payment of dividend in future through ECS, if eligible.

8. Members, holding shares in Physical form are requested to communicate their change of address, if any, quoting their folio numbers to our Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006. Similarly members holding shares in Demat form, shall intimate the change of address, if any, to their respective Depository Participants.

9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Secretarial Standard on General Meetings (SS-2) which sets out details relating to Special Business at the meeting, is annexed hereto. Additional Information pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in relation to Directors seeking appointment / re-appointment at the AGM are provided in the said Statement.

10. Members who require any clarifications on accounts or operations of the Company are requested to write their queries to the Company Secretary so as to reach him at least one week before the meeting. The queries will be answered accordingly.

11. In terms of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R & T Agent for nomination forms, which are available on the Company's website (www.lotuseye.org/www.refractive.lotuseye.org) under the Section of "Investors".

12. The Ministry of Corporate Affairs ("MCA"),Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by serving the documents viz. Notices for general meetings, Financial Statements, Annual Reports etc. through electronic mode, for which the Company has to obtain email addresses of its members. To take part in the above Green Initiative, we propose to send the above documents in electronic form to the email addresses of the members. In order to serve the documents in electronic mode, Members holding shares in physical mode are requested to communicate their e-mail address quoting their folio numbers to our Registrars and Share Transfer Agents. Similarly members holding shares in Demat form shall intimate their e-mail address to their respective Depository Participants at the earliest.

13. Electronic copy of the Notice of the 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 21st Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14. Members may also note that the Notice of the 21st Annual General Meeting and the Annual Report for the financial year 2017-18 will also be available on the Company's website www.lotuseye.org/ www.refractive.lotuseye.org for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: companysecretary@lotuseye.org

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participants. Members holding shares in physical form can submit their PAN to the Company/RTA.

16. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (i.e. 9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

17. Voting through electronic means:

I. Pursuant to Regulation 44 of the SEBI (LODR) Regulations, 2015 with the Stock Exchange and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment, Rules 2015, the Company is pleased to provide members the facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. P. Eswaramoorthy and Company, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process / voting through polling paper in a fair and transparent manner.

V. The instructions for shareholders voting electronically are as under:

i) The voting period begins on 21st September, 2018 at 10.00 A.M. and ends on 23rd September, 2018 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17th September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii) The shareholders should log on to the e-voting website http://www.evotingindia.com

iv) Click on Shareholders.

v) Now Enter your User ID

a) For CDSL: 16 digits beneficiary ID

b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi) Next enter the Image Verification as displayed and Click on Login.

vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.· • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB (or) Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.· • If both details are not recorded with the depository or Company, please enter the Member Id / Folio No. in the Dividend Bank details and follow as mentioned in instruction IV.

ix) After entering these details appropriately, click on "SUBMIT" tab.

x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

If Demat account holder has forgotten the changed password then enter the user ID and the image verification code and click on forgot password and enter the details as prompted by the system.

xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice. Click on the EVSN for the relevant Lotus Eye Hospital and Institute Limited on which you choose to vote.

xii) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES / NO"** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

xiv) After selecting the resolution you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.

xv) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.

xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 17th September, 2018. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

VII. Any person who has acquired shares after the dispatch of the notice may obtain the user ID and Password by sending an e-mail request to : helpdesk.evoting@cdslindia.com or info@skdc-consultants.com

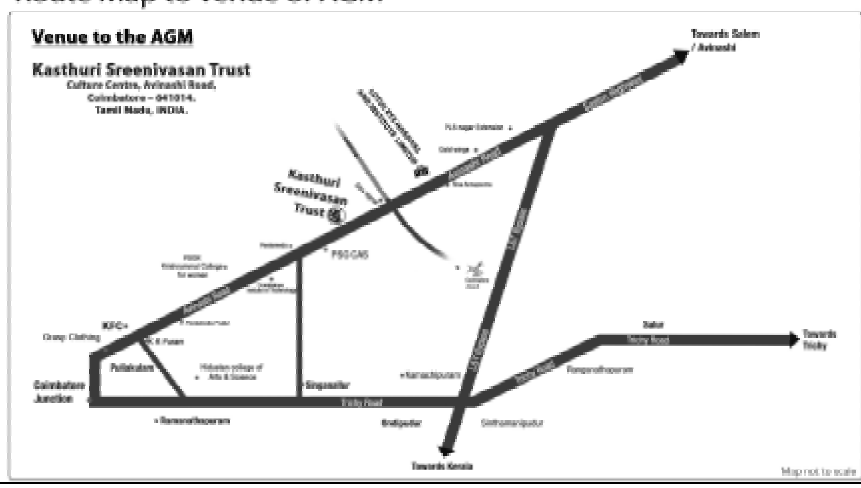
VIII. The scrutiniser shall, after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.

IX. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith. The results declared along with the scrutiniser's report shall be placed on the Company's website www.lotuseye.org immediately after the result is declared by the Chairman and shall be simultaneously communicated to NSE, BSE, NSDL & CDSL.

18. Kindly bring your copy of the Annual Report at the Meeting.

19. A route map and prominent landmark for easy location of the venue of AGM.

Route Map to venue of AGM



Registered Office:
770/12, Avinashi Road
Civil Aerodrome Post
Coimbatore - 641 014

Place : Coimbatore
Date : 29th May, 2018

By Order of the Board
For **LOTUS EYE HOSPITAL AND INSTITUTE LIMITED**

(Sd/-) Aakanksha Parmar
Company Secretary

Additional information on directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I	**Name of Directors**	Ms. Sangeetha Sundaramoorthy
II	**DIN**	01859252
III	**Date of Birth**	16.10.1976
IV	**Qualification & Brief resume & nature of his/her expertise in specific functional areas**	Ms. Sangeetha Sundaramoorthy serves as Whole –time Director of Lotus Eye Hospital and Institute Ltd. Since August 01, 2014. Ms. Sundaramoorthy is a software Professional and has more than 6 years of experience on software.
V	**Disclosure of relationships between directors inter-se**	1. Dr. S.K.Sundaramoorthy (Father)
		2. Dr. Kavetha Sundaramoorthy (Sister)
VI	**Names of listed entities (Other than Lotus) in which the person also holds the directorship and the membership of Committees of the board :**	
	1. Directorship	Nil
	2. Chairperson of Board Committees	Nil
	3. Member of Board Committees	Nil
VII	**Shareholding (No. of Shares, Percentage)**	2,23,050 (1.073%)

Registered Office:
770/12, Avinashi Road
Civil Aerodrome Post
Coimbatore - 641 014

Place : Coimbatore
Date : 29th May, 2018

By Order of the Board
For **LOTUS EYE HOSPITAL AND INSTITUTE LIMITED**

(Sd/-) Aakanksha Parmar
Company Secretary

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 21st Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2018.

FINANCIAL RESULTS **(₹ in Lakhs)**

Particulars	31.03.2018 (Current year)	31.03.2017 (Previous year)
Income from Operations and other income	**3888.57**	3467.84
Less : Expenses	**3722.51**	3422.79
Add/Less: Exceptional Items	**4.18**	(3.22)
Profit / (Loss) before Tax	**170.24**	41.83
Less : Provision for Taxes :		
Current Tax	**37.56**	9.40
Deferred Tax	**(41.98)**	(11.97)
Profit / (Loss) after tax	**174.67**	44.40

REVIEW OF OPERATIONS AND PERFORMANCE:

Your company has reported a growth of 12 % on turnover of Rs. 3802.21 Lakhs during the financial year 2017- 18 compared to the turnover of Rs. 3396.47 Lakhs in the previous financial year 2016-17.Your Company has reported a growth of 293 % on net profit of Rs. 174.67 Lakhs during the financial year 2017-18 against a net profit of Rs. 44.40 Lakhs during the previous financial year 2016-17.

DIVIDEND:

The Board of Directors are pleased to recommend a dividend of 5% (Re. 0.50 per share) for the financial year ended 31st March, 2018 on the paid up equity share capital, subject to approval of the members at the ensuing Annual General Meeting. The dividend, if approved, will result in a payout of Rs. 103.98 Lakhs and shall be subject to Dividend Distribution Tax to be paid by your Company.

SHARE CAPITAL:

The Paid up equity share capital as on 31st March, 2018 is 2,079.63 Lakhs. During the year under review, the Company has not issued any shares to the Shareholders. The company has neither issued shares with differential voting rights nor granted stock options or sweat equity shares.

FINANCE:

Cash and cash equivalents as at 31st March, 2018 is Rs. 381.24 Lakhs. The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters which are kept under strict check through continuous monitoring.

TRANSFER TO RESERVES:

Consequence to the inadequate profits, your company has not transferred any amount to reserve.

DEPOSITS:

During the year under review, your company has not accepted any deposits from public covered under Sections 73 to76 or any other relevant provisions of the Act and rules framed thereunder.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, your Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The detail of the investments made by the company is given in the notes to the financial statements.

OUTLOOK FOR THE CURRENT YEAR:

Your company will envisions, envisage and foresee to accomplish and percolate ascendency in all established centers in the coming financial year, accent and weight shall be given to improving quality of services and customer satisfaction, as consumers and stakeholders are the onus of the brand Lotus in eye care facilities and specialty.
Protuberant and extrusive steps in direction to establish art of the centre signature eye clinics across South India shall be taken.

CORPORATE SOCIAL RESPONSIBILITIES:

Your company does not falls within the bracket as prescribed by Section 135 of the Companies Act, 2013 and rules framed thereunder. Hence this clause is not applicable.

DIRECTORS:

Directors retiring by rotation:

Dr. Sangeetha Sundaramoorthy (DIN: 01859252), Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

Information regarding the Directors seeking appointment / re-appointment:

Resume and other information regarding the Directors seeking appointment /re-appointment as required by Regulation 36 of the SEBI (LODR) Regulations, 2015 has been given in the Notice convening the 21st Annual General Meeting and in the Statement pursuant to Section 102 of the Act.

Declaration by Independent Directors:

All Independent Directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Familiarisation Programme:

Your Company has adopted policy on Familiarization programme of Independent Directors. During the year under review one programme was conducted by the company details of such programme for familiarisation of the Independent Directors are put on the website of the Company at the following web-link : https://www.lotuseye.org/investors/ www.refractive.lotuseye.org

Statutory Disclosure:

None of the Directors of the Company are disqualified as per the applicable provisions of the Act.

BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as evaluation of the working of its Committees.

The criteria for performance evaluation are as under:

Performance Evaluation of Board:

Key Parameters: Degree of fulfillment of key responsibilities; Board structure and composition; Establishment and delineation of responsibilities to Committees; Effectiveness of Board processes, information and functioning; Board Culture and Dynamics; Quality of relationship between the Board and the Management; Efficacy of communication with external stakeholders, etc.

Self Assessment of the Performance by Individual Directors (including Independent Director):

Key Parameters: Attendance at meetings; contribution at meetings; independence of judgment; direction / guidance to senior management, etc.

Self Assessment of the Performance by the Board Level Committees:

Key Parameters: Degree of fulfillment of key responsibilities; Adequacy of Committee Composition; Effectiveness of meetings; Committee dynamics; Quality of relationship of the committee with the Board and the management, etc.

The Directors have expressed their satisfaction with the evaluation process.

REMUNERATION POLICY:

The Policy on Board Diversity and Nomination & Remuneration Policy as recommended by the Nomination & Remuneration Committee have been approved by the Board of Directors. The said policies are annexed to the Board's Report **as** "Annexure-VI" and are also available on the Company's website at the following link: https://www.lotuseye.org/investors.

MEETINGS:

During the year, four Board Meetings, four Audit Committee Meetings, three Nomination and Remuneration Committee Meetings were held and The Stakeholder Relationship Committee Meeting for the financial year 2017-18 was held on 29th May, 2018. The details of these meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Secretarial Standard. The independent directors' meeting was held once in the financial year on 12/02/2018.

COMMITTEES OF THE BOARD:

Currently the Company has three Committees i.e. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. All the committees are Independent under the Chairmanship of an Independent Director. The details of the compositions, terms of reference, meetings, etc., of said Committees are given in the Report on Corporate Governance which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the Directors would like to state that:

I. In the preparation of the annual accounts the applicable accounting standards have been followed.

II. Appropriate accounting policies have been selected and applied consistently, and judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the company at the end of the financial year and of the company for that period.

III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.

IV. Annual accounts have been prepared on going concern basis.

V. They had laid down Internal financial controls to be followed by the company and that such internal financial control are adequate and were operating effectively.

VI. They had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The Board reviews from time to time the adequacy and effectiveness of the Company's internal financial controls. This year was no exception. The reviews conducted during the year did not reveal any material deficiencies in the internal financial control structure.

SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There is no significant and material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status and Company's operations in future.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary company.

CHANGE IN NATURE OF BUSINESS, IF ANY:

During the year under review, there is no change in nature of business of the Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes and commitments affecting 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 date of the report.

CODE OF CONDUCT:

The Board of Directors have approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "Code of Conduct for Board of Directors and Senior Executives". The Code has also been posted on the Company's website at the following link: https:// www.lotuseye.org/ investors.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

KEY MANAGERIAL PERSONNEL:

The details of the Key Managerial Personnel of the Company, their appointment / cessation during the year under review and remuneration are given in the Extract of Annual Return annexed hereto and forming a part of this Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Your Company is committed to developing a culture where it is safe for any Whistle Blower to raise concerns about any poor or unacceptable practice and any event of misconduct. The alleged misconduct may be classified in many ways; namely, violation of a law, rule, regulation and / or a direct threat to public interest, such as health and safety violations and corruption.

Your Company will not tolerate any form of victimization and will take appropriate steps to protect a bona fide whistle blower and shall treat any retaliation as a serious disciplinary offence that merits disciplinary action. The Company will protect the identity of the whistle blower, if so desired, provided that the whistle blower will need to attend any disciplinary hearing or proceedings as may be required for investigation of the complaint. The mechanism provides for a detailed complaint and investigation process. If circumstances so require, the employee can make complaint directly to the Chairman of the Audit Committee. The said mechanism can also be availed by the Directors of the Company.

'Whistle Blower Policy' of your Company is available on the website of the Company at the following link: https://www.lotuseye.org/investors

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated

employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

The same Code is available in the website of your Company at the following link : https://www.lotuseye.org/ investors All Board Directors and the designated employees have confirmed compliance with the Code.

AUDITOR'S REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

AUDITORS:

M/s. Anbarasu & Jalapathi, Chartered Accountants are your statutory auditors, who shall hold office till the conclusion of 25th Annual General Meeting.

INTERNAL AUDITORS:

CA P Vishnu Adithan, Practicing Chartered Accountant was appointed as the Internal Auditors of the Company for the financial year 2017-18 pursuant to Section 138(1) of the Act.

SECRETARIAL AUDIT/AUDITORS:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed P. Eswaramoorhy and Company (CP No. 7069), Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2017-18.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. The Company Secretary in Practice has made its observation in Secretarial Audit Report (MR-3) which is annexed herewith as **"Annexure - II".**

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as **"Annexure -III"**.

BUSINESS RISK MANAGEMENT:

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. As part of the Risk Management framework, the Company reviewed periodically the various risks and finalised the mitigation plans. The identified risk areas were covered by the Internal Audit and major risks were discussed periodically.

PARTICULARS OF EMPLOYEES:

Statements containing the details as required in terms of the provisions of Section 197 of the Act read with Rule 5(1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached to this Report as **"Annexure –I"**. During the year under review , no complaint /case was filed pursuant to Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report, which form an integral part of this Report, is set out as separate annexure as **"Annexure –IV"**.

The Corporate Governance Report together with the Certificate from the Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which form an integral part of this report is set out as separate annexure as **"Annexure – V"**.

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

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as under:

a) Conservation of Energy:

Steps taken for conservation	The operation of the Company being service related, require normal consumption of electricity. The Company is taking every necessary step to reduce the consumption of energy.
Steps taken for utilizing alternate sources of energy	Nil
Capital investment on energy conservation equipments	In view of the nature of activities carried on by the Company, there is no capital investment on energy conservation equipments.

b) Technology Absorption:

Efforts made for technology absorption	Nil
Benefits derived	Nil
Expenditure on Research & Development, if any	Nil
Details of technology imported, if any	Nil
Year of import	Nil
Whether imported technology fully absorbed	Nil
Areas where absorption of imported technology has not taken place, if any	Nil

c) Foreign Exchange Earnings / Outgo (₹ in Lakhs):

Earnings	Nil
Outgo	76.45

ACKNOWLEDGEMENT:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff at all level and all other stakeholders for their continuous cooperation and assistance.

For and on behalf of the Board

Place : Coimbatore
Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy
Chairman cum Managing Director

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197(12) OF COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

i) Ratio of the remuneration of each director[1] to the median remuneration of the employees of the Company for the financial year 2017-18 :

Sl. No.	Name	Designation	Ratio
1.	Dr. S.K. Sundaramoorthy	Chairman cum Managing Director	60.87:1
2.	Ms. Sangeetha Sundaramoorthy	Whole-time Director	3.48:1

ii) Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary and Manager in the financial year 2017-18 :

Sl. No.	Name	Designation	% increase in remuneration
1.	Dr. S.K. Sundaramoorthy	Chairman cum Managing Director	100
2.	Ms. Sangeetha Sundaramoorthy	Whole-time Director	Nil
3.	CA S. Saravana Ganesh	Chief Financial Officer	Nil
4.	Mr. L. Sriram	Chief Financial Officer	Nil
5.	CS Aditya Sharma	Company Secretary	Nil
6.	CS Aakanksha Parmar	Company Secretary	Nil

iii) The percentage increase in the median remuneration of employees in the financial year 2017-18:
5.68% increase on salaries in 2017-18 over 2016-17 based on the median remuneration

iv) The number of permanent employees on the rolls of Company:
There were 368 numbers of permanent employees on the rolls of the Company as on 31.03.2018. (Previous year: 357)

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 in the salary of employees during the year was 5.68% while there is the increase in managerial remuneration was as per approval of the Shareholders in the previous AGM on 10th August 2017.

vi) Affirmation that the remuneration is as per the remuneration policy of the Company:
It is hereby confirmed that the remuneration paid during the year 2017-18 is as per the Nomination & Remuneration Policy of the Company.

Notes :

1. Other directors' except Kavetha Sundaramoorthy entitled to receive sitting fees only.

2. CA S. Saravana Ganesh, Chief Financial Officer (CFO) has resigned w.e.f. 11th August, 2017.

3. Mr. L. Sriram has been appointed as Chief Financial Officer (CFO) w.e.f. 11th August, 2017.

4. CS Aditya Sharma has resigned as Company Secretary w.e.f. 19th September, 2017.

5. CS Aakanksha Parmar has been appointed as Company Secretary w.e.f. 15th November, 2017.

STATEMENT OF DISCLOSURE OF REMUNERATION UNDER SECTION 197 OF COMPANIES ACT, 2013 AND RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

No employee is drawing salary more than prescribed amount as per above provision(s).

For and on behalf of the Board

Place : Coimbatore
Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy
Chairman cum Managing Director

Annexure - II to Board's Report

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year Ended on 31st March, 2018

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

To,

The Members,
Lotus Eye Hospital And Institute Limited
[CIN: L85110TZ1997PLC007783]
SF No.770/12, Avinashi Road,
Civil Aerodrome Post,
Coimbatore - 641014.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lotus Eye Hospital and Institute 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 the Company's 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 the Company for the period ended 31st March 2018 according to the provisions of:

I. The Companies Act, 1956 and the Rules made there under to the extent applicable.

II. The Companies Act, 2013 (the Act) and the rules made there under,

III. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

IV. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

V. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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

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

d. The Securities and Exchange Board of India (Share based employee benefits) Regulations 2014[Not applicable as the Company does not have any Scheme for share based employee benefits during the financial year under review];

a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable as the Company has not issued and listed any debt securities during the financial year under review];

b. 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 [Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review];

c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable as the equity shares of the Company have not been delisted during the financial year under review];

d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable as the Company has not bought back / proposed to buy back any of its securities during the financial year under review] and

I. Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016;

I have relied on the representation made by the Company and its officers, relating to systems and mechanisms framed by the Company, for ensuring compliance with the other Laws and Regulations as applicable to the Company.

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

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc

I further report that

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

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

I am informed that there were no dissenting members, on any of the matters, discussed at the Board Meetings during the financial year under review, whose views were required to be captured and recorded as part of the minutes.

I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit and on the review of the quarterly compliance reports submitted by the respective department heads and the Company Secretary which is taken on record by the Board of Directors at their meeting(s), I am of the opinion that there are adequate systems and processes in place in the Company which is 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 period covered under the Audit, the Company has not made any specific events / actions having a major bearing on the company's affairs in pursuance of laws, rules, regulations and guidelines referred to above except the following:

SEBI took the pre-emptive interim measures under Section 11(1) of SEBI Act, 1992, in respect of listed shell companies including M/s Lotus Eye Hospital and Institute Limited its letter dated August 7, 2017 and SEBI placed trading restrictions on the promoters/directors and also placed the scrip in the trade to trade category with limitation on the frequency of trade and imposed a limitation on the buyer by way of 200% deposit on the trade value, so as to alert them trading in the scrip.

Pursuant to the same, Bombay Stock Exchange Limited ("BSE") vide notice dated August 7, 2017 and National Stock Exchange of India Limited ("NSE") vide notice dated August 7, 2017, initiated actions envisaged in the SEBI letter dated August 7, 2017.

The Company, aggrieved by the aforesaid letters dated August 7, 2017 issued by SEBI, BSE & NSE filed an appeal No. 199 of 2017 before the Hon'ble Securities Appellate Tribunal ("SAT").

The Hon'ble SAT vide order dated August 23, 2017 directed to permit the appellant to withdraw the appeal with liberty to pursue the representation pending before SEBI. The Company has represented before the SEBI on September 08, 2017 through personal appearance.

SEBI vide its No.SEBI ORD WTM/MPB/ISD/22/2017 dated 13th Septmber,2017 in exercise of the powers conferred upon under Sections 11, 11 (4), 11A and 11 B read with Section 19 of the Securities and Exchange Board of India Act, 1992, revoked the actions envisaged in SEBI's letter dated August 07, 2017 and the consequential actions taken by Stock Exchanges against the Company M/s Lotus Eye Hospital and Institute Limited.

Due to these issues, Trading was suspended by both NSE AND BSE Stock Exchanges from 09.08.2017 to 14.09.2017.

On account of market surveillance measure, Stock Exchanges transferred stock Scrips for trading and settlement on a trade-to-trade basis.

P. ESWARAMOORTHY AND COMPANY
Company Secretaries

CS P. Eswaramoorthy
Proprietor
FCS No. : 6510
CP No. : 7069

Place : Coimbatore
Date : 29th May, 2018

ANNEXURE `A' TO SECRETARIAL AUDIT REPORT OF EVEN DATE

To

The Members
Lotus Eye Hospital and Institute Limited
CIN: L85110TZ1997PLC007783
S.F. No. 770/12, Avinashi Road
Civil Aerodrome Post
Coimbatore – 641 014

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records, devising proper systems to ensure compliance with the provisions of all applicable laws and regulations and ensuring that the systems are adequate and operate effectively, are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures, based on audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

P. ESWARAMOORTHY AND COMPANY
Company Secretaries

CS P. Eswaramoorthy
Proprietor
FCS No. : 6510
CP No. : 7069

Place : Coimbatore
Date : 29th May, 2018

Annexure - III to Board's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2018

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN**	L85110TZ1997PLC007783
ii)	**Registration Date**	14/03/1997
iii)	**Name of the Company**	LOTUS EYE HOSPITAL AND INSTITUTE LIMITED
iv)	**Category / Sub-Category of the Company**	Company Limited by Shares
v)	**Address of the registered office and contact details**	770/12, Avinashi Road, Civil Aerodrome Post Coimbatore – 641 014. E-mail : companysecretary@lotuseye.org Website : www.lotuseye.org Phone : 0422-4229900, 4229999 Fax : 0422-4229933
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent**	S.K.D.C. Consultants Limited Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy Post, Coimbatore – 641 006. Phone : 0422-6549995, 2539835 Fax : 0422-2539837

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.	Healthcare Service	85110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

S.No.	Name and Address of Subsidiary	CIN/ GLN	Holding/ Subsidiary Association	% of shares held	Applicable Section
1.	N.A.	N.A.	N.A.	N.A.	N.A.

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				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A (1) Promoters									
a) Individual / HUF	11046020	200	11046220	53.12	11493020	200	11493220	55.27	2.15
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Bank / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	**11046020**	**200**	**11046220**	**53.12**	**11493020**	**200**	**11493220**	**55.27**	**2.15**
(2) Foreign									
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other ...	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholdings of Promoter (A) = (A) (1) + (A) (2)	**11046020**	**200**	**11046220**	**53.12**	**11493020**	**200**	**11493220**	**55.27**	**2.15**
B. 1. Public Shareholding									
a) Mutual Funds / Banks / FI	0	0	0	0.00	1000	0	1000	0.005	0.005
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):	**Nil**	**Nil**	**Nil**	**Nil**	**1000**	**0**	**1000**	**0.005**	**0.005**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1734680	Nil	1734680	8.34	1617151	0	1617151	7.78	(0.57)
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 Lakhs	3688925	4127	3693052	17.76	3166950	5707	3172057	15.25	(2.51)
ii) Individual shareholders holding nominal share capital in excess of ₹1 Lakhs	3504890	0	3504890	16.85	3549276	0	3549276	17.07	0.21
c) Others									
Non Resident Indians	82898	0	82898	0.4	89295	0	89295	0.43	0.03
Clearing Members	388278	0	388278	1.87	74403	0	74403	0.36	(1.51)
Hindu Undivided Family	346312	0	346312	1.67	799928	0	799928	3.85	2.18
Sub-total (B)(2):	**9745983**	**4127**	**9750110**	**46.88**	**9296403**	**5707**	**9302110**	**44.73**	**(2.16)**
Total Public Shareholdings (B)=(B) (1)+(B) (2)	**9745983**	**4127**	**9750110**	**46.88**	**9297403**	**5707**	**9303110**	**44.73**	**(2.15)**
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	**20792003**	**4327**	**207962003**	**100.000**	**20790423**	**5907**	**20796330**	**100.000**	**0.00**

ii) Shareholding of Promoters

Share Holder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change 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 Kaliannagounder Sundaramoorthy	10599920	50.970	Nil	11046920	53.12	0	2.15
2 Kavetha Sundaramoorthy	223050	1.073	Nil	223050	1.073	Nil	Nil
3 Sangeetha Sundaramoorthy	223050	1.073	Nil	223050	1.073	Nil	Nil
4 S.A. Karuppasamy	100	Nil	Nil	100	Nil	Nil	Nil
5 V. Saroja	100	Nil	Nil	100	Nil	Nil	Nil

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

Details	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	**11046220**	**53.116**		
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
Kaliannagounder Sundaramoorthy				
At the beginning of the year	10599920	50.97		
21/04/2017 Bought	70184	0.34	10670104	51.31
28/04/2017 Bought	42693	0.21	10712797	51.51
05/05/2017 Bought	219123	1.05	10931920	52.57
12/05/2017 Bought	45000	0.22	10976920	52.78
19/05/2017 Bought	70000	0.34	11046920	53.12
At the end of the year			11046920	53.12
At the End of the year			**11493220**	**55.27**

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

S.No.	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1 **Vramath Investment Consultancy Pvt.Ltd**				
At the beginning of the year	**1000002**	**4.81**		
09.06.2017 Sold	2	0.00	1000000	4.81
18.08.2017 Sold	600000	2.89	400000	1.92
18.08.2017 Bought	600000	2.89	1000000	4.81
At the end of the year			**1000000**	**4.81**

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	**SANGEETA CHOUDHARY**				
	At the beginning of the year	**730131**	**3.51**		
	07.07.2017 Sold	20000	0.1	710131	3.42
	30.09.2017 Bought	68798	0.33	778929	3.75
	26.01.2018 Sold	50000	0.24	728929	3.51
	16.02.2018 Bought	40000	0.19	768929	3.69
	At the end of the year			**768929**	**3.69**
3	**AKS SARVANAN**				
	At the beginning of the year	**475818**	**2.29**		
	07.04.2017 Sold	15000	0.07	460818	2.22
	14.04.2017 Sold	30374	0.14	430444	2.07
	21.04.2017 Sold	36456	0.17	393988	1.89
	21.04.2017 Sold	500	0.00	393488	1.89
	28.04.2017 Sold	11909	0.05	381579	1.83
	05.05.2017 Sold	50101	0.24	331478	1.59
	12.05.2017 Sold	22050	0.10	309428	1.49
	12.05.2017 Sold	19224	0.09	290204	1.40
	19.05.2017 Sold	4842	0.02	285362	1.37
	19.05.2017 Sold	34847	0.17	250515	1.20
	26.05.2017 Sold	16497	0.08	234018	1.12
	02.06.2017 Sold	45000	0.22	189018	0.91
	02.06.2017 Sold	4814	0.02	184204	0.89
	09.06.2017 Sold	5000	0.02	179204	0.86
	16.06.2017 Sold	21225	0.10	157979	0.76
	07.07.2017 Sold	10256	0.05	147723	0.71
	At the end of the year			**147723**	**0.71**
4.	**DR. RAJEEV CHOUDHARY**				
	At the beginning of the year	439235	2.11		
	07.07.2017 Sold	50000	0.24	389235	1.87
	22.12.2017 Bought	13000	0.06	402235	1.93
	26.01.2018 Sold	30000	0.14	372235	1.79
	At the end of the year			**372235**	**1.79**
5.	**KOVAI PURANI FINANCE PRIVATE LIMITED**				
	At the beginning of the year	**416000**	**2.00**		
	17.11.2017 Bought	3310	0.02	419310	
	24.11.2017 Bought	2680	0.01	421990	
	01.12.2017 Bought	1	0.00	421991	
	22.12.2017 Bought	1009	0.00	423000	
	19.01.2018 Bought	1369	0.01	424369	
	26.01.2018 Bought	4611	0.02	428980	
	23.02.2018 Bought	2020	0.01	431000	
	09.03.2018 Bought	1312	0.01	432312	
	16.03.2018 Bought	4688	0.02	437000	

S.No.	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
23.03.2018 Bought	2000	0.01	439000	
31.03.2018 Bought	3000	0.01	442000	
At the end of the year			**442000**	**2.13**
6. HARISH RAMANAN				
At the beginning of the year	**120979**	**0.57**		
At the end of the year			**120979**	**0.58**
7. R. SRIRAMANAN				
At the beginning of the year	**100000**	**0.48**		
22.09.2017 Bought	17770	0.09	117770	0.57
17.11.2017 Sold	2100	0.01	115670	0.56
24.11.2017 Sold	29037	0.14	86633	0.42
01.12.2017 Sold	250	0.00	250	0.42
15.12.2017 Sold	10947	0.05	10947	0.36
05.01.2018 Sold	23512	0.11	23512	0.25
12.01.2018 Sold	21844	0.11	21844	0.15
19.01.2018 Sold	20435	0.1	9645	0.05
At the end of the year			**9645**	**0.05**
8. R CHANDRA MOULI				
At the beginning of the year	**85150**	**0.46**		
19.05.2017 Sold	100000	0.22	50150	0.24
27.10.2017 Sold		0.07	35150	0.17
08.12.2017 Sold		0.03	28294	0.14
15.12.2017 Sold		0.04	20000	0.1
05.01.2018 Sold		0.09	2000	0.01
19.01.2018 Sold		0.01	0	0
At the end of the year			**0**	**0**
9. MAHENDRA GIRDHARILAL				
At the beginning of the year	**90713**	**0.44**		
At the end of the year			90713	0.44
10. SATISH KUMAR				
At the beginning of the year	**7000**	**0.34**		
12.05.2017 Sold	28	0.00	69972	0.34
At the end of the year			**69972**	**0.34**
11. RAJESH MADHAVAN UNNI (HUF)				
At the beginning of the year	**16000**	**0.08**		
14.04.2017 Sold	16000	0.08	0	0
09.06.2017 Bought	74000	0.36	74000	0.36
07.07.2017 Bought	109317	0.53	183317	0.88
14.07.2017 Bought	31440	0.15	214757	1.03
21.07.2017 Bought	24880	0.12	239637	1.15

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
28.07.2017	Bought	6978	0.03	246615	1.19
22.09.2017	Bought	23611	0.11	270226	1.30
13.10.2017	Bought	1670	0.01	271896	1.31
03.11.2017	Sold	427	0.00	271469	1.31
29.12.2017	Bought	500	0.00	271969	1.31
19.01.2018	Bought	19250	0.09	291219	1.40
26.01.2018	Bought	103308	0.50	394527	1.90
09.02.2018	Sold	918	0.00	393609	1.89
16.02.2018	Bought	1572	0.01	395181	1.90
At the end of the year				**395181**	**1.90**
12. SANTOSH THOMAS					
At the beginning of the year		**0**	**0.00**		
22.09.2017	Bought	100	0.00	100	0.00
27.10.2017	Bought	13765	0.07	13865	0.07
31.10.2017	Bought	3510	0.02	17375	0.08
03.11.2017	Bought	53679	0.26	71054	0.34
10.11.2017	Bought	140477	0.68	211531	1.02
17.11.2017	Bought	11872	0.06	223403	1.07
24.11.2017	Bought	225	0.00	223628	1.08
01.12.2017	Bought	8600	0.04	232228	1.12
22.12.2017	Bought	89	0.00	232317	1.12
12.01.2018	Bought	183	0.00	232500	1.12
23.02.2018	Bought	100	0.00	232600	1.12
09.03.2018	Bought	1100	0.01	233700	1.12
At the end of the year				**233700**	**0**
13. PLM. PALANIAPPAN (HUF)					
At the beginning of the year		**40286**	**0.19**		
19.05.2017	Bought	50000	0.24	90286	0.73
02.06.2017	Bought	75000	0.36	165286	0.80
09.06.2017	Bought	12980	0.06	178266	0.86
16.062017	Sold	580	0.00	177686	0.85
23.06.2017	Bought	600	0.00	178286	0.86
30.06.2017	Bought	21619	0.10	199905	0.96
07.07.2017	Bought	200	0.00	200105	0.96
At the end of the year				**200105**	**0.96**
14. JAYALAKSHMI P.L.					
At the beginning of the year		**50000**	**0.24**		
23.06.2017	Bought	20707	0.01	70707	0.34
07.07.2017	Bought	100155	0.48	170862	0.82
At the end of the year				**170862**	**0.82**

v) **Shareholding of Director and Key Managerial Personnel:**

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	**Dr. Kaliannagounder Sundaramoorthy, Managing Director**				
	At the beginning of the year	**10599920**	**50.97**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	21.04.2017 Bought	70184	0.34	10670104	51.31
	28.04.2017 Bought	42693	0.21	10712797	51.51
	05.05.2017 Bought	219123	1.05	10931920	52.57
	12.05.2017 Bought	45000	0.22	10976920	52.78
	19.05.2017 Bought	70000	0.34	11046920	53.12
	At the End of the year			**11046920**	**53.12**
2	**Dr. Kavetha Sundaramoorthy, Director**				
	At the beginning of the year	**223050**	**1.07**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year			**223050**	**1.07**
3	**Ms. Sangeetha Sundaramoorthy, Director**				
	At the beginning of the year	**223050**	**1.07**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year			**223050**	**1.07**
4	**CA S. Saravana Ganesh, Chief Financial Officer (CFO)***				
	At the beginning of the year	**Nil**	**Nil**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year	**Nil**	**Nil**		
5	**Mr. L. Sriram, Chief Financial Officer (CFO)$**				
	At the beginning of the year	**Nil**	**Nil**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year			**Nil**	**Nil**
6	**CS Aakanksha Parmar, Company Secretary (CS)^**				
	At the beginning of the year	**Nil**	**Nil**		
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Nil	Nil	Nil	Nil
	At the End of the year			**Nil**	**Nil**

* **CA S. Sarvana Ganesh, Chief Finacial Officer (CFO) has resigned w.e.f. 11th August, 2017**

$ **Mr. L. Sriram has been appointed as Chief Financial Officer (CFO) w.e.f. 11th August, 2017**

CS Aditya Sharma has resigned as Company Secretary (CS) w.e.f. 19th September, 2017.

^ **CS Aakanksha Parmar has been appointed as Company Secretary (CS) w.e.f. 15th November, 2017.**

V. INDEBTEDNESS (₹ in Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment

S.No.	Secured Loans excluding deposits	Secured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	47.74	Nil	Nil	47.74
Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	**47.74**	**Nil**	**Nil**	**47.74**
Change in Indebtedness during the financial year				
Addition	Nil	Nil	Nil	Nil
Reduction	18.31	Nil	Nil	18.31
Net Change of Indebtedness	**18.31**	**Nil**	**Nil**	**18.31**
At the end of the financial year				
Principal Amount	29.43	Nil	Nil	29.43
Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	**29.43**	**Nil**	**Nil**	**29.43**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (₹ in Lakhs)

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Dr. S.K. Sundaramoorthy CMD	Ms. Sangeetha Sundaramoorthy, WTD	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84.00	4.80	88.80
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission- as % of profit- others, specify	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	**84.00**	**4.80**	**88.80**
	Ceiling as per the Act			
	1. In case of adequate Profit	10% of the Net Profit	10% of the Net Profit	10% of the Net Profit
	2. In case of no Profit or inadequate Profit	84.00	84.00	168.00

Plus contribution to Provident Fund, Superannuation, Gratuity and encashment of leave to the extent permitted under the Act

B. Remuneration to other Directors : (₹ in Lakhs)

S. No.	Particulars of Remuneration	Name of the Directors						Total Amount
		D.R.Kaarthikeyan	Dr.S.S.Badrinath	CA R.Subramanian	G.R.Karthikeyan	Dr.Yogesh Shah	CA M.Alagiriswamy	
1	Independent Directors							
	Fee for attending Board /							
	Committee Meetings	0.55	Nil	0.30	0.40	0.15	0.40	1.80
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	**0.55**	**Nil**	**0.30**	**0.40**	**0.15**	**0.40**	**1.80**
2.	Other Non-Executive Directors	Dr. Kavetha Sundaramoorthy	P.R.Rangaswamy (Altenative Director)					
	Fee for attending Board /							
	Committee Meetings	Nil	0.20					Nil
	Commission	Nil						Nil
	Others, please specify	Nil						Nil
	Total (2)	**0.00**						**0.00**
	Total = (1+2)	**0.55**	**0.20**	**0.50**	**0.60**	**0.30**	**0.40**	**2.05**
	Total Managerial Remuneration							**2.05**

Overall Ceiling as per the Act **11% of the Net Profits of the Company as calculated under Section 198. The said percentage shall be exclusive of any fees payable to Directors under Section 197(5).**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (₹ in Lakhs)

S.No.	Particulars of Remuneration	Key Managerial Personnel				
		CFO*	CFO$	CS#	CS^	
		CAS.SaravanaGanesh	L.Sriram	Aditya Sharma	Aakanksha Parmar	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.92	7.08	5.13	1.92	19.05
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961					
(c)	Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961					
2	Stock Option	-	-	-	-	
3	Sweat Equity	-	-	-	-	
4	Commission- as % of profit- others, specify	-	-	-	-	
5	Others, please specify	-	-	-	-	
	Total (A)	**4.92**	**7.08**	**5.13**	**1.92**	**19.05**

* **CA S. Saravana Ganesh, Chief Finacial Officer (CFO) has resigned w.e.f. 11th August, 2017**

$ **Mr. L. Sriram has been appointed as Chief Financial Officer (CFO) w.e.f. 11th August, 2017**

\# **CS Aditya Sharma has resigned as Company Secretary (CS) w.e.f. 19th September, 2017.**

^ **CS Aakanksha Parmar has been appointed as Company Secretary (CS) w.e.f. 15th November, 2017.**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Against the Company, Directors and other Officers in default under the Companies Act, 2013 : None

For and on behalf of the Board

Place : Coimbatore
Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy
Chairman cum Managing Director

Annexure - IV to Board's Report

Management Discussion and Analysis:

Industry Structure and Development:

The Second most populous country in the world, has indefinitely has Healthcare as one of its prime and poignant sectors in terms of both revenue and employment. The stentorian and ever prosperous Healthcare in India has surrounded itself with ingenious and avant –grade technology and innovative brains that are constantly on the drive to push it a further more. The more lauded and laureate is the increased awareness amongst the masses that have proved to be extremely distinguishable for the Healthcare sector in India. With an increase and growth forecasted in all forecorners of the industry, there is no doubt that a very astute and assures future is in stored for the Health care sector in India.

The overall Indian healthcare market recorded a Compound Annual Growth Rate (CAGR) of 16.28% from 2008-22 and is estimated that the Industry size for the Healthcare sector in India shall rise to US$372 Billion by 2022. The Hospital Industry of India stood at Rs 4 trillion in 2017 and is expected to increase at a Compound Annual Growth Rate (CAGR) of 16-17% to reach Rs8.6 trillion by 2023.

The Healthcare sector is estimated to produce 58000 job opportunities by the year 2025, seeing this protrusion many Indian companies are entering mergers and acquisitions to utilize and capitalize on the growing futuristic trends as broadcasted by the Indian Healthcare sector.

India is home to 18% of the world's population and 30% of the world's blind population and thus the second most populated country in the world has a tremendous unmet need for ophthalmic care. Additional factors expected to fuel India's ophthalmic market growth include an upsurge in dietary change-related eye diseases, growing incidence of myopia, a growing middle class, and improved access to care. In terms of treatments for diseases or disorders, the largest markets are for cataract surgery, retinal drugs, and glaucoma medications. Therefore, the Eyecare sector will be on a rise in the near future.

Opportunities and Threats

The Indian healthcare sector is growing at a brisk pace due to its strengthening coverage, services and increasing expenditure by public as well as private players.

There is a significant scope for enhancing healthcare services considering that healthcare spending as a percentage of Gross Domestic Product (GDP) is rising, currently the GDP contribution stands at 5.25%, which is the highest amongst developing nations. Rural India, which accounts for over 70 per cent of the population, is set to emerge as a potential demand source.

The innovative trends that have insinuated their way into the Healthcare sector are:

- **Artificial Intelligence and Cloud**, innovation in the healthcare is nothing new, but what have revolutionized is the intrusion of Artificial Intelligence into the healthcare sector, which has turned heads all over and has become the new route to success for the healthcare industry.
- **Need for Transparency**, there has been an urgent need felt to include and interpolate more transparency in the working, adoption and disposal of the healthcare companies, the awareness and the need of knowledge amongst the consumers have enforced the law makers to develop and instigate laws that proclaim and bring forward more transparent way of working amongst the industry.

Increase in Competitive intensity due to new entrants, Increased cost of resources, discontinuation of leases, lower contribution by the Government etc. are some major threats associated to the healthcare industries.

Segment–wise or product-wise performance

Your Company operates in only one segment i.e. Eye Care and Related Activities.

Sector Outlook

The Indian healthcare industry is predicted at US$ 372 Billion by 2022. Economic development and increasing health awareness has grown to $ 81.3 billion and is projected to grow 17% by 2020. India's Ophthalmic Market is expected to total $US 1.9 Billion by 2021. Cataract products are the largest ophthalmic surgical submarket in India. Revenues from cataract surgery in India are expected to generate nearly one-fourth of the total ophthalmic market revenues in the country. Market Scope estimates that India's cataract market will total US$533.7 million by 2021, growing at a CAGR of 9.3 percent.

Retinal disease is the second-leading cause of blindness in India, fueled in part by a high incidence of myopia. Retinal products are the second-largest ophthalmic revenue market in India due to the importance of anti-VEGFs in treatment. Market Scope expects India's retinal disease market to fluctuate over the next five years as new biosimilar anti-VEGFs enter the market, but we look for revenues to remain relatively flat, totaling US$232 million in 2021.

Glaucoma, the third-largest ophthalmic submarket in India, is mainly a pharmaceutical market, and the main driver of revenue growth will be better access to glaucoma medicines. Market Scope forecasts that India's glaucoma market will increase to US$296.5 million by 2021 at a CAGR of 10.8 percent.

Risk and Concerns

i. Competition:

The competition from the un-organized sector would be met by delivering quality eye care services at par with international standards which the un-organized sector lacks in view of constraints in investment to create a quality eye hospital.

Because of increased opportunities, many private players are entering into this sector. Your Company can counter this challenge by providing focused eye care delivery and by deploying the state of the art equipments backed by panel of expert Doctors.

i. Shortage of skilled manpower:

Increasing demand for health care services combined with the aggressive expansion by the Indian private health care players is expected to significantly increase the demand for medical professionals. Similarly there is a shortage of medical and para-medical staff. We have a talented and skilled manpower in terms of Doctors, Nurses and para-medical staff. We continue to attract talented and skilled medical professionals.

ii. Investment:

The health care sector is a capital intensive sector and need significant funding to grow.

i. Regulatory Risk

The evolution of the global regulatory environment has resulted in increased regulatory scrutiny that has raised the minimum standards to be maintained. This signifies the alignment of corporate performance objectives, while ensuring compliance with regulatory requirements.

ii. Increased cost of resources

Failure to acquire resources at fair and reasonable rates and increase in operating expenses may impact the Company's growth and financials.

Internal control systems and their adequacy

Your company has established internal control systems to ensure optimum use in protecting its resources and ensuring adherence to its policies, procedures and statutes. There is proper and adequate system of internal control for the company and its branches. The company has appointed Internal Auditor to review the adequacy of the internal control system, procedures and policies. The internal auditor evaluates the adequacy of the internal control systems by testing the control mechanism and gives their recommendations to the management.

Discussion on financial performance with respect to operational performance

Financial performance with respect to operational performance has been dealt with in the Directors' Report which should be treated as forming part of this Management Discussion and Analysis Report.

Material developments in Human Resources / Industrial Relations front, including number of people employed.

There were 368 number of permanent employees on the rolls of the Company as on 31.03.2018. During the year under review, your company enjoyed cordial relationship with the employees at all levels.

Cautionary Statement

The Management Discussion and Analysis Report contains forward looking statements based upon the data available with the Company, assumptions with regard to global economic conditions, the government policies etc. Actual results might differ materially from those either expressed or implied.

References

1. IBEF, Healthcare Update

2. Market Research, reports, web articles, press & media reports and others

For and on behalf of the Board

Place : Coimbatore

Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy

Chairman cum Managing Director

Annexure - V to Board's Report

REPORT ON CORPORATE GOVERNANCE

(Annexure to the Twenty -first Directors' Report 2017-18)

Introduction

Corporate Governance is an unequivocal means and coinage of implementing sound vigorous practices and policies enveloping is a veil of transparency with its direct entrust on the management. The growing impetus to bring more definition and perspicuity into the operative dynamics of the company is just a constant endeavor to bring more absolute enlightenment to the stakeholders of the company. The constant change in the business and economic environment have probed and propelled companies to move towards adoption of clearer and just policies for the public in general to understand the key activities, beliefs and conducts of the company. The regulatory framework in the country is adamant in bringing more robust policies, to improve and implement governance regulations for the betterment for the Indian companies and the adapting of the same by the companies are the testament of the fact that Indian companies with regards to the corporate governance is moving in the right direction.

Date of Report

The information provided in this Report on Corporate Governance for the purpose of unanimity is as on March 31, 2018.

This Report is updated as on the date of the Report wherever applicable

1. The Company's philosophy on Corporate Governance

The Fundamental object of corporate governance policies is based on the highest levels of transparency, accountability in terms of responsibility towards shareholders, creditors, employees and society at large. Your company has committed to ensure high standards of corporate governance on a sustained basis.

2. Board of Directors

Composition

As on 31st March 2018, the strength of the Board is Nine Directors. As per SEBI Regulations if the Chairman is an Executive Director, at least half of the Board should comprise of independent directors and there should be a woman director. There are six Independent Directors and two women directors in our Board. The composition of Board is in compliance with the requirements of Regulation 17(1) of the SEBI (LODR) Regulations, 2015.

Name of the Director	Category as per SEBI Regulation	No. of Directorship*	Membership and / or Chairperson of Committees#	
			Member	Chairman
Dr. S.K. Sundaramoorthy (Chairman cum Managing Director)	Executive - Promoter	1	1	Nil
Dr. Kavetha Sundaramoorthy	Non-Executive - Promoter	1	Nil	Nil
Ms. Sangeetha Sundaramoorthy	Executive - Promoter	1	1	Nil
Mr. D.R. Kaarthikeyan	Non-Executive - Independent	7	4	1
Dr. S.S. Badrinath	Non-Executive - Independent	1	Nil	Nil
CA R. Subramanian	Non-Executive - Independent	2	Nil	3
Dr. Yogesh Shah	Non-Executive - Independent	1	Nil	Nil
Mr. G.R. Karthikeyan	Non-Executive - Independent	2	2	Nil
CA M. Alagiriswamy	Non-Executive - Independent	1	2	Nil
Mr. P.R. Rangaswami	Alternative Director (for Dr.Kavetha Sundramoorthy)	1	Nil	Nil

***Excluding private limited companies, foreign companies, companies under Section 8 of the Companies Act, 2013 and alternate directorships but including Lotus Eye Hospital and Institute Limited.**

 # Includes only positions held in Audit Committee and Stakeholders' Relationship Committee in Indian public limited companies including Lotus Eye Hospital and Institute Limited.

Except Dr. S.K.Sundaramoorthy, Dr. Kavetha Sundaramoorthy and Ms. Sangeetha Sundaramoorthy, no other director of the Company is related to any other director on the Board of the Company.

Except Dr. Kavetha Sundaramoorthy (Non-Executive – Promoter) who is holding 2,23,050 (Two Lakhs Twenty Three Thousand Fifty only) Shares representing 1.073% of total shareholding, no other Non-Executive Director is holding any shares in the Company.

Meetings

The Board has met four times during the year under review i.e. on 27th May, 2017, 10th August, 2017, 14th November, 2017 and 12th February, 2018.

Attendance details of each director at the Board Meetings, Committee Meetings and at the last Annual General Meeting are set out below

Name of the Directors	Board Meeting (4)	Audit Committee (4)	Nomination & Remuneration Committee (3)	Annual General Meeting
Dr. S.K. Sundaramoorthy	4	-	3	Yes
Dr. S.S. Badrinath	1	-	-	No
Mr. D.R. Kaarthikeyan	4	4	3	Yes
CA R. Subramanian	3	3	-	Yes
Dr. Yogesh Shah	2	-	1	No
Ms. Sangeetha Sundaramoorthy	1	1	-	No
Dr. Kavetha Sundaramoorthy	-	-	-	No
Mr. G.R. Karthikeyan	3	3	2	Yes
CA M. Alagiriswamy	4	4	-	Yes
Mr. P.R. Rangaswami	4	-	-	Yes

The figures within brackets denote the number of meetings held during the period 1st April, 2017 to 31st March, 2018.

Separate Meeting of Independent Directors

As per stipulations in Section VII of the Code for Independent Directors in Schedule IV of the Act and Regulation 25 of the LODR Regulations, a separate Meeting of the Company's Independent Directors was held on 12th February, 2018. Except CA R. Sunbramanium, Dr. Yogesh Shah and Dr. S.S.Badrinath all the Independent Directors attended the meeting.

Familiarisation Programme

Your Company has adopted policy on Familiarization programme of Independent Directors. During the year under review one programme was conducted by the company and details of such programme for familiarisation of the Independent Directors is available on the website of the Company at the following web-link: https://www.lotuseye.org/investors/www.refractive.lotuseye.org.

3. Audit Committee Terms of Reference

Terms of reference of the Audit Committee includes overseeing the financial reporting process, reviewing of financial statements, ensuring compliance with the regulatory guidelines, reviewing of internal audit reports, recommending appointment and remuneration of auditors to the Board of Directors and reviewing adequacy of internal control systems and internal audit function and other matters specified for Audit Committee under Section 177 of the Companies Act, 2013 and the Part C of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All recommendations made by the audit committee during the year were accepted by the Board. The details of terms of reference of audit committee can be found on your company's website at the following link: https://www.lotuseye.org/investors. https://www.lotuseye.org/investors/www.refractive.lotuseye.org.

Composition & Meetings:

There were four meetings held during the year i.e. on 27th May, 2017, 10.th August, 2017, 14th November, 2017 and 12th February, 2018.

CFO, Representative of Statutory Auditors and Internal Auditors attended the meeting as Invitees. Company Secretary of the Company also acts as the Secretary to the Committee.

Composition of the Audit Committee is as follows:

S.No.	Name	Category	Meeting Attended
1.	CA R. Subramanian	Chairman – Independent – Non-Executive	3
2.	Mr. D.R. Kaarthikeyan	Member – Independent – Non-Executive	4
3.	Ms. Sangeetha Sundaramoorthy	Member – Non Independent – Executive	1
4.	Mr. G.R. Karthikeyan	Member – Independent – Non-Executive	3
5.	CA M. Alagiriswamy	Member – Independent – Non-Executive	4

4. Nomination and Remuneration Committee

Terms of Reference

The terms of reference of the Nomination & Remuneration Committee cover all the areas mentioned under Section 178 of the Companies Act, 2013 and Part D of the Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The broad terms of reference of the Committee includes:

i) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;

ii) Recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees of the Company;

iii) Identify persons who are qualified to become directors and who may be appointed in senior management;

iv) Evaluating the performance of all Directors.

Composition & Meetings:

The Committee met thrice during the year on 10th August, 2017, 14th November, 2017 and 12th February, 2018. Company Secretary of the Company also acts as the Secretary to the Committee.

Composition of Nomination and Remuneration Committee is as follows :

S.No.	Name	Category	Meeting Attended
1.	Mr. D.R. Kaarthikeyan	Chairman – Independent – Non-Executive	3
2.	Dr. Yogesh Shah	Member – Independent – Non-Executive	1
3.	Dr. S.K.Sundaramoorthy$	Member – Non_Independent – Executive	3
4.	Mr. G.R. Karthikeyan	Member – Independent – Non-Executive	2

$ Nomination and Remuneration Committee has been re-constituted in alignment of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI(LODR) Regulations, 2015, consequences to this Dr. S.K.Sundaramoorthy become the member of the committee in place of Ms. Sangeetha Sundaramoorthy w.e.f. 30th May, 2016.

Performance Evaluation Criteria for Independent Directors

Performance of each of the Independent Directors are evaluated every year by the entire Board with respect to various factors like attendance at meetings; contribution at meetings; independence of judgment; direction / guidance to senior management, etc.

5. Nomination & Remuneration Policy

The Policy on Board Diversity and Nomination & Remuneration Policy as recommended by the Nomination & Remuneration Committee have been approved by the Board of Directors. The said policies are also available on the Company's website at the following link: https://www.lotuseye.org/investors

Details of Remuneration to Executive/ Whole-time Director.

Details of Remuneration paid to Executive/Whole-time Director during the year ended 31st March, 2018 is given below:

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total
		Dr. S.K. Sundaramoorthy CMD	Ms. Sangeetha Sundaramoorthy, WTD	Amount
1	**Gross Salary**			
	a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84.00	4.80	88.80
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	Nil	Nil
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	Nil	Nil	Nil
2	**Stock Option**	Nil	Nil	Nil
3	**Sweat Equity**	Nil	Nil	Nil
4	**Commission- as % of profit- others, specify…**	Nil	Nil	Nil
5	**Others, please specify**	Nil	Nil	Nil
	Total (A)	**84.00**	**4.80**	**88.80**

Details of remuneration to Non-executive Directors

During financial year 2017-18 Non-Executive Independent Directors were paid sitting fee at the rate of 5,000/- for attending each meeting(s) of the Board and Committees thereof and separate meeting for Independent Directors'.

Details of the Sitting fees paid and Commission payable to the Non-Executive Directors of the Company for Financial year 2017-2018 are as under:

(₹ in Lakhs)

Name of the Directors	Sitting Fees Paid
Mr. D.R. Kaarthikeyan	0.55
CA R. Subramanian	0.30
Mr. Yogesh Shah	0.15
Dr. Kavetha Sundaramoorthy	0.00
Dr. S.S. Badrinath	0.00
Mr. G.R. Karthikeyan	0.40
CA M. Alagiriswamy	0.40
R. Ramgaswamy	0.20
Total	**2.00**

In addition to sitting fees, the Company pays/reimburses expenses incurred by Non-Executive/Independent Directors for attending the Board and Committee and general meetings of the Members of the Company.

The Non-Executive Independent Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate, other than above.

6. Stakeholders Relationship Committee

The Committee shall consider and resolve the grievances of the stakeholders of the Company including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

Committee met once during the year under review i.e. on 29th May, 2018.

S.No.	Name	Category	Meeting Attended
1.	CA R. Subramanian	Chairman - Independent – Non-Executive	0
2.	Mr. D.R. Kaarthikeyan	Member- Independent – Non-Executive	1
3.	Dr. S.K. Sundaramoorthy	Member- Non Independent – Executive	1
4.	CA M. Alagiriswamy	Member- Independent – Non-Executive	1

Company Secretary of the Company is the Compliance officer. Details of the same can be found on the website of the company at the following link : https://www.lotuseye.org/profile/investors-grievances

During the year the company has not received any complaints from the investors and there were no outstanding complaints as on 31.03.2018.

7. Annual General Meeting

The date, venue and time of the Annual General Meetings held during the preceding three years are given below:

Financial year	Details of Meeting	Date and Time of Meeting	Venue	Special Resolutions
2016-17	20th AGM	10.08.2017-02.00 P.M	Kasthuri Sreenivasan Trust Culture Centre Avinashi Road, Coimbatore - 641014	Yes
2015 - 16	19th AGM	31.08.16 – 10.00 A.M	Registered Office at SF No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014.	No
2014 - 15	18th AGM	28.09.15 – 3.00 P.M	Registered Office at SF No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014.	No

No Special Resolutions was required to be put through postal ballot during the financial year under review.

No Special Resolutions on matters requiring postal ballot are placed for Shareholders' approval at the ensuring Annual General Meeting.

8. Means of Communication

i) Financial results, Annual Report etc.:

The quarterly Unaudited Financial Results and the Annual Audited Financial Results as approved and taken on record by the Board are sent to / filed with the Stock Exchanges where the Company's shares are listed and then published in various leading national newspapers, *viz.* Business Standard (English – all editions) and Makkal Kural (Tamil edition). The Results are also posted on the Company's website www.lotuseye.org.

All official releases and other related information are also displayed on this website. The quarterly Unaudited Financial Results and the Annual Financial Results, Balance Sheet, Statement of Profit & Loss, Directors' Report, Auditor's Report, Cash Flow Statement, Corporate Governance Report, Management Discussion and Analysis and Shareholding Pattern etc. can also be accessed by investors from the Company's website www.lotuseye.org/www.refractive.lotuseye.org.

ii) Management Discussion and Analysis

The Management Discussion and Analysis, as reviewed by the Audit Committee, is part of this Annual Report.

9. General Shareholders Information

a) AGM Date, Time and Venue : 24th September, 2018 – 2.00 P.M

Kasthuri Sreenivasan Trust Culture Centre,
Avinashi Road, Coimbatore – 641 014.

b) Financial Calendar	:	1st April 2017 to 31st March 2018
c) Date of Book Closure	:	18th September, 2018 to 24th September, 2018 (both days inclusive)
d) Date of payment of Dividend	:	On or after 29th of September, 2018 (if approved by the members at the AGM)
e) Listing of		
i) Equity Shares	:	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 **National Stock Exchange of India Limited (NSE)** Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai – 400 051
ii) Listing Fees	:	Annual Listing fees for the year 2018-19 have been paid to all the above mentioned Stock Exchanges and there is no fee outstanding as on date.
f) Custodial Fees	:	Custodial fees paid to the CDSL and NSDL and there is no fees outstanding as on date.
g) Stock Exchange Security Code For Equity Shares	:	BSE - Scrip Code : 532998 – Scrip Name : LEHIL NSE - Scrip Code : LOTUSEYE
h) Demat ISIN Numbers in NSDL & CDSL for Equity Shares	:	INE 947101017
i) Address of the Registered Office / Address for Correspondence	:	1. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014. 2.**M/s.S.K.D.C Consultants Limited,** Kanapathy Towers, 3rd floor, 1391 / A-1, Sathy Road, Ganapathy, Coimbatore – 641 006
j) Hospital Branches	:	1. 155B, East Periasamy Road, Opposite to Chinthamani, North Coimbatore, R.S.Puram, Coimbatore – 641 002. 2. No. 5 (2), Gajalakshmi Theatre Road, Near Valarmathi Bus Stop, Tirupur – 641 601. 3. 86, Brindhavan Road, Fairlands, Salem – 636 016. 4. No. 28, Coimbatore Main Road, Opp. Bus Stand, Mettuppalayam – 641 301. 5. No.533/33A – 33F, Thejas Towers, SA Road, Kadavanthara, Cochin – 682 020. 6. 229A, Kurisingal House, Mulanthuruthy Post, Cochin – 682 314.

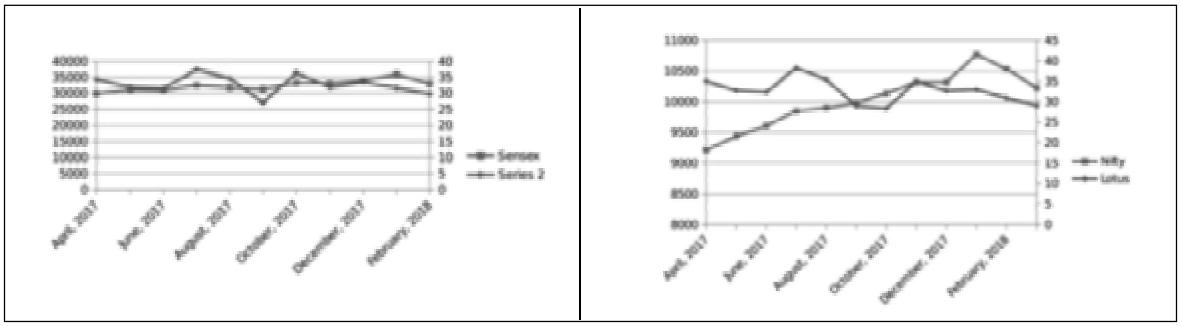
k) Market Price Data:

Monthly High & Low Prices of shares traded on BSE & NSE for the period from April 2016 to March 2017 (Shares listed on 11.07.2008)

Month	Share Price in ₹			
	BSE (High & Low)		NSE (High & Low)	
April, 2017	38.60	33.00	37.35	33.75
May, 2017	36.40	26.70	35.95	27.10
June, 2017	34.65	29.35	34.90	29.20
July, 2017	42.65	31.50	42.85	31.05
August, 2017	38.15	34.05	38.85	32.95
September, 2017	33.00	26.05	34.90	25.50
October, 2017	36.65	25.65	36.10	25.65
November, 2017	40.00	31.60	41.35	31.40
December, 2017	35.20	30.85	35.35	30.85
January, 2018	37.10	30.05	37.15	30.00
February, 2018	33.90	27.40	33.65	27.90
March, 2018	31.60	26.65	31.30	26.20

l) Performance and comparison to broad based indices such as BSE Sensex etc.

CLOSING MONTHLY PRICE VS CLOSING MONTHLY SENSEX AND NIFTY



m) Registrar & Share Transfer / Demat Agents : M/s.S.K.D.C Consultants Limited,
Kanapathy Towers, 3rd Floor,
1391/A-1, Sathy Road,
Ganapathy, Coimbatore - 641 006.
Tel. No. : 0422-6549995, 2539835
Fax No. : 0422-2539837
E-mail. info@skdc-consultants.com

n) Share Transfer System

99.97% of the Company's paid-up equity share capital is held in dematerialized form (only 5907 share were held in the physical form). However the transfer requests are processed within 15 days from the date of such request, subject to the documents being valid and complete in all respects. Based on a SEBI directive, the equity shares of the Company are permitted to be traded only in dematerialized form.

o) Category of Shareholder & Distribution of Shareholding

i) Categories of Shareholders as on 31.03.2018

S.No	Category	No. of Share holders	No. of Shares held Share Capital	% of paid up
1	Promoters and Promoters group	5	11493220	55.27
2	Foreign Institutional Investors and Banks	1	1000	0.005
3	Bodies Corporate	63	1617151	31.95
4	Individuals	6176	6721333	7.77
5	Others	245	963626	5.00
	Total	**6490**	**20796330**	**100.00**

ii) Distribution of Shareholding as on 31.03.2018

Range (No. of Shares)	No. of Share holders	No. of Equity Shares	% of Shareholding
Up to 5000	5145	8415860	4.05
5001 - 10000	644	5554420	2.67
10001 - 20000	347	5513530	2.65
20001 - 30000	139	3596810	1.73
30001 - 40000	60	2205350	1.06
40001 - 50000	76	369170	1.74
50001 - 100000	88	6618470	3.18
100001and above	98	172439690	82.92
Total	**6597**	**20796330**	**100.00**

p) Dematerialization of Shares:

The Company's shares are compulsorily required to be traded in electronic form and are available for trading with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for holding and dealing in shares in electronic form.

The Shareholders are requested to make use of such facility for maximizing their convenience in dealing with Company's shares. The ISIN (International Securities Identification Number) of the Company, as allotted by CDSL and NSDL, is INE 947I01017.

As on 31st March 2018, 99.97% of the Company's paid-up equity capital were held in dematerialized form (only 5907 shares in the physical form).

q) Outstanding ADRs/GDRs or warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

r) Commodity price risk or foreign exchange risk and hedging activities: Not Applicable

10. Other Disclosures:

a) Related Party Transactions

Details of related party transactions are disclosed in General Note No. 32(3) in Notes on Accounts forming part of the Accounts, as required under Ind AS 24 of The Institute of Chartered Accountants of India and all related party transactions are negotiated, on an arm's length basis. There were no materially significant related party transactions with directors, promoters, management, relatives or related companies etc. which had potential conflict, with the interests of the Company at large.

Transactions, in which directors may have substantial interest, are submitted to the Board and the interested directors, neither participates in the discussion, nor do they vote in such matters. Details of related party transactions are reviewed by the Audit Committee periodically.

The policy for related party transaction can be viewed at the following link: https://www.lotuseye.org/investors

b) Details of Non-compliances

No 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 . However Company has paid fine to NSE for delayed filing of information as required to be filled under Regulation 27 and 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 31st December, 2015

c) Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

The Whistle Blower & Vigil Mechanism Policy approved by the Board has been implemented and no personnel have been denied access for making disclosure or report under the Policy to the Vigilance Officer and/or Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fairly complied with all mandatory requirements of the Listing Regulations. The status of compliance with non-mandatory requirements of SEBI Listing Regulations are as detailed hereunder:

Audit Qualification – The financial statements of the Company are unqualified.

e) Accounting Treatment

The Accounting Standards issued by The Institute of Chartered Accountants of India is followed by the Company and the Company has not adopted a treatment different from that prescribed by any Accounting Standard in the preparation of financial statements.

f) Risk Management

The management continuously evaluates business risk and review the probable risks, that may have an adverse impact on the operations and profitability of the Company and gives suitable solutions to mitigate such risks.

g) Insider Trading Policy

The code of conduct for prevention of Insider Trading, as suggested under the SEBI (Prohibition of Insider Trading) Regulations, 2015 has been introduced with effect from 15.05.2015. The Company Secretary has been designated as the Compliance Officer for this purpose. The Board monitors the adherence to the various requirements as set out in the code. No violation of the code has taken place during the year.

h) CEO / CFO Certification

Pursuant to the provisions of Regulation 17(8) read with part B of the Schedule II of the Listing Regulations with the Stock Exchanges, the Chairman and Managing Director (CEO) and Chief Financial Officer (CFO) have issued a Certificate to the Board as required for the Financial Year ended 31st March 2018. The Executive Director and the Chief Financial Officer of the Company also gives quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of Listing Regulations.

i) Code of Conduct

The Company's Board has laid down code of conduct for the employees at all levels including Senior Management and Directors of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct.

j) Compliance with Corporate Governance Norms

The Company has complied with all the mandatory requirements of Corporate Governance norms as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.

k) Management

The Management Discussion and Analysis Report forms a part of the Directors' Report.

DECLARATION OF COMPLIANCE TO THE CODE OF CONDUCT BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

To

The Members of Lotus Eye Hospital & Institute Limited

In accordance with Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel including me, have affirmed compliance to their respective Codes of Conduct, as applicable for the Financial Year ended 31st March, 2018.

For and on behalf of the Board

Place : Coimbatore
Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy
Chairman cum Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Lotus Eye Hospital And Institute Limited

(CIN : L85110TZ1997PLC007783)

I have examined all the relevant records of Lotus Eye Hospital and Institute Limited ("hereinafter called as the "Company") for the purpose of certifying compliance with the conditions of corporate governance stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2018. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance with the conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring compliance with the conditions of corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of corporate governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

P. ESWARAMOORTHY AND COMPANY
Company Secretaries

CS P. Eswaramoorthy
Proprietor
FCS No. : 6510
CP No. : 7069

Place : Coimbatore
Date : 29th May, 2018

CEO / CFO CERTIFICATION

To

The Board of Directors
Lotus Eye Hospital and Institute Limited

As required by Regulation 17(8) read with part B of the Schedule II of the Listing Regulations

We hereby certify that:

a) We have reviewed the financial statements for the year ended 31st March 2018 and that to the best of our knowledge and belief:

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

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violate any of the Company's code of conduct.

c) We accept that responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity 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 they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the audit committee that there are no

   i) significant changes in internal control over financial reporting during the year;

   ii) significant changes in accounting policies during the year except change in the method of valuation of inventories and that the same have been disclosed in the notes to the financial statements; and

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

For and on behalf of the Board

Place : Coimbatore
Date : 29th May, 2018

(Sd.) S.K. Sundaramoorthy
Chairman cum Managing Director

(Sd.) CA L. Sriram
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Members of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Report on the Ind AS Financial Statements

1. We have audited the accompanying Ind AS financial statements of Lotus Eye Hospital and Institute Limited ("the company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

2. 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 and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these 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 in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

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

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

Opinion

4. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

5. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India 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, to the extent applicable.

6. Further to our comments in Annexure A, 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure B".

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 Ind AS financial statements – Refer Note 31 to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Anbarasu & Jalapathi
Chartered Accountants
Firm Registration No.: 010795S

Place : Coimbatore
Date : 29th May, 2018

(Sd.) **S. Anbarasu**
Partner
Membership No.: 212299

ANNEXURE 'A' TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 5 under 'Report on Other Legal and Regulatory Requirements' of our report of even date]

(i) (a) The Company is in the process of updating its records showing full particulars, including quantitative details and situation of fixed assets. However an item wise list of fixed assets containing the particulars for calculation of depreciation is maintained.

(b) All the fixed assets have not been physically verified by the management during the year but there is a phased programme of verification based on the item wise list maintained for computation of depreciation which, in our opinion, needs to be strengthened having regard to the size of the company and nature of its assets. As informed, no material discrepancies were noticed on such verification. However, in the absence of complete information in fixed asset register as stated in clause (a) above, we are unable to comment on the discrepancies.

(c) 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 recorded as fixed assets in the books of account of the Company are held in the name of the Company. (Except with respect to the buildings on leasehold premises)

(ii) As explained to us, the inventories except goods in transit, have been physically verified by the management during the year and there were no material discrepancies noticed on physical verification carried out during the year. In our opinion, the frequency of such verification is reasonable.

(iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans, made investments, provided guarantees or securities, and hence reporting under clause 3(iv) of the order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) According to the information and explanations given to us, the Company's turnover in the immediately preceding financial year being within the stipulated limits as prescribed under Section 148(1) of the Act and the rules made thereunder, the Company is not required to maintain the cost records.

(vii) (a) According to the information and explanations provided to us, the company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it with the appropriate authorities.

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, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

Nature of statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Kerala Value Added Tax Act	VAT Liability	1.89/-	01.04.2012 to 31.03.2013	Kerala Value Added Tax Appellate Tribunal
Kerala Value Added Tax Act	VAT Liability	5.16/-	01.04.2013 to 31.03.2014	Kerala Value Added Tax Appellate Tribunal
Kerala Value Added Tax Act	VAT Liability	9.71/-	01.04.2011 to 31.03.2012	High Court, Kerala
Kerala Value Added Tax Act	VAT Liability	11.90/-	01.04.2011 to 31.03.2012	High Court, Kerala
Kerala Value Added Tax Act	VAT Liability	2.73/-	01.04.2010 to 31.03.2011	The Assistant Commissioner (Appeals)

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or a bank. The Company has no debentures or loans and borrowings payable to government during the year.

(ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year and hence reporting under clause 3(ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

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

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Anbarasu & Jalapathi
Chartered Accountants
Firm Registration No.: 010795S

Place : Coimbatore
Date : 29th May, 2018

(Sd.) **S. Anbarasu**
Partner
Membership No.: 212299

ANNEXURE 'B' TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 6(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date.]

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

We have audited the internal financial controls over financial reporting of Lotus Eye Hospital and Institute Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 Companies Act, 2013.

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 specified 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 is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 ICAI.

For Anbarasu & Jalapathi
Chartered Accountants
Firm Registration No.: 010795S

Place : Coimbatore
Date : 29th May, 2018

(Sd.) **S. Anbarasu**
Partner
Membership No.: 212299

Balance Sheet as at 31st March, 2018

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2	4,228.90	4,111.97	4,329.87
(b) Capital work in progress	2	28.65	65.48	27.06
(c) Intangible Assets	2	22.75	19.94	42.34
		4,280.30	4,197.39	4,399.27
(d) Financial Assets				
i) Others	3	651.90	577.78	513.69
(e) Deferred Tax Asset (Net)	4	80.13	41.46	15.32
Total Non-Current Assets (A)		5,012.33	4,816.62	4,928.28
Current Assets				
(a) Inventories	5	238.90	179.83	278.12
(b) Financial Assets				
i) Trade receivables	6	113.68	68.31	50.94
ii) Cash and cash equivalents	7	2.17	(79.06)	(113.73)
iii) Bank balances other than (ii) above	8	379.08	419.21	287.42
(c) Other current assets	9	75.04	88.81	51.85
Total Current Assets (B)		808.86	677.10	554.60
Total Assets (A + B)		**5,821.19**	**5,493.72**	**5,482.88**
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	10	2,079.63	2,079.63	2,079.63
(b) Other Equity	11	2,984.04	2,925.77	2,868.85
Total Equity (C)		5,063.67	5,005.40	4,948.48
Liabilities				
Non-current Liabilities				
(a) Financial Liabilities				
i) Borrowings	12	9.40	29.59	47.90
(b) Provisions	13	49.59	37.77	31.19
Total Non-current liabilities (D)		58.99	67.36	79.09
Current Liabilities				
(a) Financial Liabilities				
i) Trade payables	14	392.08	260.66	341.44
ii) Borrowings	15	20.04	18.15	18.47
iii) Other financial liabilities	16	10.85	8.59	9.77
(b) Provisions	17	219.37	75.88	25.78
(c) Other current liabilities	18	56.19	57.68	59.85
Total Current liabilities (E)		698.53	420.96	455.31
Total Liabilities (D + E)		757.52	488.32	534.40
Total Equity and Liabilities (C+ D + E)		**5,821.19**	**5,493.72**	**5,482.88**

Significant Accounting Policies & Notes on Financial Statements 1 to 32

As per our Report of even date attached

For **Anbarasu & Jalapathi**
Chartered Accountants
Firm Registration No: 010795S

(sd.) **CA S.Anbarasu**
Partner
Membership No: 212299
Place : Coimbatore | Date: 29th May 2018

For and on behalf of the Board of Directors

(sd.) **Dr. S.K.Sundaramoorthy**
Chairman cum Managing Director

(sd.) **Mr. D.R.Kaarthikeyan**
Director

(sd.) **P.R. Rangaswamy**
Director

(sd.) **CA M. Alagiriswamy**
Director

(sd.) **CA L.Sriram**
Chief Financial Officer

(sd.) **CS Aakanksha Parmar**
Company Secretary

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Statement of Profit and Loss Account for the year ended 31st March, 2018

(₹ in Lakhs)

	Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
I	Revenue from operations	19	3,802.21	3,396.47
II	Other Income	20	86.36	71.37
III	**Total Income**		**3,888.57**	**3,467.84**
IV	Expenses:			
	(a) Cost of materials consumed	21	521.45	477.10
	(b) Purchase of Stock-in-Trade	22	567.81	550.24
	(c) Service Expenses	23	646.24	553.48
	(d) Changes in inventories	24	12.43	64.36
	(e) Employee Benefit Expenses	25	866.54	746.85
	(f) Finance Costs	26	5.31	6.43
	(g) Depreciation and Amortization Expenses	27	337.10	344.12
	(h) Other Expenses	28	765.64	680.21
	Total Expenses		**3,722.51**	**3,422.79**
V	**Profit/(Loss) Before Exceptional items and tax**		166.06	45.05
VI	**Exceptional Items**	29	4.18	(3.22)
VII	**Profit/(Loss) Before Tax**		170.24	41.83
VIII	**Tax Expenses**			
	(a) Current tax	30	37.56	9.40
	(b) Deferred tax (Income) / Expenses		(41.98)	(11.97)
		(4.42)	(2.57)	
IX	**Net Profit/(Loss) for the period**		**174.67**	**44.40**
X	**Other Comprehensive Income, net of income tax**			
	A. Items that will not be reclassified to Profit or Loss			
	- Remeasurement of post -employment defined benefit plans		12.07	(1.66)
	- Income tax on the above item		(3.33)	0.51
	B. Items that will be reclassified to Profir or Loss		-	
	Total Other Comprehensive Income, net of income tax		8.75	(1.15)
XI	**Total Comprehensive Income for the period**		**183.41**	**43.25**
XII	**Paid-up equity share capital (Face value of Rs. 10/- each)**		2,079.63	2,079.63
XIII	**Earning per equity share: (of Rs. 10/-) (Not annualised) :**			
	(1) Basic		0.84	0.21
	(2) Diluted		0.84	0.21

Significant Accounting Policies & Notes on Financial Statements 1 to 32

As per our Report of even date attached

For **Anbarasu & Jalapathi**
Chartered Accountants
Firm Registration No: 010795S

(sd.) **CA S.Anbarasu**
Partner
Membership No: 212299
Place : Coimbatore | Date: 29th May 2018

For and on behalf of the Board of Directors

(sd.) **Dr. S.K.Sundaramoorthy**
Chairman cum Managing Director

(sd.) **Mr. D.R.Kaarthikeyan**
Director

(sd.) **P.R. Rangaswamy**
Director

(sd.) **CA M. Alagiriswamy**
Director

(sd.) **CA L.Sriram**
Chief Financial Officer

(sd.) **CS Aakanksha Parmar**
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2018

Equity Share Capital

(₹ in Lakhs)

Particulars	Amount
Balance as at April 1, 2016	2,079.63
Changes in equity share capital during the year	-
Balance as at March 31, 2017	**2,079.63**
Changes in equity share capital during the year	-
Balance as at March 31, 2018	**2,079.63**

Other Equity

Particulars	Reserves and Surplus		Items of Other comprehensive Income	Total
	Securities Premium Reserve	Retained Earnings	Remeasurement of post employment benefit obligations	
Balance as on April 1, 2016	2,514.14	354.72	-	2,868.86
Add: Profit after tax for the year	-	44.40	-	44.40
Less: Remeasurement of post-employment benefit obligations [Net of tax]	-	-	(1.15)	(1.15)
Add: Adjustment for Deferred Tax on Gratuity Provisions of Prior Years	-	13.66	-	13.66
Balance as on March 31, 2017	**2,514.14**	**412.78**	**(1.15)**	**2,925.77**
Add: Profit after tax for the year	-	174.67	-	174.67
Add: Remeasurement of post-employment benefit obligations [Net of tax]	-	-	8.75	8.75
Less: Payment of dividends	-	(103.98)	-	(103.98)
Less: Tax on dividends paid	-	(21.17)	-	(21.17)
Balance as on March 31, 2018	**2,514.14**	**462.30**	**7.60**	**2,984.04**

Significant Accounting Policies & Notes on Financial Statements 1 to 32

As per our Report of even date attached

For **Anbarasu & Jalapathi**
Chartered Accountants
Firm Registration No: 010795S

(sd.) **CA S.Anbarasu**
Partner
Membership No: 212299
Place : Coimbatore | Date: 29th May 2018

For and on behalf of the Board of Directors

(sd.) **Dr. S.K.Sundaramoorthy**
Chairman cum Managing Director

(sd.) **Mr. D.R.Kaarthikeyan**
Director

(sd.) **P.R. Rangaswamy**
Director

(sd.) **CA M. Alagiriswamy**
Director

(sd.) **CA L.Sriram**
Chief Financial Officer

(sd.) **CS Aakanksha Parmar**
Company Secretary

Cash Flow Statement for the year ended 31st March, 2018

(₹ in Lakhs)

Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/Loss Before Tax and Exceptional item	166.06	45.05
ADJUSTMENTS FOR:-		
Depreciation and Amortisation	337.10	344.12
Income on Investments	(33.95)	(36.09)
Profit / (Loss) on sale of Property, Plant & Equipments	4.18	(3.22)
Bad Debts	13.08	-
Provision for doubtful debts - Net	1.92	-
Finance Costs	5.31	6.43
Operating profit before working capital changes	**493.70**	**356.29**
CHANGES IN WORKING CAPITAL		
Inventories	(59.07)	98.29
Trade Receivables	(60.37)	(17.37)
Other Current Assets	13.77	(36.96)
Non Current Financial & Other Assests	(74.13)	(64.08)
Trade Payables	131.42	(80.78)
Non-Current Provisions	11.81	6.58
Other Current Financial & Other Liabilities	158.22	44.77
Cash Generated From (Used In) Operating Activities	**615.37**	**306.75**
Taxes Paid	37.56	9.40
Net Cash Genrated from /(Used In) Operating Activities	577.81	297.35
B. CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Property, Plant & Equipment	(426.56)	(122.32)
Capital Work in Progress	(1.10)	(23.14)
Sales/Disposal of Property, Plant & Equipment	7.65	3.22
Interest Received	33.95	36.09
Net Cash Generated from (Used In) Investing Activities	**(386.06)**	**(106.15)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance Costs	(5.31)	(6.43)
Long Term Borrowings - Repayments	(20.19)	(18.31)
Dividend paid	(125.15)	-
Net Cash From / (Used In) Financing Activities	**(150.65)**	**(24.74)**
(Increase)/Decrease In Cash and Cash Equivalents	**41.09**	**166.46**
Cash and Cash Equivalents at the Beginning of the Year	340.15	173.69
Cash and Cash Equivalents at the End of the Year	**381.24**	**340.15**
Cash on Hand	3.94	7.36
Balance With Bank	377.30	332.79

Significant Accounting Policies & Notes on Financial Statements 1 to 32

As per our Report of even date attached

For **Anbarasu & Jalapathi**
Chartered Accountants
Firm Registration No: 010795S

(sd.) **CA S.Anbarasu**
Partner
Membership No: 212299
Place : Coimbatore | Date: 29th May 2018

For and on behalf of the Board of Directors

(sd.) **Dr. S.K.Sundaramoorthy**
Chairman cum Managing Director

(sd.) **Mr. D.R.Kaarthikeyan**
Director

(sd.) **P.R. Rangaswamy**
Director

(sd.) **CA M. Alagiriswamy**
Director

(sd.) **CA L.Sriram**
Chief Financial Officer

(sd.) **CS Aakanksha Parmar**
Company Secretary

Note No. 1

A. CORPORATE INFORMATION:

The company was incorporated as "Kalaivani Health Centre Pvt Ltd" on 14.03.1997. The name of the company was changed to "Lotus Eye Care Hospital Pvt Ltd" on 23.01.2001 and later on the company was converted into Public Limited Company on 16.10.2007 and subsequently the name was changed to "Lotus Eye Hospital and Institute Limited" on 12.4.2013 and the Company is mainly in the field of ophthalmology (Eye) and its related operation. The Company has seven centre's at Peelamedu, R.S. Puram, Mettupalayam, Tirupur, Salem, Cochin and Mulanthurthy. The Company's Equity shares are Listed on 03.08.2008 with BSE Limited and National Stock Exchange of India Ltd, Mumbai.

Application of new and revised Indian Accounting Standards

The Company has applied all the Indian Accounting Standards (hereinafter referred to as 'Ind AS') notified by the Ministry of Corporate Affairs (MCA) to the extent applicable to the Company.

B. SIGNIFICANT ACCOUNTING POLICIES:

1 Statement of Compliance:

The financial statements are prepared on the accrual basis of accounting and in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended March 2017, the Company prepared its financial statements in accordance with Accounting Standards notified under the section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Financial statements for the year ended March 31, 2017 have been restated to give comparative figures to the financial statements for the year ended March 31, 2018, being the first year for preparation of financial statements in accordance with Ind AS.

These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. In accordance with Ind AS 101 "First time Adoption of Indian Accounting Standards" the Company has presented a reconciliation of the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS.

2 Basis of Preparation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

Level 1 - inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 - inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - inputs are unobservable inputs for the asset or liability

3 Current and non-current classification:

The assets and liabilities reported in the balance sheet are classified on a "current/ non-current basis".

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting date, or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non -current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products 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 12 months for the purpose of current/non-current classification of assets and liabilities.

4. Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require significant accounting estimates involving complex and subjective Judgements and the use of assumptions in these financial statements have been disclosed separately under the heading "Significant accounting Judgements, estimates and assumption".

5. Segment reporting

The company is engaged in the business of Healthcare activities. Hence, there is only one reportable segment.

6. Revenue recognition

Rendering of Health care Services

The Company generally follows the mercantile system of accounting and recognize the Income and Expenditure on an accrual basis except those with significant uncertainties. Revenue is recognized to the extent that it is probable that the economic benefit will flow to the company and the revenue can be reliably measured. The revenue recognized is net off discount / concessions.

The insurance claims are accounted as and when the claims are settled or accepted by the insurance company whichever is earlier.

Sale of goods

Revenue from sale of goods is recognised when significant risk and rewards of ownership is passed on to customer, Revenue from sale of goods is stated exclusive of Sales tax/ VAT/GST and are net of sales returns, discounts, provision for anticipated returns on expiry, made on the basis of management expectation taking into account past experience.

Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument. Interest income is included in 'Other Income' in the Statement of Profit and Loss.

7. Foreign currencies

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Transactions and balances:

1. Foreign currency transactions are recorded at exchange rates prevailing on the date of such transactions.
2. Foreign currency monetary assets and liabilities at the year end are realigned to the exchange rate prevailing at the year end and the difference on realignment is adjusted in the Profit and Loss account.
3. Non-monetary foreign currency items are carried at cost.

8. Property, Plant and Equipment (PPE)

Items of Property, plant and equipment acquired or constructed are initially recognized at historical cost net of recoverable taxes, duties, trade discounts and rebates, less accumulated depreciation and impairment loss, if any. The historical cost of Property, plant and equipment comprises of its purchase price, borrowing costs and adjustment arising for exchange rate variations attributable to the assets, including any cost directly attributable to bringing the assets to their working condition for their intended use.

Capital Work-in-Progress represents Property, plant and equipment that are not ready for their intended use as at the reporting date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The Company identifies and determines cost of each component/part of the plant and equipment separately, if the component/part has a cost which is significant to the total cost of the plant and equipment and has useful lives that is materially different from that of the remaining plant and equipment.

The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the year in which they are incurred.

Gains and losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognized.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Property, plant and equipment recognized as at April 1, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the Property, plant and equipment.

Depreciation methods, estimated useful lives and residual values

Depreciation on Property, Plant and Equipment is provided under Written Down Value Method at the rates determined based on Useful Lives of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013.

Improvements to Leasehold premises are amortized over the remaining primary lease period and renewable period.

9. Intangible Assets

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Computer software licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software. Operating software is capitalised and amortised along with the related fixed asset. Other software is amortised, on a straight line method, over a period of three years based on management's assessment of useful life.

10. Inventories

Closing stock of Pharmacy, Canteen, Theatre items, Consumables, Optical and lens are valued at lower of cost and net realizable value. Cost is arrived at on first in first out basis except optical and lens.

11. Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalized as a part of such assets. All other borrowing cost is recognized as expense in the period in which they are incurred.

A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale.

12. Lease

Leases are classified as finance leases wherever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are treated as operating lease.

- **The company as lessor**

  Lease income on an operating lease is recognized in the statement of profit and loss on a straight line basis over the term of the relevant lease except to the extent that the lease payments are structured to compensate for the expected inflationary cost.

- **The company as lessee**

  Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term except to the extent that the lease payments are structured to compensate for the expected inflationary cost.

The Company's leasing arrangements in respect of Operating Lease are cancelable in nature.

Finance Leases

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are treated as period cost and are expensed accordingly.

Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 determining whether an arrangement contains a lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

13. Employee Benefits

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

Liabilities with regard to the Gratuity plan are determined by actuarial valuation, performed by an independent actuary, at each Balance sheet date using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

14. Taxes on Income

i. Current Tax:

Tax on Income for the Current Period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/ appeals.

ii. Deferred Tax:

Deferred Tax is recognized on timing difference between accounting income and the taxable income for the year quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum Alternate Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance note issued by Institute of Chartered Accountants of India ("ICAI"), the said asset is created by way of credit to Statement of Profit and Loss. The company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

15. Provisions

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value unless otherwise required by the standard and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

16. Earnings Per Share

Basic Earnings Per Share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

17. Financial Instruments:

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Profit and Loss.

Derecognition of Financial Assets

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

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

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Cash and Cash Equivalents:

The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having orignial maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash Equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

18. Impairment of Assets

At the Balance Sheet date an assessment is done in accordance with Ind AS 36, to determine whether there is any indication of impairment in the carrying amount of the company's assets. An asset is treated impaired when carrying cost of assets exceeds its recoverable value.

An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss, if any, recognized in prior accounting period is reversed if there has been any change in the estimate of recoverable amount.

19. Contingent Liabilities

Contingent liabilities, which are considered significant and material by the Company, but not provided for in the books of accounts, are disclosed by way of notes to accounts.

C. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires the Management of the Company to make estimates and assumptions that affect the reported balances of Assets and Liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expenses for the periods presented.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

1. Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The business acquisitions made by the company are also accounted at fair values.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available.

2. Employee Benefits - Defined Benefit Plans

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases.

3.Litigations

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation arising at the reporting period.

D. FIRST TIME ADOPTION OF IND AS

i. Explanation of transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies have been applied consistently in preparing the financial statements for the year ended 31st March 2018, the comparative information presented in these financial statements for the year ended 31st March 2017 and in the preparation of an opening Ind AS balance sheet at 1st April 2016 (the Company's date of transition).

ii. Ind AS optional exemptions

Ind-AS 101, 'First-time Adoption of Indian Accounting Standards', allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS. The Company has accordingly applied the following exemptions:

Deemed cost for Property, plant and equipment and Intangible assets:

Ind AS 101 'First-time Adoption of Indian Accounting Standards' permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38, 'Intangible Assets'. Accordingly, the Company has elected to measure all of its property, plant and equipment & intangible assets at their previous GAAP carrying value.

iii. Ind AS mandatory exceptions Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were an error.

Ind AS estimates as at 1st April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP.

Note : 2 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2017	Additions 17-18	Deletion Transfer	As on 31.03.2018	As at 01.04.2017	Depreciation 17-18	Deletions	Asat 31.03.2018	WDV As at 31.03.2018	WDV As at 31.03.2017
Building	1,188.02	52.71	-	1,240.73	417.09	37.95	-	455.04	785.69	770.93
Computer	118.53	8.68	-	127.21	102.22	8.04	-	110.26	16.95	16.31
Electrical equipments	94.18	2.52	4.84	91.86	77.57	4.36	4.20	77.72	14.13	16.61
Furniture & Fixtures	123.03	2.97	-	126.00	93.21	8.65	-	101.86	24.14	29.82
Hospital Equipments	2,765.94	341.35	17.39	3,089.89	2,037.67	194.03	11.02	2,220.68	869.22	728.27
Land	2,353.08	-	-	2,353.08	-	-	-	-	2,353.08	2,353.08
Office equipments	257.50	20.36	-	277.86	177.49	25.45	-	202.95	74.92	80.01
Plant & Machinery	86.46	-	-	86.46	61.64	6.79	-	68.43	18.03	24.82
Vehicles	140.68	27.12	13.15	154.65	101.66	18.92	12.50	108.08	46.58	39.02
Sub Total (A)	7,127.42	455.70	35.38	7,547.74	3,068.54	304.19	27.72	3,345.01	4,202.74	4,058.87
Software	48.21	8.79	-	57.00	28.27	5.98	-	34.25	22.75	19.94
Sub Total (B)	48.21	8.79	-	57.00	28.27	5.98	-	34.25	22.75	19.94
Building Work in Progress										
R.S. Puram	27.36	1.29	-	28.65	-	-	-	-	28.65	27.36
Peelamedu	38.12	1.10	39.22	-	-	-	-	-	-	38.12
Sub Total (C)	65.48	2.39	39.22	28.65	-	-	-	-	28.65	65.48
Total (A+B+C)	7,241.11	466.88	74.60	7,633.39	3,096.81	310.17	27.72	3,379.26	4,254.13	4,144.29
Previous Year	**7,137.65**	**181.95**	**78.49**	**7,241.11**	**2,827.20**	**308.40**	**38.78**	**3,096.82**	**4,144.30**	**4,310.44**
Improved Leased Assets										
Salem	116.86	-	-	116.86	70.11	23.37	-	93.49	23.37	46.74
Mettupalayam	40.85	-	-	40.85	40.10	0.76	-	40.85	-	0.76
Cochin	201.65	-	-	201.65	196.05	2.80	-	198.85	2.80	5.60
Sub Total (D)	359.36	-	-	359.36	306.26	26.93	-	333.19	26.17	53.10
Previous Year	359.36	-	-	359.36	270.53	35.72	-	306.25	53.11	88.83
Grand Total current Year	7,600.47	466.88	74.60	7,992.75	3,403.08	337.10	27.72	3,712.45	4,280.30	4,197.39
Grand Total previous Year	7,497.01	181.95	78.49	7,600.47	3,097.73	344.12	38.78	3,403.07	4,197.39	4,399.27

Note No. 3 Financial Assets (₹ in Lakhs)

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Unsecured, Considered good			
i	Capital Advances	162.50	175.74	173.22
ii	Security Deposit	29.48	18.53	32.96
iii	Rent Deposits	141.69	141.69	138.71
iv	Fixed Deposits with remaining maturities more than 12 months	187.56	158.33	73.68
v	Advance Incometax and Refunds	121.35	83.49	95.12
vi	GST Input Credit Deferred	2.29	-	-
vii	Other Loans and advances	7.04	-	-
	Total	**651.90**	**577.78**	**513.69**

Note No. 4 Deferred Tax Asset (Net)

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
i	**Deferred Tax Asset**			
	- On Property Plant & Equipments & Intangible assets	20.71	19.62	15.32
	- On expenses allowable against taxable income in future years	14.19	14.17	-
ii	MAT Credit Entitlement	45.23	7.67	-
	Total	**80.13**	**41.46**	**15.32**

a. Deferred tax has been provided in accordance with Ind AS-12 Income Taxes

b. Significant components of deferred tax assets and its movements

Particulars	Deferred tax assets as at 01.04.2016	(Charge)/Credit to Profit/(Loss)	Charge/(Credit) to OCI	Deferred tax assets as at 31.03.2017
On PPE & Intangible assets	15.32	4.30	-	19.62
On expenses allowable against taxable income in future years	-	14.17	-	14.17
On employee benefit expenses	-	(0.51)	0.51	-
Total	**15.32**	**17.96**	**0.51**	**33.79**

Particulars	Deferred tax assets as at 01.04.2017	(Charge)/Credit to Profit/(Loss)	Charge/(Credit) to OCI	Deferred tax assets as at 31.03.2018
On PPE & Intangible assets	19.62	1.09	-	20.71
On expenses allowable against taxable income in future years	14.17	0.02	-	14.19
On employee benefit expenses	-	3.33	(3.33)	-
Total	**33.79**	**4.44**	**(3.33)**	**34.90**

Note : 5 Inventories **(₹ in Lakhs)**

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Pharmacy	20.35	17.89	14.27
2	Consumables	149.10	77.60	111.53
3	Optical Frames	58.96	79.08	140.21
4	Contact Lens	9.55	4.64	12.06
5	Canteen Stock	0.94	0.61	0.06
	Total	**238.90**	**179.83**	**278.12**

Note : 6 Trade Receivables

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Outstanding for more than six months			
	a) Unsecured, Considered Good	17.92	12.25	1.02
	Others			
	a) Unsecured, Considered Good	95.75	56.06	49.92
	Add: Doubtful debts	1.92	-	-
		115.60	**68.31**	**50.94**
	Less : Allowance for bad and doubtful debts	(1.92)	-	-
	Total	**113.68**	**68.31**	**50.94**

Note : 7 Cash and Cash Equivalents

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a)	Cash and cheques on hand	3.94	7.36	8.24
b)	Balance with Banks	(1.78)	(86.42)	(121.97)
	Total	**2.17**	**(79.06)**	**(113.73)**

Note : 8 Bank balances other than above

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
a)	Balance with Banks - In Deposit Accounts	379.08	419.21	287.42
	Total	**379.08**	**419.21**	**287.42**

Note : 9 Other Current Assets

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
	Unsecured, Considered good:			
a)	Advance for Expenses	1.85	26.72	1.34
b)	Loan and Advance to Employees	0.39	0.18	0.06
c)	Prepaid expenses	40.30	42.85	48.59
d)	Insurance Claim Receivable	-	18.00	-
e)	Advance to Suppliers	27.29	-	-
f)	Other Loans and Advances	5.21	1.06	1.86
	Total	**75.04**	**88.81**	**51.85**

Note No.: 10 Equity Share Capital

(₹ in Lakhs)

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	**Authorized Capital**			
	2, 50,00,000 Equity Shares of Rs. 10/- each.	2,500.00	2,500.00	2,500.00
		2,500.00	2,500.00	2,500.00
2	**Issued, Subscribed & Paid up Capital**			
	2, 07, 96, 330 Equity Shares of Rs 10/- each	2,079.63	2,079.63	2,079.63
	Total	**2,079.63**	**2,079.63**	**2,079.63**

a) The Company has only one class of shares referred to as equity shares having par value of Rs.10/-. Each holder of equity shares is entilted to one vote per share.

b) Before amlgamation 211000 Equity shares of Rs.100 each consists of initial subscription to memorandum and subsequent allotment to the promoters.

c) 4,97,900 Equity shares of Rs.100 each issued on 03.08.2007 pursuant to High Court Order dated 09.07.2007 approving the scheme of amalgamtion of Dr.S.K.S.Eye Care Centre Private limited with Lotus Eye Care Hospital Limited.

d) 3,45,233 Equity shares of Rs.100 each were alloted as bonus shares on 28.08.2007 by Capitalisation of general reserve.

e) The face value of equity shares was split from Rs.100 per share to Rs.10 per share on 03.09.2007.Due to this the total number of shares consist of 10541330 shares of Rs.10 each.

f) 2,55,000 equity shares of Rs.10 each were alloted to M/s.Bennett and Coleman Company ltd on 22.01.2008 on preferential allotment with a premium of Rs.40 per share.

g) 1,00,00,000 equity shares of Rs.10 each alloted on 03.07.2008 through Initial Public Offer (IPO) with a premium of Rs.28 per share.

h) In the event of liquidation of the company,the holders of equity shares will be entitled to receive any of the remaining assets of the company,after distribution of all preferential amounts.However,no such preferential amounts exist currently.The distribution will be in Proportion to the number of equity shares held by the shareholders.

i) **Details of Shareholders holding more than 5% shares in the Company**

	Name of the Shareholder	Equity Shares					
		As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
		No.of shares held	% of holding	No.of shares held	% of holding	No.of shares held	% of holding
1	Dr.S.K.Sundaramoorthy	11,046920	53.12	10,599,920	50.97	10,599,920	50.97

j) **Reconcilation of shares outstanding at the beginning and at the end of the period**

S. No.	Particulars	Equity Shares				
		As at 31st March 2018		As at 31st March 2017		As at 1st April, 2016
		No.of shares	Amount in Rs	No.of shares	Amount in Rs	Amount in Rs
1)	At the beginning of the period	20,796,330	207,963,300	20,796,330	207,963,300	20,796,330
	Add : Shares issued during the year	-	-	-	-	-
	Less :Shares bought back during the year	-	-	-	-	-
	Add :Other movements during the year	-	-	-	-	-
	Outstanding at the end of the period	20,796,330	207,963,300	20,796,330	207,963,300	20,796,330

k. The Company has no stock option plans

Note : 11 Other Equity **(₹ in Lakhs)**

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Securities Premium reserve	2,514.14	2,514.14	2,514.14
2	Retained Earnings	462.30	412.78	354.72
3	Other Comprehensive Income	7.60	(1.15)	-
	Total	**2,984.04**	**2,925.77**	**2,868.85**

a. The premium collected on above issue of equity shares amounting to Rs.2800 Lakhs and also of the preferential allotment of Rs.102 Lakhs has been credited to Securities Premium Account during the financial year 2008-09.

b. Utilization of Initial Public Offer (IPO) funds up to March 31st ,2018 (Rs. In Lakhs):

Details	As at 31st March 2018	As at 31st March 2017
Proceeds from issue of shares	3,800.00	3,800.00
Less :Expenses for issue	387.86	387.86
Add :Interest and Dividend from Temporary Investments	71.21	71.21
Net IPO Proceeds	3,483.35	3,483.35
Less :Funds deployed towards the project	3,483.35	3,483.35
Unutilized IPO funds deposited in the form of Temporary investment/Current account with bank	-	-

NON-CURRENT LIABILITIES

Note : 12 Borrowings **(₹ in Lakhs)**

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	**Term Loan**	9.40	29.59	47.90
	Total	**9.40**	**29.59**	**47.90**

A. Security Particulars of Secured Loans

1 The term loans availed of Rs.85 lakhs from HDFC Bank are primarily Secured by Equipment namely Zeiss Ophthalmic Fem to Sound Visumax Surgical Laser System.

Note : 13 Provisions

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1.	**Provision for Employee Benefits**			
	- Gratuity	49.59	37.77	31.19
	Total	49.59	37.77	31.19

CURRENT LIABILITIES

Note : 14 Trade Payables

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Sundry Creditors for Supplies & Services	263.41	226.68	196.56
2	Creditors for Capital goods	127.28	0.91	81.94
3	Others	1.39	33.07	62.94
	Total	**392.08**	**260.66**	**341.44**

a. The company has initiated the process of obtaining confirmation from suppliers who have registered under the "Micro,Small and Medium Enterprises Act,2006.Since relevant information is not readily available, no disclosures have been made in the financial statements.Based on the information available with the company and in the considered view of the management and relied upon by the auditors,impact of interest, if that may be payable under the provisions of the act is not expected to be material.

Note : 15 Borrowings

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Current maturities of long term debt	20.04	18.15	18.47
	Total	**20.04**	**18.15**	**18.47**

Note : 16 Other Financial Liabilities

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Caution deposit	9.99	8.59	9.77
2	Dividend Unpaid	0.86	-	-
	Total	**10.85**	**8.59**	**9.77**

Note : 17 Provisions **(₹ in Lakhs)**

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Accrued salary	47.00	41.12	0.51
2	Liability for Expenses	135.30	15.27	17.30
3	Provision for Gratuity	(0.49)	11.82	7.97
4	Provision for Taxation	37.56	7.67	-
	Total	**219.37**	**75.88**	**25.78**

Note : 18 Other Current Liabilities

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Advance received from customers	18.92	14.12	32.21
2	Statutory Dues	36.77	32.84	26.99
3	Other Liabilities	0.50	10.50	0.65
4	Interest accrued but not due on borrowings	-	0.22	-
	Total	**56.19**	**57.68**	**59.85**

Note No. : 19 Revenue from Operations

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Income From Medical Services	2,582.77	2,233.10
2	Pharmacy Sales	274.75	214.17
3	Contact Lens & Optical Sales	892.89	906.15
4	Income from Other utilities	51.81	43.05
	Total	**3,802.21**	**3,396.47**

Note No. : 20 Other Income

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Interest Receipts	33.95	36.09
2	Rent Receipts	30.00	1.95
3	Other Receipts	22.42	33.33
	Total	**86.36**	**71.37**

Note No. : 21 Cost of Material Consumed

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Opening Stock	77.60	111.53
2	Add: Purchases	592.95	443.17
		670.56	554.70
3	Less: Closing Stock	149.10	77.60
	Total	**521.45**	**477.10**

Note No. : 22 Purchase Stock In Trade

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Pharmacy Purchase	182.94	140.22
2	Purchase of Contact Lens & Opticals	333.96	373.78
3	Canteen & Utility Purchase	50.91	36.24
	Total	**567.81**	**550.24**

Note No. : 23 Service Expenses

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Professional charges to Doctors	547.86	467.51
2	Power & Fuel	98.38	85.97
	Total	**646.24**	**553.48**

Note No. : 24 Changes in Inventories

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Opening Stock	102.23	166.59
2	Closing Stock	89.80	102.23
	(Increase) / Decrease in Inventories	**12.43**	**64.36**

Note No. : 25 Employee Benefit Expenses

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Salaries, Wages & Bonus	687.34	623.76
2	Contribution to Provident and other Funds	72.97	63.87
3	Staff Welfare Expenses	15.42	10.37
4	Directors Remuneration	88.80	46.80
5	Directors Sitting Fee	2.00	2.05
	Total	**866.54**	**746.85**

Note No. : 26 Finance Costs

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Interest on Borrowings	4.10	6.43
2	Other Borrowing Costs	1.20	-
	Total	**5.31**	**6.43**

Note No. : 27 Depreciation and Amortization Expenses **(₹ in Lakhs)**

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Depreciation on Property, Plant & Equipment	304.19	301.29
2	Amortisation on Intangible Assets	5.98	7.11
3	Depreciation on Improvement to Leased assets	26.93	35.73
	Total	**337.10**	**344.12**

Note No. : 28 Other Expenses

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
1	Hospital Upkeep Expenses	36.69	32.84
2	Advertisement & Publicity	60.56	28.13
3	Auditors Remuneration	3.15	4.72
4	Internal Auditors Remuneration	5.00	5.76
5	Bank Charges	12.53	8.50
6	Board and AGM Meeting Expenses	4.33	5.43
7	Camp Expenses	3.19	1.97
8	Consulting Charges	0.74	-
9	Donation	0.01	0.05
10	Insurance Expenses	16.59	11.67
11	Interst on TDS ,ESI & Service Tax	0.29	0.09
12	License & taxes	15.79	14.05
13	Marketing,Conference expenses	20.65	20.38
14	Postage & Telegram	3.38	3.02
15	Printing & Stationery Expenses	22.33	16.73
16	Professional & Recommendation Charges	37.70	35.04
17	Rent	248.63	263.90
18	Sales Tax & Service Tax Paid	1.94	9.32
19	Security Expenses	26.90	23.61
20	Telephone Expenses	19.06	17.61
21	Travelling Expenses	13.53	12.27
22	Water Charges	12.91	12.30
23	Prior Period Expenses	5.19	3.69
24	Repairs & Maintenance - Building	3.13	4.63
25	Repairs & Maintenance - Equipment & Machinery	129.69	110.55
26	Repairs & Maintenance - Vehicle	22.99	19.39
27	Repairs & Maintenance - Others	5.53	2.40
28	Administrative & Other Expenses	15.29	9.68
29	Lab Expenses	2.44	2.48
30	Foreign Exchange Gain \ Loss	0.49	-
31	Bad debts written off	13.08	-
32	Provision for Bad & Doubtful Debts	1.92	-
	Total	**765.64**	**680.21**

Note No. : 29 Exceptional Items

1 The Company has disposed off one component of equipment during the year (Last Year : Sold its Furniture,Equipment,Battery & Vehicle)

Note No. : 30 Tax Expenses

(₹ in Lakhs)

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
i	**Current Tax**		
	In respect of the current year	37.56	7.67
	Prior period tax	-	1.73
		37.56	9.40
ii	**Deferred Tax**		
	In respect of the current year	(4.42)	(4.30)
	MAT Credit Entitlement	(37.56)	(7.67)
		(41.98)	(11.97)

Note No. : 31 Contingent Liabilities and Commitments as on the closing date

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
i	**Contingent Liabilities**		
	On account of pending Litigations Sales Tax Matters (along with interest and penalty if any)	31.39	31.39
	Total	31.39	31.39

Note No. : 32 General Notes

1. RECONCILIATION TO FIRST TIME ADOPTION OF IND AS

A)
BALANCE SHEET AS AT 1st APRIL, 2016

(₹ in Lakhs)

Particulars	Notes	IGAAP as at 1 April, 2016	Reclassification	Other Accounting Adjustments	Ind AS as at 1 April, 2016
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	2	4,329.87	-	-	4,329.87
(b) Capital work in progress	2	42.34	-	-	42.34
(c) Intangible Assets	2	27.06	-	-	27.06
		4,399.27	-	-	4,399.27
(d) Financial Assets					
i) Others	3	440.01	73.68	-	513.69
(e) Deferred Tax Asset (Net)	4	15.32	-	-	15.32
Total Non-Current Assets (A)		**4,854.60**	**73.68**	**-**	**4,928.28**
Current Assets					
(a) Inventories	5	278.12	-	-	278.12
(b) Financial Assets					
i) Trade receivables	6	50.94	-	-	50.94
ii) Cash and cash equivalents	7	247.37	(361.10)	-	(113.73)
iii) Bank balances other than (ii) above	8	-	287.42	-	287.42
(c) Other current assets	9	51.85	-	-	51.85
Total Current Assets (B)		**628.28**	**(73.68)**	**-**	**554.60**
Total Assets (A + B)		**5,482.88**	**-**	**-**	**5,482.88**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	10	2,079.63	-	-	2,079.63
(b) Other Equity	11	2,868.85	-	-	2,868.85
Total Equity (C)		**4,948.48**	**-**	**-**	**4,948.48**
Liabilities					
Non-current Liabilities					
(a) Financial Liabilities					
i) Borrowings	12	47.90	-	-	47.90
(b) Provisions	13	31.19	-	-	31.19
Total Non-current liabilities (D)		**79.09**	**-**	**-**	**79.09**
Current Liabilities					
(a) Financial Liabilities					
i) Trade payables	14	259.50	81.94	-	341.44
ii) Borrowings	15	-	18.47	-	18.47
ii) Other financial liabilities	16	-	9.77	-	9.77
(b) Provisions	17	25.92	(0.14)	-	25.78
(c) Other current liabilities	18	169.89	(110.04)	-	59.85
Total Current liabilities (E)		**455.31**	**-**	**-**	**455.31**
Total Liabilities (D + E)		**534.40**	**-**	**-**	**534.40**
Total Equity and Liabilities (C+ D + E)		**5,482.88**	**-**	**-**	**5,482.88**

B)

BALANCE SHEET AS AT 31st MARCH, 2017

(₹ in Lakhs)

Particulars	Notes	IGAAP as at 31 March, 2017	Reclassification	Other Accounting Adjustments	Ind AS as at 31 March, 2017
ASSETS					
Non-Current Assets					
(a) Property, Plant and Equipment	2	4,111.97	-	-	4,111.97
(b) Capital work in progress	2	65.48	-	-	65.48
(c) Intangible Assets	2	19.94	-	-	19.94
		4,197.39			4,197.39
(d) Financial Assets	3				
i) Others		427.12	150.66	-	577.78
(e) Deferred Tax Asset (Net)	4	19.62	21.84	-	41.46
Total Non-Current Assets (A)		**4,644.13**	**172.49**		**4,816.62**
Current Assets					
(a) Inventories	5	179.83	-	-	179.83
(b) Financial Assets					
i) Trade receivables	6	68.31	-	-	68.31
ii) Cash and cash equivalents	7	498.47	(577.53)	-	(79.06)
iii) Bank balances other than (ii) above	8	-	419.21	-	419.21
iv) Other financial assets		-	-	-	-
(c) Other current assets	9	88.81	-	-	88.81
Total Current Assets (B)		**835.42**	**(158.32)**	**-**	**677.10**
Total Assets (A + B)		**5,479.55**	**14.17**	**-**	**5,493.72**
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	10	2,079.63	-	-	2,079.63
(b) Other Equity	11	2,911.60	14.17	-	2,925.77
Total Equity (C)		**4,991.23**	**14.17**		**5,005.40**
Liabilities					
Non-current Liabilities					
(a) Financial Liabilities					
i) Borrowings	12	29.59	-	-	29.59
(b) Provisions	13	37.77	-	-	37.77
Total Non-current liabilities (D)		**67.36**	**-**	**-**	**67.36**
Current Liabilities					
(a) Financial Liabilities					
i) Trade payables	14	259.75	0.91	-	260.66
ii) Borrowings	15		18.15		18.15
iii) Other financial liabilities	16	-	8.59	-	8.59
(b) Provisions	17	43.35	32.53	-	75.88
(c) Other current liabilities	18	117.86	(60.18)	-	57.68
Total Current liabilities (E)		**420.96**	**-**	**-**	**420.96**
Total Liabilities (D + E)		**488.32**	**-**	**-**	**488.32**
Total Equity and Liabilities (C+ D + E)		**5,479.55**	**14.17**	**-**	**5,493.72**

C)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lakhs)

Particulars	Note No	IGAAP for the year 2016-17	Reclassification	Other Accounting Adjustments	Ind AS for the year 2016-17
Revenue from operations	17	3,396.47	-	-	3,396.47
Other Income	18	71.37	-	-	71.37
Total Revenue		**3,467.84**	**-**	**-**	**3,467.84**
Expenses:					
(a) Cost of materials consumed	19	477.10	-	-	477.10
(b) Purchase of Stock-in-Trade	20	550.24	-	-	550.24
(c) Service Expenses	21	553.48	-	-	553.48
(d) Changes in inventories of Finished Goods, W.I.P. & Stock-in-trade	22	64.36	-	-	64.36
(e) Employee Benefit Expense	23	745.29	3.22	(1.66)	746.85
(f) Finance Costs	24	6.43	-	-	6.43
(g) Depreciation and Amortization Expense	25	344.12	-	-	344.12
(h) Other Expenses	26	683.43	(3.22)	-	680.21
Total Expenses		**3,424.45**	**-**	**(1.66)**	**3,422.79**
Profit/(Loss) Before Exceptional items and tax		**43.39**	**-**	**1.66**	**45.05**
Exceptional Items	27	(3.22)			(3.22)
Profit/(Loss) Before Tax		**40.17**	**-**	**1.66**	**41.83**
Tax Expenses					
(a) Current tax		7.67	1.73	-	9.40
(b) Prior years		1.73	(1.73)	-	-
(c) MAT Credit Entitlement		(7.67)	7.67	-	-
(d) Deferred tax (Income) / Expenses		(4.30)	(7.67)	-	(11.97)
		(2.57)	**-**	**-**	**(2.57)**
Profit after tax from continuing operations for the year		**42.74**	**-**	**1.66**	**44.40**
Other Comprehensive Income, net of income tax					
A. Items that will not be reclassified to Profit or Loss					
- Remeasurement of post -employment defined benefit plans		-	-	(1.66)	(1.66)
- Income tax on the above item		-	-	0.51	0.51
B. Items that will be reclassified to Profir or Loss					
Total Other Comprehensive Income, net of income tax		**-**	**-**	**(1.15)**	**(1.15)**
Total comprehensive income for the period		**42.74**	**-**	**0.51**	**43.25**
Paid-up equity share capital (Face value of Rs. 10/- each)		2,079.63			2,079.63
Earning per equity share: (of Rs. 10/-) (Not annualised) :					
(1) Basic		0.21			0.21
(2) Diluted		0.21			0.21

D. STATEMENT OF RECONCILIATION OF OTHER EQUITY UNDER IND AS AND INDIAN GAAP FOR THE YEAR ENDED MARCH 31, 2017:

Particulars	Year ended 31st March, 2017
As per previous Indian GAAP	2,911.60
Reclassification of actuarial gain / (Loss) on defined benefit plans to other comprehensive income	1.66
Adjustment for Deferred Tax on Gratuity Provisions of Prior Years	13.66
Other comprehensive income (Net of tax)	(1.15)
As per Ind AS	2,925.77

E. PROFIT RECONCILIATION FOR THE YEAR ENDED MARCH 31, 2017:

Particulars	Year ended 31st March, 2017
Profit after tax as per IGAAP	42.74
Reclassification of actuarial gain / (Loss) on defined benefit plans to other comprehensive income	1.66
Profit as per Ind AS	44.40
Other Comprehensive Income	
Actuarial gain / (Loss) on defined benefit plans (net of tax)	(1.15)
Total Comprehensive Income as per Ind AS	**43.25**

2. Payments to the Auditors Comprises

Sr. No.	Particulars	Year ended 31st March, 2018	Year ended 31st March, 2017
a)	As Auditor		
	Statutory Audit Fee	2.75	3.05
	Tax Audit Fee	0.40	0.58
	VAT Audit Fee	-	0.17
b)	Other Capacity		
	Tax Representation	-	0.75
	Certification Fee	-	0.11
	Reimbursemsent of Expenses	-	0.06
	Total	3.15	4.72

3. Related Party Disclosures under Ind AS – 24

A. Relationship:

List of Related Parties where control exists and other related parties with whom the Company had transactions and their relationships:

a)	Key Management Personnel	:	1. Dr. S.K. Sundaramoorthy
			2. Ms. Sangeetha Sundaramoorthy
b)	Relatives of Key Managerial Personnel	:	1. Dr. Kavetha Sundaramoorthy
			2. Dr. Rajkumar Sundaramoorthy
c)	Other Related Party	:	1. Lotus Vision Research Trust
			2. Asean Optics Private Limited

B. Related Party Transactions:

The company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made and no amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exists that need to be disclosed. Following transactions were carried out with the related parties:

(₹ in Lakhs)

Nature of Transaction	Key Management Personnel		Other Related Parties		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Lease rent Paid:						
1. Dr. S.K. Sundaramoorthy	Nil	14.94	Nil	Nil	Nil	14.94
2. Lotus Vision Research Trust	Nil	Nil	Nil	8.00	Nil	8.00
Lease rent Received:						
1. Lotus Vision Research Trust	Nil	Nil	30.00	1.95	30.00	1.95
Remuneration:						
1. Dr. S.K. Sundaramoorthy	84.00	42.00	Nil	Nil	84.00	42.00
2. Ms. Sangeetha Sundaramoorthy	4.80	4.80	Nil	Nil	4.80	4.80
3. Dr. Rajkumar Sundaramoorthy	Nil	Nil	4.20	4.05	4.20	4.05

4. Employee benefits

a) Defined contribution plan:

The Company makes contributions towards provident fund and employees state insurance as a defined contribution retirement benefit fund for qualifying employees. The provident fund is operated by the regional provident fund commissioner. The Employees state insurance is operated by the Employees State Insurance Corporation. Under these schemes, the Company is required to contribute a specific percentage of the payroll cost as per the statue.

The total expenses recognized in the Statement of Profit and Loss of Rs. 72.97 Lakhs (for the year ended March 31, 2017: Rs. 63.87 Lakhs) represents contributions payable to these plans by the Company.

b) Defined benefit plans:

i. Gratuity

The company operates a defined benefit plan for payment of post-employment benefits in the form of Gratuity. Benefits under the plan are based on pay and years of service and are vested on completion of five years of service, as provided for in the Payment of Gratuity Act, 1972. The terms of benefits are common for all the employees of the company.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary risk and longevity risk.

Defined Benefit Plan:

I.PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]	**31 03 2017**	**31 03 2018**
Discount Rate	**6.60%**	**6.69%**
Rate of increase in compensation levels	**10.00%**	**5.68%**
Attrition Rate	**41.00%**	**50.00%**
Expected rate of return on Plan Assets	**6.60%**	**6.69%**
All amounts are in Rupees		
II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO)		
PVO as at the beginning of the period	39,15,384	**49,58,872**
Interest Cost	2,84,628	3,25,510
Current service cost	7,30,680	9,06,332
Past service cost	-	-
Benefits paid and Charges deducted	(1,38,115)	(53,813)
Actuarial loss/(gain) on obligation (balancing figure)	1,66,295	(12,26,947)
PVO as at the end of the period	49,58,872	**49,09,954**
III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:		
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	19,800
Contributions to the Fund	1,38,115	6,00,000
Contribution to meet direct benefit payments		53,813
Benefits paid and Charges deducted from the fund	(1,38,115)	-
Direct Benefit Payments		(53,813)
Actuarial gain/(loss) on plan assets [balancing figure]	-	(19,800)
Fair value of plan assets as at the end of the period	-	**6,00,000**

IV. ACTUAL RETURN ON PLAN ASSETS		
Expected return on plan assets	-	19,800
Actuarial gain (loss) on plan assets	-	(19,800)
Actual return on plan assets	-	-
V. ACTUARIAL GAINS AND LOSSES RECOGNIZED		
Actuarial gain (loss) for year - obligation	(1,66,295)	12,26,947
Actuarial gain (loss) for year - plan assets	-	(19,800)
Subtotal	(1,66,295)	12,07,147
Actuarial (gain) / loss recognized	1,66,295	(12,07,147)
Unrecognized actuarial gains (losses) at the end of the period	-	-
VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSES		
Present value of the obligation	49,58,872	49,09,954
Fair value of plan assets	-	6,00,000
Amount determined under para 63 of Ind AS19	49,58,872	43,09,954
Net Defined Benefit Liability recognized in the balance sheet	49,58,872	43,09,954
Present value of future reduction in contribution under para 65 of Ind AS 19	-	-
Net Defined Benefit Asset recognised under para 64 of Ind AS19	-	-
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS		
Current service cost	7,30,680	9,06,332
Net Interest on Net Defined Benefit Obligations	2,84,628	3,05,710
Net actuarial (gain)/loss recognised during the period	-	-
Past service cost	-	-
Expenses recognized in the statement of profit and loss	**10,15,308**	**12,12,042**
VIII. AMOUNT RECOGNIZED FOR THE CURRENT PERIOD IN THE STATEMENT OF OTHER COMPREHENSIVE INCOME [OCI]		
Actuarial (gain)/loss on Plan Obligations	1,66,295	(12,26,947)
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	19,800
Effect of Balance Sheet asset limit	-	-
Amount recognized in OCI for the current period	1,66,295	(12,07,147)

IX. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET		
Opening net liability adjusted for effect of balance sheet limit	39,15,384	49,58,872
Amount recognised in Profit and Loss	10,15,308	12,12,042
Amount recognised in OCI	1,66,295	(12,07,147)
Contribution paid	(1,38,115)	(6,53,813)
Closing net liability	49,58,872	**43,09,954**
X. AMOUNT FOR THE CURRENT PERIOD		
Present Value of obligation	49,58,872	**49,09,954**
Plan Assets	-	**6,00,000**
Surplus (Deficit)	(49,58,872)	**(43,09,954)**
Experience adjustments on plan liabilities - (loss)/gain	(81,317)	**4,52,679**
Impact of Change in Assumptions on Plan Liabilities-(loss)/gain	(84,978)	**7,74,268**
Experience adjustments on plan assets - (loss)/gain	-	**(19,800)**
XI. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)		
Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.00%	100.00%
Others (to specify)	0.00%	0.00%
Total	0.00%	100.00%

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L851101997PLC007783
Registered & Corporate Office: 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore- 641 014
E-Mail: companysecretary@lotuseye.org Web Site: www.lotuseye.org
Ph. No.: 0422 - 4229900 Fax: 0422 - 4229933

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)]

Name of the member(s) : .....

Registered Address : .....

Email ID : ……..……..…….. Folio No. / Client ID : …….. DP ID ……..…….....

I/We, being the member(s) holding ..... shares of the above named Company, hereby appoint

1. Name : ..... Address : .....

   ……..……..…….. Email ID : ..... Signature: ..... or failing him

2. Name : ..... Address : .....

   ……..……..…….. Email ID : ..... Signature: ..... or failing him

2. Name : ..... Address : .....

   ……..……..…….. Email 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 21st Annual General Meeting of the Company, to be held on Monday, 24th day of September, 2018 at 2.00 P.M. at Kasthuri Sreenivasan Trust Culture Centre, Avinashi Road, Coimbatore – 641 014 and at any adjournment thereof in respect of such resolutions as are indicated below:

S.No.	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, including the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date and the Reports of the Board of Directors and the Auditors thereon		
2.	To appoint a director in place of Ms. Sangeetha Sundaramoorthy (holding **DIN: 01859252**), who retires by rotation and being eligible, offers herself for re-appointment.		
3.	To declare dividend on Equity Shares.		

Affix Revenue Stamp

Signed this …… day of ……..…… 2018.
Signature of shareholder:
Signature of Proxy holder(s):
Notes:

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 the resolution, explanatory statements and Notes, please refer to the notice of 21st Annual General Meeting.
3. If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/she thinks fit.
4. *It is optional to put a 'X' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appripriate.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L85110TZ1997PLC007783
Regd. Office : SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014
Email : lotussecdept@gmail.com, Website: www.lotuseye.org
Phone: 0422 4229900 Fax: 0422 4229933

ATTENDANCE SLIP

21st ANNUAL GENERAL MEETING

DP ID		Folio No.	
Client ID		No. of Shares	
Name and address of the Shareholder			
Joint holders			
Name of Proxy			

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the Company held on Monday, 24th day of September, 2018 at 2.00 P.M. at Kasthuri Sreenivasan Trust Culture Centre, Avinashi Road, Coimbatore – 641 014

_____
Signature of Shareholder / Joint holders / Proxy

NOTE :

1. Please complete the Folio / DP ID – Client ID No. and name, sign this Attendance Slip and handover at the Attendance Verification Counter at THE MEETING HALL.
2. Electronic copy of the Annual Report for FY 2017-18 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2017-18 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.

E-VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	USER ID	PASSWORD*
	Folio No / Client ID	PAN Number/Bank Account No/ Date of Birth

Physical Shareholders who does not have PAN should enter No. of Shares they hold as their password if they prefer to exercise e-voting.

The e-voting facility will be available during the following voting period:

Commencement of e-voting	End of e-voting
Friday, 21st September, 2018 (From 10.00 AM)	Sunday, 23rd September, 2018 (5.00 PM)

Note: Please refer the details and instructions form integral part of the Notice for the Annual General Meeting.

LOTUS

EMPOWERING EYES - ILLUMINATING LIVES

PATIENT HAPPY TESTIMONIALS

I really had a great experience in treatment in lotus. I have to thank Dr. Anand and Dr.Madhu for treatment.

Mr. Kesav Vedha, Coimbatore

I am maheswari from tirunelveli.i have planned to do lasik.my sis three months before had lasik(smile)in lotus eye hospital.when she told about her surgery experience I too decided to have surgery in same hospital.i had no pain and irritation during r after surgery.it all finished within 10 mins.and also within one hour I got clear vision.their approach and service is good.i am thankful to Dr.Anand for made this as successful.

Ms. Maheswari, Tirunelveli

have done lasik one week before.Now I'm feeling so comfortable and my vision is clear.Thanks to Dr.Anandh and lotus eye care. Staffs in lotus eye care are very kind and patience.

Mr. Saran P, Coimbatore

Thanks for the excellent hospitality. Staffs, supervisor are super caring,.so responsive. Thanks for excellent service, clean environment. Their hospitality makes me to refer more people.

Ms. Priya E, Coimbatore

Tomorrow's Technology Today at Lotus



LOTUS

EMPOWERING EYES | ILLUMINATING LIVES

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

(Formerly Lotus Eye Care Hospital Limited)

CIN: L85110TZ1997PLC007783

S.F. No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore - 641 014.

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