



**ANNUAL
REPORT
2018-19**

Contents

- Board of Directors
- Management Team
- List of Consultants
- Chairman's Message
- Notice of Annual General Meeting
- Directors Report
- Secretarial Audit Report
- Auditors Report
- Balance Sheet
- Profit and Loss Account
- Notes to Financial Statements
- Shareholders Information Form
- Attendance Slip
- Proxy Form
- Route map to AGM Venue

Board of Directors

● Dr. Ali Kumble	-	Chairman
● Dr. Yusuf .A. Kumble	-	Managing Director
● Mr. Abdul Latheef	-	Vice Chairman
● Mr. K.N. Abdul Hameed		
● Mr. Basir Kinningar		
● Mr. Haneefa Aramana		
● Mrs. Nifri Yusuf		
● Mrs. Raziya Ali		
● Dr. Zulkifli Misri		
● Dr. Elvis Rodrigues		
● Mr. BN Harish	-	Independent Director
● Mr. Prasad Bellipady Kausal	-	Independent Director

Management Team

● Mr. Kesav Das	-	Senior Advisor
● Mr. Chaitanya V	-	Chief Financial Officer
● Dr. Anoop Nambiar	-	General Manager- Operations
● Dr. Devanand Shetty M	-	Medical Administrator
● Mrs. Poornima Udupa	-	Sr. Manager Operations
● Mr. Powloose Skariya	-	Manager Radiology
● Mr. Antony K.F	-	Manager Maintenance
● Mr. Kiran Kumar	-	Manager Finance
● Mrs. Flavy	-	Dy. Nursing Superintendent

Investor Relation Cell:

Email: investorrelations@indianahospital.in

Cell: 0091-7760469888

Tel: 0824-2880880

Registered Office

**Mahaveer Circle, Pumpwell, Kankanady Post,
Mangalore-575002, Karnataka**

List of Consultants

1	Department of Orthopedics & Joint Replacement Surgery	Dr. Naveen chandra Alva Dr. Jalaluddin Dr. Rizwan
2	Department of Gynaecology & Obstetrics	Dr. Bhavana Y Sherigar
3	Department of Pediatrics & Neonatology	Dr. Ali Kumble Dr. Abhishek K Phadke
4	Department of Nephrology	Dr. Pradeep K.J
5	Department of Gastroenterology	Dr. Apoorva.S
6	Department of Psychiatry	Dr Sivagnanalingam Sivakanth
7	Department of Radiology	Dr. Peter Jayaraj Dr. Sunil H C
8	Department of ENT	Dr. Pallavi Pavithran
9	Department of General Medicine	Dr. Adithya V Bharadwaj Dr.Sayid Fahad Nizar
10	Department of Gen. & Laparoscopic Surgery	Dr. Keshav Prasad Y. V
11	Department of Cardiology	Dr. Yusuf. A. Kumble Dr. Abdul Munsoor K Dr. Jenu James Chakola
12	Department of Cardio Thoracic Surgery	Dr. Prashanth Vaijyanathan
13	Department of Neurology	Dr. Zulkifli Misri
14	Department of Anesthesia	Dr. Seema Alva Dr. Shanfer
15	Department of Emergency Medicine	Dr. Salfi P.K Dr. Ashok Kumar K Dr. Ajit Alfred Solomon
16	Department of Neuro Surgery	Dr. Elvis Rodrigues
17	Department of Urology	Dr. Abijith Shetty
18	Department of Dermatology	Dr. Shubha
19	Department of Rheumatology	Dr. Arifa Haleema
20	Department of Pathology	Dr. Bhaskar U .A
21	Department of Dentistry	Dr. Meghana .S. Kumar
22	Department of Ophthalmology	Dr. Shahida Banu

Chairman Message

Dear Shareholders,

While we are into our Seventh year of operations of our Hospital, I begin this letter with a sense of pride about how well our company has performed. I am extremely glad to inform you that our company has made Profit of Rs.459.49 lakhs. It is not only about our strong financial performance but also about how much we have accomplished to help our patients, stake investors and the community.

Financial Performance of the Company

The financial performance of the Company has improved over the previous year as shown below: (Rupees in Lakhs)

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Revenue	4608.32	4,376.78	3,825.96	3,162.17	2,926.44	2,487.62	2,087.43
Revenue	4,608.32	4,376.78	3,825.96	3,161.54	2,926.44	2,487.62	2,087.43
EBIDTA	974.66	813.20	665.49	448.59	346.47	298.84	188.97
Cash Profit	897.44	705.58	558.01	253.46	114.14	89.45	9.67
Net Profit before Tax	623.57	431.40	263.29	15.18	(130.92)	(81.24)	(161.94)
Net Profit after Tax	459.49	410.42	237.06	15.18	(130.92)	(81.24)	(161.94)

Some of the highlights of our performance is as below:

- The Company has made a net profit of Rs 459.49 lakhs. Revenue and EBIDTA of the company has grown by 5% and 20% respectively.

Our Special Thanks

We wish to thank all our investors who had reposed their full trust on us and supported us in our journey so far. Our sincere appreciation also to all our Consultants, Technicians, Paramedics, Nursing and all Staff members for their commitment and hard work. Finally, we wish to thank all our patients and their families.

Conclusion

The next Annual General Meeting of the Company is scheduled on Thursday, the 12th September 2019. We look forward to meeting you all personally. The venue of the AGM will be the hospital premises which will also provide an opportunity for our investors to see their hospital.

With Best Regards.

Dr. Ali Kumble
Chairman

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 9th Annual General Meeting of the members of the Company will be held on Thursday, the 12th day of September, 2019 at 11.00 A.M. at the Registered Office of the Company at Mahaveer Circle, Pumpwell, Kankanady Post, Mangalore -575002 to consider the following Business.

ORDINARY BUSINESS:

1. To receive, consider, adopt and approve the Audited Financial Statements of the Company for the year ended 31st March 2019 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. K N Abdul Hameed, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Dr. Zulkifli Misri, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mrs. Nifri Yusuf, who retires by rotation and being eligible offers herself for re-appointment.
5. To Declare Dividend on
 - I. Preference Shares at 5%, which are in arrears for the financial year 2013-14 to 2017-18.
 - II. Preference Shares at 5% for the financial year 2018-19.
 - III. Equity Shares at 3% for the financial year 2018-2019.

SPECIAL BUSINESS:

6. To consider and pass with or without modification(s), the following resolution, as a Special Resolution:

“RESOLVED THAT in terms of Sections 42 and 62 and all other applicable provisions, if any, of the Companies Act, 2013, and Companies (Prospectus and Allotment of Securities) Rules, 2014, and Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules made there-under (including any statutory modification(s) or re-enactments thereof for the time being in force) or any other rules made there under as amended from time to time and other applicable laws, if any, each as may be applicable, and the provisions of the Memorandum and Articles of Association of the Company and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company and subject to such, consents and approvals of any statutory/regulatory authority, or such other bodies or authorities as may be required by law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals and which may be agreed to by or any other authorities as may be necessary for that purpose, the consent of the members of the company be and is hereby accorded for raising by issue of equity shares of Rs.10/- each at Rs.12.5/- per share, in one or more tranches, as per the structure and within the limits permitted by the regulatory authorities, to eligible investors of an amount not exceeding Rs. 7,14,26,040/-.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to do all such acts, deeds, matters and execute all documents as may be necessary in this regard and to delegate all or any of the power herein conferred, to any one or more Directors of the Company.”

7. To consider and pass with or without modification(s), the following resolution, as an Ordinary Resolution:

“RESOLVED THAT Mr.B.N.Harish (DIN 01295494), who was appointed by the Board of Directors as an Additional Director in independent capacity of the Company with effect from March 22, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”)but who is eligible for appointment and in respect of whom a recommendation has been received from the Nomination and Remuneration Committee, be and is hereby appointed as a director of the company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, the appointment of Mr.B.N.Harish, who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing March22, 2019 to March 21, 2024, be and is hereby approved.”

8. To consider and pass with or without modification(s), the following resolution, as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, the consent of the Members be and is hereby accorded for the payment of revised remuneration up to a limit of Rs. 60,00,000/- (Rupees Sixty Lakh Only) per annum to Dr Elvis Rodrigues, a Director of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

By Order of the Board,
For Indiana Hospital and Heart Institute Limited,

Yusuf Aramanayil
Managing Director
Din: 00354740

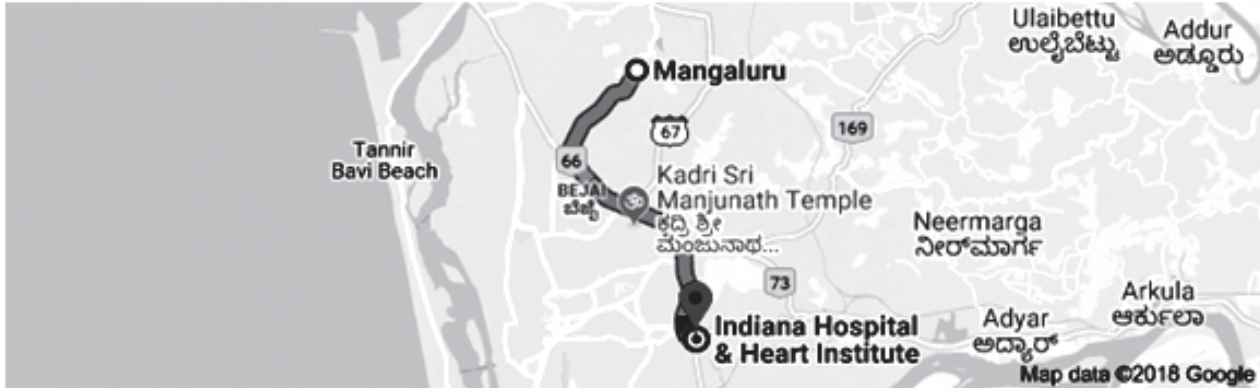
Ali Kumble
Whole-time Director
Din:00353935

Place: Mangalore | Date: 05.08.2019

Note:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxy Form enclosed.
2. Proxies, to be effective, must reach the company not less than 48 hours before the meeting. Members are requested to notify their change of address, if any, to the company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. All documents referred to in accompanying Notice and Statement pursuant to section 102 shall be open for inspection at the registered office of the Company during the office hours on all working days between 10 a.m. to 5 p.m. up to the conclusion of AGM.
5. Members wishing to seek further information or clarification on the Financial Statements or operations of the Company at the Meeting are requested to send their queries at least 48 hours in advance of the date of the Meeting addressed to the Company Secretary at the Registered Office of the Company.
6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to the Company in case the shares are held in physical form.
7. Only individual members/shareholders, holding shares in physical form who wish to nominate a person under Section 72 of the Act, may furnish us required details in the prescribed Form SH-13, which is available on demand.
8. Members / Proxies should bring their copies of Annual Reports and Attendance Slips duly filled in, for attending the meeting.
9. Members may please note that no gifts/ gift coupons shall be distributed at the venue of the Annual General Meeting.
10. At the AGM held on September 22, 2016 the members approved appointment of Varma & Varma, Chartered Accountants (Firm Registration No. 004532S) as Statutory Auditors of the Company to hold office for a period of three years from 01.04.2017 to 31.03.2020, subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to the appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of the appointment of statutory auditors at the ensuing AGM.

11. Route map of venue of the annual general meeting.



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

Item No. 6

The Company has been raising funds by issuing securities, from time to time.

In terms of Sections 42 and 62 of the Companies Act, 2013 and rules made there under (the “Act”), a company can undertake the issue and allotment of the shares only after obtaining prior approval of the shareholders by way of special resolution in terms of Sections 42 and 62 and other applicable provisions of the Companies Act, 2013, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014. Accordingly, the Company in the Board meeting held on 02.08.2019 decided to propose the issue of equity shares for an amount not exceeding Rs. 7,14,26,040/-. Consent of the shareholders is sought for issuing the Equity Shares as stated in the resolution.

In terms of the rules mentioned above the following disclosures are needed to be made in the Explanatory Statement to the Notice of the General Meeting:

- **Objects of the issue:**

To finance (wholly or in part) one or more, or any combination, of the following: (a) capital expenditure, for ongoing and new projects and (b) general corporate purposes.

- **The total number of shares or other securities to be issued:**

The Board intends to offer, issue and allot equity shares of Rs.10/- each at Rs.12.5/- per share for an amount not exceeding Rs. 7,14,26,040/-*.

* Being the difference between the Authorized Equity Share capital of Rs. 55,80,00,000/-, and the Issued, Subscribed and Paid-up Equity Share capital of Rs. 48,65,73,960/-.

- **The basis on which the price has been arrived at:**

As decided by the Board based on the valuation report given by Mr. Raju PK, Registered Valuer, Kochi, Kerala.

- **The class or classes of persons to whom the allotment is proposed to be made:**

The Company intends to allot the shares to promoters, existing shareholders and other eligible investors.

- **The intention of promoters, directors or key managerial personnel to subscribe to the offer:**

Promoters and Directors intend to take part in the proposed issue of equity shares.

- **Equity Shareholding pattern of the Company as on 31.03.2019**

SI No.	Category of shareholders	No of shares	Percentage
A	Promoter Holding - Individual		
1.	Indian	2,72,31,276	55.97
2.	Non-Resident Indian	1,00,46,800	20.65
	Sub Total – A	3,72,78,076	76.61
B	Non-Promoter Holding – Individual		
1.	Indian	28,15,320	5.79
2.	Non-Resident Indian	85,64,000	17.60
	Sub Total – B	1,13,79,320	23.39
	TOTAL -	4,86,57,396	100

- **Approvals**

The Company will take necessary steps to obtain the required approvals from any of the regulatory agency, if any, as may be applicable, for the proposed issue of equity shares.

- **Terms of issue**

The new equity shares issued shall rank pari-passu with the existing equity shares of the Company in all respects.

- **The validity of the resolution**

The proposed resolution, if passed, shall stand valid for 1 year from the date of passing of the resolution.

- **Change in control**

To the extent of the allotments made, shareholding would undergo changes. There shall not be any change in control.

Hence the Directors recommend the resolution for members' approval as a Special Resolution. None of the Directors, Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise in this Resolution.

Item No. 7

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors appointed Mr.B.N.Harish (DIN: 01295494) as an Additional Director of the Company in Independent Capacity, not liable to retire by rotation.

Pursuant to the provisions of Section 161(1) of the Act an Additional Director shall hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed as Director. The Company has received a recommendation from the Nomination and Remuneration Committee.

The Company has received declarations from Mr.B.N.Harish to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed there under. In the opinion of the Board, Mr.B.N.Harish fulfils the conditions specified in the Act and Rules made there under as an Independent Director and he is independent of the management of the Company.

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 2nd August, 2019, recommended for the approval of the Members, the appointment of Mr.B.N.Harish (DIN: 01295494), as an Independent Director of the Company, in terms of Section 149 read with Schedule IV of the Companies Act, 2013.

A brief profile of the Independent Director to be appointed is given below:

BN Harish

He is a retired Central Government Officer belonging to Indian Corporate Law Service (ICLS) of Ministry of Corporate Affairs, Govt. of India. He has worked in the Ministry of Corporate Affairs in different capacities for more than 34 years such as:-

- Regional Director of South East Region, Southern Region and Northern Region.
- Director (Inspection & Investigation) New Delhi, a rank equivalent to Joint Secretary to the Govt. of India.
- Registrar of Companies - Karnataka, Tamil Nadu, Gujarat, Kerala, M. P., and Goa Daman & Diu
And
- Official Liquidator High Court of Karnataka.

He was the architect for implementing two corporate legislations, namely Limited Liability Partnership Act, 2008 and Companies Act, 2013 and for that outstanding work, he was honored by the Government of India. Post retirement he is providing services various corporates as an Independent Advisor.

In compliance with the provisions of Section 149 and other applicable regulations, the appointment of Mr BN Harish as an Independent Director is now being placed before the Members for their approval.

The Board recommends the Resolution in Item No. 7 of this Notice for approval of the Members.

None of the Directors, Relatives, Managers or Key Managerial Personnel of your Company except Mr.B N Harish is concerned or interested in the resolution.

Item No. 8

The Board of Directors at their meeting held on 2nd August 2019, on the recommendation of Audit Committee and Nomination and Remuneration Committee of the Company, has approved revised remuneration payable to Dr. Elvis Rodrigues, Consultant Surgeon, up to a maximum of Rs.60,00,000 (Rupees Sixty Lakh only) per annum which is commensurate with his experience and as per prevalent industry standards.

As Dr. Elvis Rodrigues is a Director of the Company, he is considered to be holding an office or place of profit in the Company in terms of Section 188 (1)(f) of the Companies Act, 2013.

Since the above-proposed revision in remuneration exceeds the limit prescribed under Section 188 of the Companies Act 2013, the same shall require approval of the Members.

Accordingly, the Board recommends passing of the resolution as set out at Item No. 8 of this Notice, for the approval of the Members.

None of the Directors, Relatives, Managers or Key Managerial Personnel of your Company except Dr. Elvis Rodrigues is concerned or interested in the resolution.

**By Order of the Board,
For Indiana Hospital and Heart Institute Limited,**

Yusuf Aramanayil
Managing Director
Din: 00354740

Ali Kumble
Whole-time Director
Din:00353935

Place: Mangalore | Date: 05.08.2019

BOARD'S REPORT

To the Members of Indiana Hospital and Heart Institute Limited,

The Directors have pleasure in placing before you the Audited Financial Statements of the Company for the financial year ended 31st March, 2019. As per the provisions of Section 134 of the Companies Act, 2013 (hereinafter called "The Act") read with Companies (Accounts) Rules, 2014 we are presenting the Board's Report as below:

PARTICULARS	31st March, 2019	31st March, 2018
Revenue from Operations	45,09,00,740/-	42,73,95,199/-
Revenue from Operations	45,09,00,740/-	42,73,95,199/-
Other Income	99,31,558/-	1,02,83,152/-
Total Income	46,08,32,298/-	43,76,78,351/-
Employee benefit expenses	7,24,93,215/-	7,15,06,709/-
Depreciation and Amortization Expense	2,73,86,349/-	2,74,17,335/-
Finance Costs	77,22,354/-	1,07,62,655/-
Profit / Loss– Before Tax & Extra Ordinary Items	6,26,81,643/-	4,31,40,249/-
Extra Ordinary Items	3,23,834/-	-
Current Tax	1,09,71,800/-	42,23,000/-
MAT Credit entitlement	(1,09,71,800/-)	(38,32,000/-)
Tax expense for the preceding year	-	(26,23,000/-)
Deferred Tax	1,64,08,000/-	43,30,000/-
Profit – After Tax & Extra Ordinary Items	4,59,49,809/-	4,10,42,249/-

2. **STATE OF AFFAIRS OF THE COMPANY – Section 134(i) read with Rule 8(5)(I):** During the year under review, the Company has achieved a total revenue of Rs. 45.09 Crores compared to Rs. 42.73 Crores in the previous year. After providing for all expenses, the before tax profit for the year was Rs. 6.23 Crores as against Rs. 4.31 Crores in the previous year. The Directors are hopeful of achieving better results in the coming years.

3. **FUTURE OUT-LOOK:**

The company is exploring all the possibilities of expanding its business and your Directors anticipate better performance during the current year.

4. DIVIDEND - 134(3) (k) OF THE ACT:

During the year 2018-19, based on Company's performance, the Directors had declared and paid an interim dividend for three years which were in arrears to the preference shareholders.

Your directors recommend 5% dividend to the Preference shareholders for the financial years pertaining from 2013-14 to 2017-18 which were in arrears along with 3% dividend on Equity Shares and 5% dividend on Preference Shares for the financial year 2018-19.

5. TRANSFER TO RESERVES IN TERMS OF SECTION 134(3) (j)

In view of the proposed dividend, the major portion of surplus shall be distributed and no amounts are transferred to the reserves for the period under review.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY - RULE 8 (5) (ii) :

NIL

7. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATE COMPANIES/JV COMPANIES – RULE 8 (5) (iv):

The company does not have any such Subsidiary/ Associate Companies/ joint Venture Companies.

8. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND: SECTION 125(2) OF THE ACT.

The provisions of Section 125(2) of the Companies Act, 2013 do not apply for the year under Report as there was no unpaid dividend amount required to be transferred to the Investor Education and Protection Fund Account during the year under report.

9. MATERIAL CHANGES AND COMMITMENTS - SECTION 134(3) (l):

There are no material changes and commitments subsequent to the period of financial statements i.e. from 1st April 2019 to the date signing of the Financial Statements and the report.

10. EXTRACT OF ANNUAL RETURN - SECTION 134 (3) (a) READ WITH SECTION 92(3) OF THE ACT:

The extract of Annual Return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed as Annexure I is available on the website of the Company at URL: <https://www.indianahospital.in/sr-reports>

11. DIRECTORS and KEY MANAGERIAL PERSONNEL:

During the year, Mr.B.N.Harish was appointed as an Additional Director in Independent Capacity in the Board Meeting held on 22.03.2019. A resolution seeking shareholders' approval for his appointment forms a part of the Notice.

As per the Articles of Association of the Company, the Directors, Mr. K N Abdul Hameed, Dr.Zulkifli Misri and Mrs. Nifri Yusuf, shall retire at this Annual General Meeting and being eligible offers themselves for re-appointment.

During the year, Mr. Mohammed Ismail Hejamady resigned from the position of independent director with effect from October 04, 2018 as part of the Boards succession planning. The Board places on record its appreciation for the invaluable contribution and guidance of Mr. Mohammed Ismail Hejamady.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2019 is Mr. Chaitanya V who is holding the position of CFO and he has been appointed as the Company Secretary in June, 2019.

12. INDEPENDENT DIRECTORS and DECLARATION– SECTION 134 (3) (e) OF THE ACT:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

13. NOMINATION AND REMUNERATION COMMITTEE

The Company's Nomination and Remuneration Committee comprises of Independent Directors and Non-executive Director. The details are given below.

Name of the Director	Category of the Director
Mr. Prasad Kaushal Bellipady	Independent Director
Mr. B N Harish	Additional Director (Independent)
Mr. Haneefa Aramana	Non-Executive Director

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
 - c. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

During the Financial Year 2018-2019 the Committee held Four meetings as is given below:-

Sl. No.	Date of Meeting	Committee Strength	No. of Members Present
1	18.06.2018	3	2
2	24.08.2018	3	3
3	17.12.2018	3	2
4	22.03.2019	3	2

13. MEETING OF THE BOARD OF DIRECTORS – SECTION 134 (3) (b) OF THE ACT:

During the Financial Year 2018-2019 the Company held seven meetings of the Board of Directors, as per Section 173 of the Companies Act, 2013, as given below

Sl. No.	Date of Meeting	Board Strength	No. of Directors Present
1	20.04.2018	12	8
2	11.05.2018	12	6
3	18.06.2018	12	10
4	24.08.2018	12	11
5	04.10.2018	12	10
6	17.12.2018	11	10
7	22.03.2019	11	10

14. DIRECTORS' RESPONSIBILITY STATEMENT – 134 (3) (c) OF THE ACT:

In terms of Section 134 (3) (c) of the Companies Act 2013, the Directors confirm the following:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

5. AUDITORS – SECTION 139 (1) OF THE ACT:

At the Annual General Meeting held on 22.09.2016, the Members approved appointment of M/s. Varma and Varma, Chartered Accountants, (FRN:004532S) Statutory Auditors of the Company to hold office for a period of 3 years from 01.04.2017 to 31.03.2020 subject to ratification of their appointment by Members at every AGM, if so required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM and a note in respect of same has been included in the Notice for this AGM.

16. AUDITOR'S REPORT – SECTION 134 (3) (f) OF THE ACT:

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

17. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS – Rule 8 (5) (VIII):

There is adequate internal control procedure commensurate with the size of the company and the nature of its business. Further, the board has neither come across nor has been informed of any continuing failure to correct the major weakness in the existing internal control system.

18. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS - SECTION 134 (3) (g) READ WITH SECTION 186 OF THE ACT:

The particulars of loans, guarantees and investments, if any, have been disclosed in the financial statements.

19. RELATED PARTY TRANSACTIONS – SECTION 188 (1) OF THE ACT:

There are transactions, Contracts or Arrangements with related parties made pursuant to Section 188(1) of the Companies Act, 2013. The transactions between the Company and its related parties are at arm's length basis in terms of the provisions of Sec. 188 of the Companies Act, 2013 and had taken place in ordinary course of business. Details of transactions are given in ANNEXURE II

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO – SECTION 134 (3) (m) OF THE ACT:

(A) Conservation of energy: Nil

(B) Technology absorption: Nil

(C) Foreign Exchange Inflow and Outgo:

Foreign Exchange Inflow – **Rs. 28,98,001/-**

Foreign Exchange Outflow – **Rs. 11,23,010/-**

21. RISK MANAGEMENT POLICY – SECTION 134 (3) (n) OF THE ACT:

As the company in the process of exploring more business activities. As a management policy it is in the process of evolving its own Risk Management Methods as part of the business and credit policy.

22. PARTICULARS OF EMPLOYEES:

In terms with Rule 5(2) of Companies (Appointment & Remuneration) Rules, 2014, there was no employee who was in receipt of remuneration of Rs.8.5 Lakhs or more per month or Rs. 102 Lakhs or more per Annum or in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the Equity Shares of the Company during the period under report.

23. DETAILS RELATING TO DEPOSITS – RULE 8 (5) (v) AND (vi):

The Company has not accepted any Deposit falling within the purview of Section 73 of the Companies Act, 2013 read with the Rules made there under. Hence, details as required under Rule 8(5) (v) of the Companies (Accounts) Rules, 2014 are not provided.

24. SHARES

The company has allotted 1,75,000 Equity Shares during the year.

A to C: Buy Back, Sweat Equity/ Bonus

The Company has not issued any Sweat Equity/Bought back any of its securities during the year under report.

D: Employees Stock Option Plan: The Company has not provided any Stock Option Scheme to the employees.

25. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS – Rule 8 (5) (vii):

Directors hereby confirm that there are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

26. CORPORATE SOCIAL RESPONSIBILITY POLICY – SECTION 134 (3) (o) OF THE ACT AND RULE 9:

Section 135 of the Companies Act, 2013 read with Companies (CSR Policy) Rules 2014, is not applicable to the company for the year under Report. However, as and when found necessary the company will undertake various activities under CSR Policy.

27. DISCLOSURE ABOUT COST AUDIT – SECTION 148 OF THE ACT:

The Company has maintained cost records as prescribed by the Central Government as also in terms of Section 148(1) of the Companies Act, 2013.

28. SECRETARIAL STANDARDS – SS 1 AND SS 2 OF THE ICSI:

The Company is generally complying with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) which have become mandatory for compliance.

29. SECRETARIAL AUDIT REPORT – SECTION 204 OF THE ACT:

The Company is required to obtain Secretarial Audit Report as required under Section 204 of the Companies Act, 2013. The report obtained from M/s. JKM & Associates, Company Secretaries is given as ANNEXURE III.

30. COMPOSITION OF AUDIT COMMITTEE – SECTION 177 OF THE ACT:

During the year, there were regular meetings of the Committee. The composition of Audit Committee as on date of the report is given below.

Sl. No	Name of Member	Category
1.	Basir Kinningar	Non-Executive Director
2.	B N Harish	Additional Director (Independent)
3.	Bellipady Prasad Kaushal	Independent, Non-Executive Director

The Chief Financial Officer of the Company is a permanent invitee of the Committee. The audit committee may, for the comments of the auditors about internal control systems, the scope of audit including the observations of the auditors and review of the financial statement, place their submission to the Board and may also discuss any related issues with the internal and statutory auditors and management of the company.

During the Financial Year 2018-2019 the Committee held Four meetings as is given below:-

Sl. No.	Date of Meeting	Committee Strength	No. of Members Present
1	18.06.2018	4	3
2	24.08.2018	4	3
3	17.12.2018	4	4
4	22.03.2019	4	3

31. ANNUAL EVALUATION – SECTION 134 (3) (p) OF THE ACT.

The Board conducted evaluation through internal process. There were opportunities for the board members to interact and communicate with the co-members, Chairman and Independent Directors. Also opportunities were available for committees to interact and communicate with other members of the Company.

32. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

33. ACKNOWLEDGEMENT:

Your Directors wish to record their deep sense of appreciation for the co-operation and support extended by Promoters, Banks, Customers, well-wishers and employees of the Company.

By Order of the Board, For Indiana Hospital and Heart Institute Limited,

Place: Mangalore
Date: 5th Aug 2019

Yusuf Aramanayil
Managing Director
Din: 00354740

Ali Kumble
Whole-time Director
Din:00353935

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U85110KA2010PLC052336
2.	Registration Date	02-01-2010
3.	Name of the Company	INDIANA HOSPITAL AND HEART INSTITUTE LIMITED
4.	Category/Sub-category of the Company	Company limited by Shares Non-Government Company
5.	Address of the Registered office & contact details	MAHAVEER CIRCLE, PUMPWELL KANKANADY POST, MANGALORE-575002
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	GNSA Infotech Private Limited,

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	HOSPITAL ACTIVITY	85110	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company		Holding/Subsidiary/ Associate	% Shares held	Applicable Section
1	NIL				

IV. SHARE HOLDING PATTERN

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian				54.69				55.97	(1)
a) Individual/ HUF	-	2,65,16,276	2,65,16,276		-	2,72,31,276	2,72,31,276		-
b) Central Govt	-				-				-
c) State Govt(s)	-				-				-
d) Bodies Corp.	-				-				-
e) Banks / FI	-				-				-
f) Relative of Promoters	-				-				-
Sub Total (A) (1)	-	2,65,16,276	2,65,16,276	54.69	-	2,72,31,276	2,72,31,276	55.97	(1)
(2) Foreign									
a) NRI Individuals	-	97,66,800	97,66,800	20.15	-	1,00,46,800	1,00,46,800	20.65	1
b) Other Individuals	-				-				-
c) Bodies Corp.	-				-				-
d) Any other	-				-				-
Sub Total (A) (2)	-	97,66,800	97,66,800	20.16	-	1,00,46,800	1,00,46,800	20.65	0
TOTAL (A)	-	3,62,83,076	3,62,83,076	74.84	-	3,72,78,076	3,72,78,076	76.61	(2)
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-				-				-
b) Banks / FI	-				-				-
c) Central Govt	-				-				-
d) State Govt(s)	-				-				-
e) Venture Capital Funds	-				-				-
f) Insurance Companies	-				-				-
g) FIs	-				-				-
h) Foreign Venture Capital Funds	-				-				-
i) Others (specify)	-				-				-
Sub-total (B)(1)	-				-				-

(ii) Shareholding of Promoter

SN	Shareholder's Name	Share holding at the beginning of the year				Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares		
1	Dr. Ali Kumble	96,23,488	19.85%	0	98,13,488	20.17%	0	0.32%	
2	Dr. Yusuf Aramanayil	1,44,73,788	29.85%	0	1,47,23,788	30.26%	0	0.41%	
3	Mr. Kottapurath Nalupurappattil Abdul Hameed	32,75,800	6.76%	0	32,75,800	6.73%	0	-0.02%	
4	Mr. Haneefa Aramana	16,31,000	3.36%	0	16,31,000	3.35%	0	-0.01%	
5	Dr. Zulkifli Misri	5,01,000	1.03%	0	5,01,000	1.03%	0	0.00%	
6	Mrs. Nifri Yusuf	1,36,000	0.28%	0	3,71,000	0.76%	0	0.48%	
7	Mrs. Bukhari Haleema Raziya Ali	1,51,000	0.31%	0	1,51,000	0.31%	0	0.00%	
8	Mr. Abdul Latheef	34,51,000	7.12%	0	37,31,000	7.67%	0	0.55%	
9	Mr. Basir Kinningar	30,40,000	6.27%	0	30,40,000	6.25%	0	-0.02%	
10	Dr. Elviz Rodriguez	20,000	0.04%	0	40,000	0.08%	0	0.04%	
	TOTAL	3,63,03,076	74.88%	0	3,72,78,076	76.61%	0	1.73%	

(iii) Change in Promoters' Shareholding

SN	Particulars	Reason	Shareholding at the beginning of the year		Shareholding at the end of the year	
			No. of Shares	% of total shares	No. of Shares	% of total shares
1	Dr. Yusuf Aramanayil	Share transfer	1,44,73,788	29.85%	1,47,23,788	30.26%
2	Dr. Ali Kumble	Share transfer	96,23,488	19.85%	98,13,488	20.17%
3	Mr. Abdul Latheef	Share transfer	34,51,000	7.12%	37,31,000	7.67%
4	Mrs. Nifri Yusuf	Share transfer	1,36,000	0.28%	3,71,000	0.76%
5	Dr. Elviz Rodriguez	Allotment	20,000	0.04%	40,000	0.08%

(iv) Shareholding Pattern of top ten Shareholders:

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

SN	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Shareholding at the end of the year	
				No. of Shares	% of total shares	No. of Shares	% of total shares
1	Mr. Ismail Mohammed			1000000	2.06	1000000	2.06%
2	Mr. U.Hyder Ali			500000	1.03	500000	1.03%
3	Mrs. Hazeena Haneefa			500000	1.03	500000	1.03%
3	Mr. K K Abdulla Hajj			350000	0.72	350000	0.72%
4	Mr. Gangulli Akbar Hussain			350000	0.72	350000	0.72%
5	Mr. Thekkil Veetil Babu			350000	0.72	350000	0.72%
6	Ms. Muneera Manzil Baby Abdul Azeez			315000	0.65	315000	0.65%
7	Dr. Abdul Rasheed			280000	0.58	280000	0.58%
8	Dr. Sivakantha Sivagnanalingam			255320	0.53	255320	0.52%
9	Mr. Mottamal Rajan			245000	0.51	245000	0.50%
10	Mr. Thomas Pulimoottil			245000	0.51	245000	0.50%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year		Shareholding at the end of the year	
				No. of Shares	% of total shares	No. of Shares	% of total shares
1	Dr. Ali Kumble			96,23,488	19.87	98,13,488	20.17%
2	Dr. Yusuf Aramanayil			1,44,73,788	29.88	1,47,23,788	30.26%
3	Mr. Kottapurath Nalapurappattil Abdul Hameed			32,75,800	6.76	32,75,800	6.73%
4	Mr. Haneefa Aramana			16,31,000	4.40	16,31,000	3.35%
5	Mr. Zulkifli Misri			5,01,000	1.03	5,01,000	1.03%
6	Mrs. Nifri Yusuf			1,36,000	0.21	3,71,000	0.76%
7	Mrs. Bukhari Haleema Raziya Ali			1,51,000	0.31	1,51,000	0.31%
8	Mr. Abdul Latheef			34,51,000	7.12	37,31,000	7.67%
9	Dr. Elviz Rodriguez			20,000	0.04	40,000	0.08%
10	Mr. Basir Kinningar			30,40,000	6.28	30,40,000	6.25%

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	8,64,55,120	8,441	-	8,64,63,561
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,77,524	-	-	2,77,524
Total (i+ii+iii)	8,67,32,644	8,441	-	8,67,41,085
Change in Indebtedness during the financial year				
* Addition	4,04,448	-	-	4,04,448
* Reduction	4,91,65,051	8,441	-	4,91,73,492
Net Change	(4,87,60,603)	(8,441)	-	(4,87,69,044)
Indebtedness at the end of the financial year				
i) Principal Amount	3,76,94,517	-	-	3,76,94,517
ii) Interest due but not paid	1,97,898	-	-	1,97,898
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3,78,92,415	-	-	3,78,92,415

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN	Particulars of Remuneration	Total Amount
1	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	- others, specify	-
5	Others, please specify	-
	Total (A)	-
	Ceiling as per the Act	-

B. Remuneration to other Directors

SN	Particulars of Remuneration	Name of Directors		Total Amount (Rs./Lacs)
		Mrs. Raziya Ali	Mrs. Nifri Yusuf	
1	Independent Directors			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (1)	-	-	-
2	Other Non-Executive Directors			
	GROSS SALARY	6,00,000	6,00,000	12,00,000
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify salary	-	-	-
	Total (2)	6,00,000	6,00,000	12,00,000
	Total (B) = (1 + 2)	6,00,000	6,00,000	12,00,000
	Total Managerial Remuneration	-	-	-
	Overall Ceiling as per the Act	-	-	-

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

SN	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs./Lacs)
		Mr. Chaithanya V	CS	
1	Gross salary	CEO	CEO	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		12,57,549	12,57,549
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total	-	12,57,549	12,57,549

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

(Amt. Rs./Lacs)

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding			NIL	1	
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For Indiana Hospital and Heart Institute Limited,

Yusuf Aramanayil
Managing Director
Din: 00354740

Ali Kumble
Whole-time Director
Din:00353935

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil
2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements / transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions'
1.	Dr. Ali Kumble	Sale of Medicines	Continuing	Sale of medicine from pharmacy by raising cash bill – Rs. 570,444/-	Depending upon the requirement the medicines were taken a same rates as sold to the general public.
2.	Mrs. Beefathima	Hospital Services rendered	Case to Case	Availing services from hospital – 398,774/-	Availing the best services
3.	Mangalore institute of Oncology	Hospital Services rendered	Case to Case	1. Availing Services from hospital-12,26,113/- 2. Radiation Charges Paid- 339,760/-	1. Availing the best services 2. Availing the best services
4.	Mrs. Raziya Ali	Employment	Continuing	Salary Rs.6,00,000/-	Best if department is managed by Director
5.	Mrs. Nifri Yusuf	Employment	Continuing	Salary Rs.6,00,000/-	Best if department is managed by Director
6.	Mr. Arshid Abdul hameed	Employment	Continuing	Salary Rs.87,150/-	Experience in the area of work
7.	Dr. Elvis Rodrigues	Working as medical practitioner	Continuing	Professional services as Doctor Rs. 30,00,000/-	Availing the best service
8.	Dr. Ali Kumble	Working as medical practitioner	Continuing	Professional services as Doctor Rs. 59,74,239/-	Availing the best service
9.	Dr. Yusuf Kumble	Working as medical practitioner	Continuing	Professional services as Doctor Rs. 1,69,46,485/-	Availing the best service

Form No: MR3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

*[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To

The Members

INDIANA HOSPITAL AND HEART INSTITUTE LIMITED

CIN: U85110KA2010PLC052336

Mahaveer Circle, Pumpwell, Kankanady Post,
Mangalore – 575002, Karnataka

We, JKM ASSOCIATES, Company Secretaries, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIANA HOSPITAL AND HEART INSTITUTE LIMITED, CIN: U85110KA2010PLC052336** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of books, papers, minute books, forms and returns filed and other records produced to us and according to the information and explanations given to us by **INDIANA HOSPITAL AND HEART INSTITUTE LIMITED**, the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **INDIANA HOSPITAL AND HEART INSTITUTE LIMITED** (“the Company”) for the financial year ended on 31.03.2019 according to the provisions of the Companies Act, 2013 and the Rules made there under.

We report that during the year under review:

1. The Board of Directors is constituted with Twelve Directors in total comprising of Managing Director, Whole-time Director, Executive and Non-Executive Directors including Independent Directors. The

- company appointed a Whole Time Company Secretary on 15.06.2019 as required under the Companies Act, 2013, ie after the closure of the financial year.
2. The changes in the composition of the Board of Directors that took place during the period under review were carried out according to the provisions of the Companies Act, 2013.
 3. Notices of Board/Committee meetings were given to all the Directors detailing agenda items along with notes to agenda. 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. It is seen that all decisions take/resolutions passed at the Board Meetings were with the unanimous approval of the members of the Board.
 4. Mr. Mohammed Ismail Hejamady (Din:07620821) was appointed as an Independent Director during the period under review. On his resignation, Mr. B N Harish was appointed as an Additional Director in independent capacity with effect from 22.03.2019. The Directors have made the disclosure requirements in respect of their eligibility of appointment, their being independent and in compliance with the provisions relating to Directors and Management Personnel.
 5. The Directors have submitted the disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities and was taken on record by the Board in a duly convened Board Meeting.
 6. The Company has not given guarantee to other business entities in respect of the provisions of the Companies Act, 2013 and any other statutes as may be applicable.
 7. The Company has not defaulted in the repayment of unsecured loans, facilities granted by the bank(s)/financial institution(s). The Company has neither issued Debentures nor collected Public Deposits.
 8. The Company has created modified or satisfied charges on the assets of the company with the Registrar of Companies and complied with the provisions of the Act.
 9. As per verifications carries out by us, the registrations required under the various State and local laws as applicable to the company are valid as on the date of the report.
 10. The Company has allotted 1,75,000 Equity Shares of Face Value Rs.10/- each on preferential basis for a premium of Rs. 2/- per shares totaling to Rs. 21,00,000/- during the period under review and complied with the provisions of the Act.
 11. The Company has dematerialized the entire holding of securities of its promoters, directors, key managerial personnel in compliance with the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018
 12. All the transfers/transmissions of shares were approved in the duly convened Board Meetings after obtaining the required documents and the Company has complied with the relevant provisions of the Act.
 13. The Company has declared and paid interim dividend for Three years pertaining to 2010-11, 2011-12 and 2012-13 which were in arrears, to the preference shareholders during the period under scrutiny and complied with the provisions of the Act.
 14. The Company has provided a list of statutes in addition to the Companies Act, 2013 and it has been

observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

15. The Company has paid all its statutory dues and provisions in the financial statements have been made wherever required.

We further report that:

- i. The Company has followed the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

We further report that:

As per the information and documents provided to us and the explanation given, the company has complied with the following Acts given below.

1. THE CLINICAL ESTABLISHMENTS (REGISTRATION AND REGULATION) ACT, 2010
2. THE INDIAN MEDICAL COUNCIL ACT, 1956
3. INDIAN NURSING COUNCIL ACT 1947
4. DRUGS AND COSMETICS ACT 1940
5. THE DRUGS (CONTROL) ACT, 1950
6. THE PHARMACY ACT, 1948
7. NARCOTICS AND PSYCHOTROPIC SUBSTANCES ACT 1985
8. THE DRUGS AND MAGIC REMEDIES (OBJECTIONABLE ADVERTISEMENTS) ACT, 1954
9. THE BIRTHS, DEATHS AND MARRIAGES REGISTRATION ACT, 1886
10. THE MENTAL HEALTH ACT, 1987
11. THE EPIDEMIC DISEASES ACT, 1897
12. THE MEDICAL TERMINATION OF PREGNANCY ACT 1979 AND RULES
13. THE PRE-NATAL DIAGNOSTIC TECHNIQUES (PNDT) ACT & RULES
14. BIO-MEDICAL WASTE (MANAGEMENT AND HANDLING) RULES, 1998. (2016)
15. FOOD SAFETY AND STANDARDS REGULATIONS 2010
16. ATOMIC ENERGY ACT, 1962
17. THE BUILDING AND OTHER CONSTRUCTION WORKS (RE & CE) ACT, 1996
18. THE MINIMUM WAGES ACT, 1948
19. THE PAYMENT OF GRATUITY ACT, 1972

20. THE CHILD LABOUR (PROHIBITION & REGULATION) ACT AND RULES, 1986
21. THE PAYMENT OF BONUS ACT, AND RULES, 1976
22. THE PAYMENT OF WAGES ACT, 1936
23. THE MATERNITY BENEFIT ACT, 1961
24. THE LABOUR LAW (EXEMPTION FROM FURNISHING RETURNS & MAINTAINING REGISTERS BY CERTAIN ESTABLISHMENTS) ACT, 1988
25. INFORMATION TECHNOLOGY ACT, 2000
26. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013
27. THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974
28. THE WATER (PREVENTION AND CONTROL OF POLLUTION) CESS ACT, 1977
29. THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981

However, the company has reasonably followed the provisions of the below mentioned applicable acts as far as the compliance is concerned:-

1. EMPLOYEES' STATE INSURANCE ACT, 1948
2. EMPLOYEES' PROVIDENT FUNDS AND MISCELLANEOUS PROVISIONS ACT, 1952

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure A, which forms an integral part of this report.

Place: Kochi
Date: 02.08.2019

For **JKM Associates**
Sd/-
CS PK Krishnamurthy
(Partner)
ACS/FCS No.: 3721, C P No.: 3671

'Annexure A'

To,

The Members

INDIANA HOSPITAL AND HEART INSTITUTE LIMITED

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on a test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of the procedure on a test basis.
7. 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.

For JKM Associates

Sd/-

CS PK Krishnamurthy

(Partner)

ACS/FCS No.: 3721, C P No.: 3671

Place: Kochi

Date: 02.08.2019

INDEPENDENT AUDITORS' REPORT

To The Members of Indiana Hospital and Heart Institute Limited
Mangalore

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Indiana Hospital and Heart Institute Limited ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financials Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ii. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanation given to us, no managerial remuneration has been paid or provided in the books. Accordingly, the provisions of section 197 of the Act are not applicable to the Company.

- h) 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Varma and Varma
(FRN: 004532S)
CA Vivek Krishna Govind
Chartered Accountant (M. No. 208259)
UDIN: 19208259AAAAAI7399

Place: Kochi
Date: 05-08-2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Annexure A referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Audit Report of even date on the financial statements of Indiana Hospital and Heart Institute Limited for the year ended 31st March, 2019

(i)

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets which however requires to be updated;
- (b) We have been informed that the fixed assets of the company have been physically verified by the management during the year, which in our opinion, is reasonable having regards to the size of the Company and nature of its assets and that no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us, the records of the company examined by us and based on the details of land and buildings furnished to us by the company, the title deeds of immovable properties are held in the name of the Company except for freehold immovable property comprising of land admeasuring 149.8 cents (Gross and Net value Rs. 12,74,08,617) as stated in Note No 2.10.1 to the financial statements.

(ii) According to the information and explanation given to us and as per our verification of the records of the company the Management has conducted physical verification of inventory at reasonable intervals and material discrepancies, if any have been properly dealt with in the books of account.

(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 Companies Act.

iv) According to the information and explanations given to us and the records of the company examined by us, the company has not granted any loans or given any security or guarantee for which the provisions of sections 185 and 186 of the Act are applicable. Company has not made any investment for which section 186 of the Act are applicable.

(v) The company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

(vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

(vii)

- (a) According to the information and explanation given to us and as per our verification of the records of the company, except for certain instances of delays in depositing provident fund, income tax, goods and service tax and employees state insurance, the Company has been

fairly regular in depositing undisputed statutory dues including sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.

There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they become payable except the following:

Name of the Statute	Nature of dues	Amount pending (Rs.)	Period to which the total amount relates	Amount remitted subsequent to 31-03-2019
Goods and Service Tax Act, 2017	GST & Interest	8,44,734	2017-18	-
	GST	25,995	2018-19	-
Employee's provident funds & miscellaneous provisions Act, 1952	PF Employee's contribution	18,483	July & August 2017	-
Employee's State Insurance Act, 1948	ESI contribution	2,103	September 2017	-

- (b) According to the information and explanation given to us, and the records of the Company examined by us, there are no disputed dues of income tax, sales tax, service tax, duty of customs, duty of exercise, value added tax, goods and service tax and cess which have not been deposited with the appropriate authorities.
- (viii) According to information and explanation given to us and as per our verification of the records of the company, the company has not defaulted in repayment of its dues to bank/financial institution/government/debenture holders during the year.
- (ix) According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and the term loans availed by the company have been applied for the purpose for which the loans were obtained.
- (x) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have been informed of any such case by the management.
- (xi) According to the information and explanations given to us and the records of the Company examined by us, no managerial remuneration has been paid or provided in the books and hence reporting requirements under clause (xi) of paragraph 3 of the order are not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in Note 2.32 to the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and the records of the Company examined by us, the company has made private placement/preferential allotment of equity shares during the year and the requirements of section 42 of the Act have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

For Varma and Varma
(FRN: 004532S)

CA Vivek Krishna Govind
Chartered Accountant (M. No. 208259)
UDIN: 19208259AAAAAI7399

Place: Kochi
Date: 05-08-2019

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Indiana Hospital and Heart Institute Limited ("the Company") as of 31st March 2019 in conjunction with our audit of the 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, 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, 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 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Varma and Varma
(FRN: 004532S)

CA Vivek Krishna Govind
Chartered Accountant (M. No. 208259)
UDIN: 19208259AAAAAI7399

Place: Kochi
Date: 05-08-2019

INDIANA HOSPITAL AND HEART INSTITUTE LTD

Mahaveer Circle, Pumpwell, Mangalore - 575001

BALANCE SHEET AS AT 31ST MARCH 2019		CIN: U85110KA2010PLC052336		
	Particulars		As at 31st March 2019 (Amount in Rs.)	As at 31st March 2018 (Amount in Rs.)
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	2.1	51,22,23,960	51,04,73,960
	(b) Reserves and surplus	2.2	3,02,77,424	(1,25,47,748)
			54,25,01,384	49,79,26,212
2	Non-current liabilities			
	(a) Long Term Borrowings	2.3	2,26,86,186	30,23,489
	(b) Deferred Tax Liabilities (net)	2.4	2,07,38,000	43,30,000
	(c) Long term provision	2.5	27,63,543	24,61,107
			4,61,87,729	98,14,596
3	Current liabilities			
	(a) Short - term borrowings	2.6	4,04,448	8,441
	(b) Trade payables			
	(i) total outstanding due of micro enterprises and small enterprises	2.7	17,59,407	7,84,579
	(ii) total outstanding due to creditors other than micro enterprises and small enterprises	2.7	4,14,22,582	4,44,24,540
	(c) Other current liabilities	2.8	1,95,26,878	8,71,24,147
	(d) Short-term provisions	2.9	2,99,384	1,08,115
			6,34,12,699	13,24,49,822
	Total		65,21,01,812	64,01,90,630
B	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Property, Plant and Equipment	2.10	54,43,63,281	55,38,98,753
	(ii) Intangible assets	2.10	14,19,636	81,389
			54,57,82,917	55,39,80,142
	(b) Non Current Investments	2.11	10,000	10,000
	(c) Long Term Loans and Advances	2.12	1,48,48,607	94,08,654
	(d) Other non current assets	2.13	5,236	5,236
			1,48,63,843	94,23,890
2	Current assets			
	(a) Inventories	2.14	1,98,31,462	1,82,09,511
	(b) Trade receivables	2.15	1,20,97,378	1,22,24,262
	(c) Cash and cash equivalents	2.16	4,46,98,004	3,66,90,334
	(d) Short-term loans and advances	2.17	86,25,748	66,26,666
	(e) Other current assets	2.18	62,02,460	30,35,825
			9,14,55,052	7,67,86,598
	Total		65,21,01,812	64,01,90,630
	Significant Accounting policies and Notes to accounts	1&2		
	The accompanying notes form an integral part of the financial statement			

As per our report of even date attached

For and on behalf of the Board of Directors

For VARMA AND VARMA
(FRN: 004532S)

(C.A.Vivek Krishna Govind)
Chartered Accountant - M.No.208259

CA.Chaithanya V
Chief Financial Officer

Dr. Yusuf A Kumble
Managing Director - DIN: 00354740

Dr. Ali Kumble
Whole Time Director - DIN: 00353935

Place : Mangalore
Date : 05-08-2019

Place : Mangalore
Date : 05-08-2019

INDIANA HOSPITAL AND HEART INSTITUTE LTD

Mahaveer Circle, Pumpwell, Mangalore - 575001

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AS AT 31ST MARCH 2019

CIN: U85110KA2010PLC052336

(Amount in Rs.)

	Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
1	Revenue from operations	2.19	45,09,00,740	42,73,95,199
2	Other income	2.20	99,31,558	1,02,83,152
3	Total revenue (1+2)		46,08,32,298	43,76,78,351
4	Expenses			
	(a) Cost of materials consumed	2.21	4,98,97,865	5,11,54,692
	(b) Purchase of Medicines	2.22	6,01,69,404	5,58,70,634
	(c) Changes in inventories of Medicines	2.23	(12,48,976)	(21,61,538)
	(d) Employee benefits expense	2.24	7,24,93,215	7,15,06,709
	(e) Finance costs	2.25	77,22,354	1,07,62,655
	(f) Depreciation and amortisation expense	2.10	2,73,86,349	2,74,17,335
	(g) Other expenses	2.26	18,17,30,444	17,99,87,615
	Total expenses		39,81,50,655	39,45,38,102
5	Profit/(Loss) before extraordinary items and tax (3-4)		6,26,81,643	4,31,40,249
6	Extraordinary items- Loss by Flood (net)	2.27	(3,23,834)	-
7	Profit/(Loss) before tax (5-6)		6,23,57,809	4,31,40,249
8	Tax expense:			
	(a) Current Tax		1,09,71,800	42,23,000
	(b) MAT Credit entitlement		(1,09,71,800)	(38,32,000)
	(c) Deferred Tax		1,64,08,000	43,30,000
	(d) Tax expense for the preceding year		-	(26,23,000)
9	Profit/(Loss) for the year (7-8)		4,59,49,809	4,10,42,249
10	Earnings per equity share:			
	Nominal value of share Rs. 10/- (Rs. 10/-)			
	Before Extraordinary Items	2.28		
	(a) Basic		0.918	0.815
	(b) Diluted		0.918	0.815
	After Extraordinary Items	2.28		
	(a) Basic		0.913	0.815
	(b) Diluted		0.913	0.815
	Significant Accounting policies and Notes to accounts	1&2		
	The accompanying notes form integral part of the financial statements			

As per our report of even date attached

For and on behalf of the Board of Directors

For VARMA AND VARMA
(FRN: 004532S)

(C.A.Vivek Krishna Govind)
Chartered Accountant - M.No.208259

CA.Chaithanya V
Chief Financial Officer

Dr. Yusuf A Kumble
Managing Director - DIN: 00354740

Dr. Ali Kumble
Whole Time Director - DIN: 00353935

Place : Mangalore
Date : 05-08-2019

Place : Mangalore
Date : 05-08-2019

INDIANA HOSPITAL AND HEART INSTITUTE LTD

Mahaveer Circle, Pumpwell, Mangalore - 575001

CASH FLOW STATEMENT FOR THE YEAR ENDED AS AT 31ST MARCH 2019

CIN: U85110KA2010PLC052336

(Amount in Rs.)

	Particulars	For the year ended 31st March, 2019		For the year ended 31st March, 2018	
A	Cash Flow from Operating activities				
	Net Profit/(Loss) for the year after tax		4,59,49,809		4,10,42,249
	Adjustments for :				
	(+) Provision for taxation	1,64,08,000		20,98,000	
	(+) Extraordinary item- Loss on flood	3,23,834			
	(-) Loss of stock by flood	(2,80,690)			
	(+) Depreciation & Amortisation Expense	2,73,86,349		2,74,17,335	
	(+) Unrealised Loss on Foreign Exchange loss	1,61,400		64,32,698	
	(+) Provision for bad and doubtful debts	-		8,96,752	
	(+) Provision for Gratuity	4,93,705		-	
	(+) Bad debts and advances written off	-		57,067	
	(+) Interest expenditure considered separately	57,67,400		1,04,16,877	
	(-) Liability & provisions no longer required to be written back	(55,24,150)		(73,38,897)	
	(+) Loss on sale of asset				
	(+) Asset discarded written off	2,37,882		-	
	21,72,532	4,71,46,262	49,352	4,00,29,184	
	9,30,96,071		8,10,71,433		
Operating Profit / (Loss) before Working Capital Changes					
Adjustments for working capital changes:					
(Increase)/Decrease in Trade & Other Receivables					
(Increase)/Decrease in Inventories	(28,32,311)		71,70,650		
Increase/(Decrease) in Trade Payables and other Current Liabilities	(16,21,951)		(14,57,945)		
Cash Flow from Operations					
Direct Taxes paid	45,22,832	68,570	16,41,001	73,53,706	
Cash flow before extraordinary items					
Less: Repairs on flood (net of insurance claim)			9,31,64,641	8,84,25,139	
			(50,40,820)	(11,60,841)	
Cash generated from Operations			8,81,23,821	8,72,64,298	
			(18,07,332)	-	
			8,63,16,489	8,72,64,298	
B	Cash Flows from Investing Activities				
	Purchase of Fixed assets Sale of Fixed asset	(2,25,69,845)		(1,19,09,341)	
	Net Cash from/(used) in Investing Activities	4,13,133		-	
		(2,21,56,712)		(1,19,09,341)	
C	Cash Flows from Financing Activities				
	Proceeds from issuance of Equity share	21,00,000		5,16,000	
	Dividend (incl DDT) paid	(34,74,637)		-	
	Proceeds from/(Repayment) of Long Term Borrowings	(4,89,30,444)		(4,52,81,726)	
	Interest Paid	(58,47,026)		(1,08,15,617)	
	Net Cash from/(used) in Financing Activities		(5,61,52,107)		(5,55,81,343)
	Summary:				
	Net Cash from/(used) Operating Activities	8,63,16,489		8,72,64,298	
	Net Cash from/(used) in Investing Activities	(2,21,56,712)		(1,19,09,341)	
	Net Cash from/(used) in Financing Activities	(5,61,52,107)		(5,55,81,343)	
Net Increase (Decrease) in Cash Equivalents	80,07,670		1,97,73,614		
Cash and Cash Equivalents at beginning of the year	3,66,90,334		1,69,16,720		
Cash and Cash Equivalents at the end of the year	4,46,98,004		3,66,90,334		
	80,07,670		1,97,73,614		

Cash and cash equivalents at the end of the year includes Rs.1,37,63,040/- (Rs.1,64,08,147/-)held as margin money deposits to wards bank loans/guarantees.

Cash and cash equivalents at the end of the year includes Rs.23,85,392/- (Rs.74,88,351/-) with maturity period of more than 12 months.

As per our report of even date attached

For and on behalf of the Board of Directors

For VARMA AND VARMA (FRN: 004532S)

(C.A.Vivek Krishna Govind)
Chartered Accountant - M.No.208259

CA.Chaithanya V
Chief Financial Officer

Dr. Yusuf A Kumble
Managing Director - DIN: 00354740

Dr. Ali Kumble
Whole Time Director - DIN: 00353935

Place : Mangalore
Date : 05-08-2019

Place : Mangalore
Date : 05-08-2019

Significant accounting policies

Basis of accounting

The financial statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

Use of estimates

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which they are known/materialised.

Revenue Recognition

- a) Income from Healthcare services is recognized on completed service contract method. The hospital collections of the company are net of discounts. Revenue also includes the value of services rendered pending final billing in respect of in-patients under going treatments as on 31st March 2019.
- b) Pharmacy sales are recognized when the risk and reward of ownership is passed to the customer and are stated net of returns, discounts and exclusive of GST.
- c) Rental income is recognized on a straight line basis over the term of the lease.

Interest income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate of interest. Insurance claim is recognised when claim is received or admitted by insurer.

Property, Plant and Equipments

Property, Plant and equipments are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. Cost includes purchase price, (inclusive of import duties and non-refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-in-progress.

Intangible Assets

Hospital Management System Software of the company is treated as an Intangible Asset in accordance with the Accounting Standard 26- “ Intangible Assets”.

Depreciation / Amortization

Depreciation on Tangible Assets (Property, Plant and Equipment) is provided on straight line method based on the useful life prescribed in Schedule II to the Companies Act, 2013, based on a review by the management at the year end. Intangible assets are written off over a period of 3 years.

Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that the asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognized in the prior accounting year is reversed if there is a change in the estimate of recoverable amount.

Investments

Non Current investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

Inventories

Inventories are valued at lower of cost, determined on first in first out basis or net realisable value.

Foreign Currency transactions

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate prevailing on the last date of the accounting year and the resultant exchange difference, if any, are recognised in the Statement of Profit and Loss. Exchange differences arising on actual payments/ realizations are recognized in the statement of Profit and Loss.

Employee Benefits

i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as

short-term employee benefits and recognised in the period in which the employee renders the related service.

ii) **Defined Contribution Plans**

The company makes contributions to Provident Fund, which is a defined contribution plan for employees. The contributions paid/payable under the scheme during the year are charged to the Statement of Profit and Loss for the year.

iii) **Defined Benefit Plans**

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, is recognised in the books of account. Actuarial gains and losses are recognised in full in the Profit & Loss account for the period in which they occur.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalised. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

Taxes on Income

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Provision for current tax is made based on the tax payable under the Income Tax Act, 1961.

Deferred tax on account of timing difference between taxable and accounting income is accounted using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date. Deferred tax assets in respect of unabsorbed depreciation or carried forward losses are recognised if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised to the extent there is reasonable certainty of their realisation. Deferred tax in respect of timing differences, which originate and reverse during a tax holiday period, are not recognised to the extent the gross total income is subject to the deduction during the tax holiday period.

Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are

reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation. Contingent assets are neither recognised nor disclosed in the accounts.

Segment Reporting

Based on the guiding principles given in Accounting Standard AS-17 "Segment Reporting", the company has only one reportable segment i.e. Hospital Activities".

Earnings per Share

The earnings considered in ascertaining the company's Earnings per Share comprise of the net profit after tax. The number of shares used in computing the basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average shares considered for deriving the basic earnings per share and also the weighted average number of shares, of any shares, which would have been issued on the conversion of all dilutive potential equity shares.

Notes to Accounts
Share Capital

PARTICULARS	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Authorised:		
5,58,00,000 (5,58,00,000) Equity Shares of Rs 10/- each	55,80,00,000	55,80,00,000
420,000 (4,20,000) Preference Shares of Rs 100/- each	4,20,00,000	4,20,00,000
	60,00,00,000	60,00,00,000
Issued, Subscribed & Fully Paid -up		
4,86,57,396 (4,84,82,396) Equity Shares of Rs 10/- each fully paid up (Out of the above 16,02,000/- (16,02,000) shares have been issued for consideration other than cash)	48,65,73,960	48,48,23,960
2,53,500 (2,53,500) 5% Redeemable Cumulative Preference Shares of Rs 100/- each	2,53,50,000	2,53,50,000
3,000 (3,000) Convertible Preference Shares of Rs 100/- each	3,00,000	3,00,000
	51,22,23,960	51,04,73,960

2.1.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 st March, 2019		31 st March, 2018	
	No.s	(Amount in Rs.)	No.s	(Amount in Rs.)
At the beginning of the period	4,84,82,396	4,8,48,23,96	4,84,39,396	48,43,93,960
Add: Issued during the period	1,75,000	17,50,000	43,000	4,30,000
Outstanding at the end of the period	4,86,57,396	48,65,73,960	4,84,82,396	48,48,23,960

5% Cumulative Redeemable Preference shares	31 st March, 2019		31 st March, 2018	
	No.s	(Amount in Rs.)	No.s	(Amount in Rs.)
At the beginning of the period	2,53,500	2,53,50,000	2,53,500	2,53,50,000
Add: Issued during the period	-	-	-	-
Less: Redeemed during the period	-	-	-	-
Outstanding at the end of the period	2,53,500	2,53,50,000	2,53,500	2,53,50,000

Convertible Preference shares	31 st March, 2019		31 st March, 2018	
	No.s	(Amount in Rs.)	No.s	(Amount in Rs.)
At the beginning of the period	3000	3,00,000	3000	3,00,000
Add: Issued during the period	-	-	-	-
Less: Converted during the period	-	-	-	-
Outstanding at the end of the period	3000	3,00,000	3000	3,00,000

Rights, preferences and restrictions attaching to each class of shares

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Terms/rights attached to preference shares

- Convertible Preference shares are convertible within 10 years from the date of issue (issued in February 2011) at such times as may be decided by the Board.
- 5% Redeemable Cumulative Preference shares are redeemable within a period of 10 years from the date of issue at the discretion of the Board.

Particulars	Issue Date			Total
	Dec-2010	Jan-2011	Feb-2013	
5% Redeemable Cumulative Preference shares	2,39,700	6,000	7,800	2,53,500

2.1.3 Details of shareholders holding more than 5% shares in the company as at the end of the year

Equity shares of Rs 10/- each fully paid up	31 st March, 2019		31 st March, 2018	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Yusuf A.Kumble	1,47,23,788	30.26%	1,44,73,788	29.85%
Ali Kumble	98,13,488	20.17%	96,23,488	19.85%
Abdul Latheef	37,31,000	7.67%	34,51,000	7.12%
K.N. Abdul Hameed	32,75,800	6.73%	32,75,800	6.76%
Bashir Kinnigar Ibrahim	30,40,000	6.25%	30,40,000	6.27%

5% Redeemable Cumulative Preference shares of Rs 100/- each Fully Paid Up	31 st March, 2019		31 st March, 2018	
	No.	% holding in the class	No.	% holding in the class
Gangulli Akbar Hussain	15,000	5.92%	15,000	5.92%
K K Abdulla Haji	15,000	5.92%	15,000	5.92%
ThekkilVeetilBabu	15,000	5.92%	15,000	5.92%
MuneeraManzil Baby Abdul Azeez	13,500	5.33%	13,500	5.33%

Convertible Preference shares of Rs 100/- each Fully Paid Up	31 st March, 2019		31 st March, 2018	
	No.	% holding in the class	No.	% holding in the class
K K Moidu	1,500	50.00%	1,500	50.00%
Bekal Abdulla	1,500	50.00%	1,500	50.00%

Reserves and Surplus

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Securities Premium		
Opening Balance	2,86,000	2,00,000
Addition during the year	3,50,000	86,000
	6,36,000	2,86,000
Surplus in the Statement of Profit and Loss		
Opening Balance	(1,28,33,748)	(5,38,75,997)
Add: Profit for the period as per Statement of Profit and Loss after tax	4,59,49,809	4,10,42,249
Less : Dividend on preference shares including tax thereon (see note 2.2.2 and 2.2.4 below)	(34,74,637)	
	2,96,41,424	(1,28,33,748)
Closing balance	3,02,77,424	(1,25,47,748)

- 2.2.1 The Board of Directors has proposed an equity dividend of Rs 0.30 (*Rs Nil*) per share on the face value of Rs 10/- for the financial year ended 31.03.2019 at their meeting held on 2nd August, 2019, which is subject to approval by the share holders in the ensuing Annual General Meeting.
- 1.2.2 The Board of Directors has paid an interim preference dividend of Rs 5 (*Rs Nil*) per share @ 5% on the face value of Rs 100/- on Redeemable Cumulative Preference shares (see note 2.2.4 given below) and Convertible Preference shares (cumulatively Rs. 11.66 per share) for financial years from 2010-11 to 2012-13 at their meeting held on 4th October, 2018, which is subject to approval by the shareholders in the ensuing Annual general meeting.
- 1.2.3 The Board of Directors has proposed preference dividend of Rs 5 (*Rs Nil*) per share @ 5% on the face value of Rs 100/- on Redeemable Cumulative Preference shares (see note 2.2.4 given below) and Convertible Preference shares (cumulatively Rs. 30 per share) for financial years from 2013-14 to 2018-19 at their meeting held on 2nd August, 2019, which is subject to approval by the shareholders in the ensuing Annual general meeting.

2.2.4 Details of cumulative Interim dividend paid and proposed per share on Redeemable/convertible preference shares:

Date of Issue	Cumulative interim Preference dividend paid per share	Cumulative preference dividend Proposed per share
1st Dec 2010	11.69	30
6th Dec 2010	11.59	30
10th Dec 2010	11.53	30
17th Jan 2011	11.01	30
14th Feb 2013	0.63	30

2.3 Long term Borrowings

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Term Loans (Secured)		
- From Banks (See Note 2.3.1 and 2.3.2)	2,26,86,186	30,23,489
	2,26,86,186	30,23,489

2.3.1. Details of Security: Federal Bank:

a) Term Loan-I& II:

Secured by the assets procured out of loan amount and also by the equitable mortgage of buildings of the company and are guaranteed by the directors for the full amount.

b) Term Loan III

Secured by equitable mortgage of land and by hypothecation of plant & machinery and other equipment acquired or to be acquired out of the term loan and fixed deposit of Rs.73.31 lakhs.

c) Term Loan IV

Secured by equitable mortgage of land, hypothecation of assets worth 319.72lakhs, fixed deposit of Rs.92 lakhs as collateral security & are guaranteed by the directors for the full amount.

d) Term Loan V

Secured by equitable mortgage of land, hypothecation of MRI Scanner- Magnetom Essenza, A Tim and Dot system worth 380 lakhs, fixed deposit of Rs.92 lakhs as collateral security & are guaranteed by the directors for the full amount.

e) Vehicle Loan:

The vehicle loan is secured by hypothecation of asset procured out of loan and are guaranteed by the directors for the full amount.

2.3.2 Repayment and other terms:

Particulars	Terms	Current Maturity	Non-Current
Federal Bank Term Loan - I	Repayable in 50 monthly instalments (exclusive of interest) of 12,083.66/- USD from march 2015, and last instalment of 23,799/-USD	25,01,870 (93,92,490)	(Nil) (23,47,046)
Federal Bank Term Loan - II	Repayable in 41 equated monthly instalments of Rs. 16,59,083 each (inclusive of interest) from January, 2016	1,19,574 (1,88,77,168)	(Nil) - (4,88,428)
Federal Bank Term Loan - III	Repayable in 41 monthly instalments of Rs. 8,95,833 each (exclusive of interest), from October 2017	(Nil) (1,02,08,658)	(Nil) (Nil)
Federal Bank Term Loan - IV	Repayable in 36 equated monthly instalments of Rs.6,76,133/- (inclusive of interest) from December 2018	65,35,876 (Nil)	1,23,07,030 (Nil)
Federal Bank Term Loan - V	Repayable in 36 equated monthly instalments of Rs.5,63,345/ (inclusive of interest) from December 2018	54,46,563 (Nil)	1,03,79,156 (Nil)
Federal Bank Vehicle Loan	Repayable in 60 equated monthly instalments of Rs 17,000 each (inclusive of interest) from August 2014	(Nil) (33,755)	(Nil) (1,88,015)
Current Year		1,46,03,883	2,26,86,186
Previous Year		(3,85,12,071)	(30,23,489)
Buyer's Credit - Federal Bank	Buyer's Credit having a tenure of 36 months from the date of its availment. Availed in January, 2016.	- (4,49,19,560)	-
Current Year		-	-
Previous Year		(4,49,19,560)	-

Buyers Credit Facility from federal bank has been availed under the existing limits of Letter of Credit sanctioned by the bank and are secured by machinery procured under the said facility.

2.4 Deferred Tax Liabilities (Net)

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
A. Deferred Tax Liability		
On excess of net book value over Income tax written down value of Property plant & equipments	4,99,10,000	4,79,18,000
Total Deferred Tax Liabilities	4,99,10,000	4,79,18,000
B. Deferred Tax Assets		
On provisions/other disallowances On unabsorbed depreciation	25,51,000	30,12,000
	2,66,21,000	4,05,76,000
Total Deferred Tax Assets	2,91,72,000	4,35,88,000
Net Deferred Tax Liabilities	2,07,38,000	43,30,000

2.5 Long-term Provisions

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Provision for Employee benefits (refer note 2.5.1 below)	27,63,543	24,61,107
	27,63,543	24,61,107

2.5.1 Disclosures required under Accounting Standard 15 - "Employee Benefits"

1. Defined Contribution Plan recognised in the Statement of Profit and Loss on

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Employers contribution to ESI	9,17,561	8,08,380
Employers contribution to Provident Fund	19,10,082	19,53,930

2. Defined Benefit Plan Gratuity – Unfunded Obligation

i) Actuarial Assumptions	31st March, 2019	31st March, 2018
Discount Rate (per annum)	7.30%	7.71%
Salary escalation rate*	5.00%	5.00%
Attrition rate	10.00%	5.00%

* The assumption of future salary increases takes into account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii) Reconciliation of present value of obligations	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Present value of obligation at beginning of the year	25,69,221	31,92,164
Current Service Cost	12,00,422	10,19,007
Past Service Cost	-	-
Interest Cost	1,97,959	2,55,374
Actuarial (gain)/loss	(9,04,676)	(18,97,324)
Benefits Paid	-	-
Present value of obligation at the end of the year	30,62,926	25,69,221

iii) Net (Asset)/ Liability recognized in the Balance Sheet as at year end	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Present value of obligations at the end of the year	30,62,926	25,69,221
Fair value of plan assets at the end of the year.	-	-
Net present value of unfunded obligation recognized as (asset) / liability in the Balance Sheet	30,62,926	25,69,221

iv) Expenses recognised in the Statement of Profit and Loss	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Current Service Cost	12,00,422	10,19,007
Interest Cost	197,959	2,55,373
Actuarial (gain) / loss recognised in the period	(9,04,676)	(18,97,324)
Past Service Cost	-	-
Total expenses recognised in the Statement of Profit and Loss for the year	4,93,705	(6,22,944)

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

2.6 Short term borrowings

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Loans repayable on demand		
i) From Related Parties		
Directors (Unsecured) (refer note 2.6.1)	-	8,441
ii) From Bank		
Overdraft facility from Federal Bank (refer note 2.6.2)	4,04,448	-
	4,04,448	8,441

2.6.1. Loan from the Directors were repayable on demand and has been repaid during the year.

2.6.2 Overdraft facility from Federal bank is secured by equitable mortgage of land, fixed deposit of Rs.92 lakhs as collateral security & are guaranteed by the directors for the full amount.

2.7 Trade payables

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Total outstanding dues of micro enterprises and small enterprises	17,59,407	7,84,579
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	4,14,22,582	4,44,24,540
	4,31,81,989	4,52,09,119

2.7.1. The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006.

2.7.2. The details of amounts outstanding to Micro, Small and Medium Enterprises based on available Information with Company is as under:

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
i) Principal amount remaining Unpaid as at the end of accounting year	17,59,407	7,84,579
ii) Interest due on above and remaining unpaid as at the end of accounting year	2,036	-
iii) Amount of Interest paid along with amount of payment made to supplier beyond the appointed day	-	-
iv) Interest due on principal amounts paid beyond the due date during the year but without the interest amounts under this act.	38,553	-
v) Interest accrued and remaining unpaid	40,589	-
vi) Amount of Further Interest remaining due and payable in succeeding years	-	-

2.8 Other Current liabilities

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Current maturities on long term borrowings (refer note 2.3.2)		
- Term Loan	1,46,03,883	3,85,12,071
- Buyers Credit	-	4,49,19,560
	1,97,898	2,77,524
b) Interest accrued but not due on borrowings	25,45,192	20,87,123
c) Statutory dues payable	7,70,260	3,58,000
d) Security deposits	6,47,027	2,49,461
e) Advance from patients	5,06,672	-
f) Unpaid Dividend	1,65,274	7,20,408
g) Creditors for Capital goods	90,672	-
h) Other Liabilities		
	1,95,26,878	8,71,24,147

Particulars	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Provision for employee benefits [refer note 2.5.1]	2,99,384	1,08,115
	2,99,384	1,08,115

2.11 Non Current Investments

Particulars	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Investment in National Savings Certificate	10,000	10,000
	10,000	10,000

The above investment is held under lien with the sales tax authorities

2.12 Long Term Loans and Advances

Particulars	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Unsecured, considered good		
a) Capital Advances	3,12,040	3,10,000
b) Security Deposits	4,50,000	3,00,000
c) Advance income tax/Tax Deducted at Source (net)	1,38,39,474	87,98,654
d) Prepaid Expense	2,47,093	-
	1,48,48,607	94,08,654

2.13 Other Non current Assets

Particulars	31st March, 2019	31st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Accrued interest on investment	5,236	5,236
	5,236	5,236

2.14 Inventories

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Medicines	10,628,067	93,79,091
(b) Consumables	9,203,395	88,30,420
	19,831,462	1,82,09,511

Method of Valuation of Inventories - See Note 1.9 of Significant Accounting Policies.

2.15 Trade receivables

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, Considered Good	39,95,952	15,62,349
- Unsecured, Considered Doubtful Less: Provision for doubtful debts	24,01,338	32,21,791
	(24,01,338)	(32,21,791)
Other Debts	81,01,426	1,06,61,913
- Unsecured, Considered Good	-	253,059
- Unsecured, Considered Doubtful Less: Provision for doubtful debts	-	(253,059)
	1,20,97,378	1,22,24,262

2.16 Cash and cash equivalents

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
a) Balances with banks		
(i) Current accounts	1,02,70,741	82,63,614
(ii) Unpaid Dividend accounts	5,14,077	-
(iii) Deposit accounts (See Note 2.16.1 & 2.16.2)	3,23,52,169	2,76,10,506
b) Cash on hand	15,61,017	8,16,214
	4,46,98,004	3,66,90,334

- 2.16.1 Balance with bank in deposit accounts includes Rs. 1,37,63,040/- (Rs.1,64,08,147/-) held as margin money deposits towards bank loans/guarantees.
- 2.16.2 Balance with bank in deposit accounts includes Rs.23,85,392/- (Rs.74,88,351/-) with maturity period of more than 12 months.

2.17 Short Term Loans and Advances

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(Unsecured and considered good)		
(a) Prepaid expenses	32,47,641	23,80,338
(b) Advance for Supplies & Services	10,23,263	1,27,056
(c) Other advances recoverable in cash or in kind.	7,59,024	6,91,607
(d) Security Deposit	35,95,820	34,27,665
	86,25,748	66,26,666

2.18 Other Current Assets

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Interest accrued on Deposits	1,89,253	1,38,537
(b) Insurance claim receivable	28,03,487	-
(c) Unbilled revenue	32,09,720	28,97,288
	62,02,460	30,35,825

2.19 Revenue from Operations

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Revenue from Health care service	35,87,26,483	34,20,72,686
(b) Pharmacy collection	9,04,18,637	8,33,76,487
(c) Other operating revenues	17,55,620	19,46,026
	45,09,00,740	42,73,95,199

2.20 Other Income

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Interest Income	24,21,416	20,34,100
(b) Provision for gratuity no longer required written back	-	6,22,942
(c) Liabilities/Provisions no longer required written back	49,61,666	67,15,955
(d) Other non-operating income	25,48,476	9,10,155
	99,31,558	1,02,83,152

2.21 Cost of materials consumed

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Opening Stock	88,30,420	95,34,013
Add: Purchase	5,04,45,275	5,04,51,099
Less: Loss due to Flood	(1,74,435)	-
Less: Closing Stock	(92,03,395)	(88,30,420)
	4,98,97,865	5,11,54,692

2.22 Purchase of Medicines

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(i) Medicines	6,02,75,659	5,58,70,634
Less: Loss due to Flood	(1,06,255)	-
	6,01,69,404	5,58,70,634

2.23 Changes in inventories of medicines

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Inventories of medicine at the end of the year	1,06,28,067	93,79,091
(b) Inventories of medicine at the beginning of the year	93,79,091	72,17,553
	(12,48,976)	(21,61,538)

2.24 Employee benefits expense

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Salaries and allowances	6,73,34,585	6,74,41,481
(b) Contributions to provident and other funds	28,35,403	28,62,013
(c) Staff welfare expenses	17,38,850	12,03,215
(d) Gratuity	5,84,377	-
	7,24,93,215	7,15,06,709

2.25 Finance Costs

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Interest expenses	38,72,494	52,54,012
(b) Other borrowing cost	18,94,906	20,26,146
(c) Net loss on foreign currency transactions and translation	19,54,954	34,82,497
	77,22,354	1,07,62,655

2.26 Other expenses

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Power, fuel & water charges	1,50,42,927	1,42,10,517
(b) Consultancy charges - Doctors	11,76,85,383	11,43,29,046
(c) Professional Charges	16,21,800	9,54,490
(d) House Keeping expenses	86,03,204	90,53,437
(e) Lab Testing Charges	27,14,341	19,34,251
(f) Rent	-	1,39,500
(g) Rates and taxes	17,65,543	23,56,397
(h) Repairs to : Machinery	79,74,945	64,54,496
: Building	27,09,091	21,56,482
(l) Other Administrative expenses	13,07,827	20,15,556
(j) Payments to auditors (See note 2.26.1 below)	6,62,394	6,99,433
(k) Communication	6,92,301	7,64,798
(l) Traveling charges	21,48,934	25,68,732
(m) Bad debts and advances written off	2,34,084	57,067
Less: Provision made	(2,34,084)	-
	-	57,067
(n) Provision for bad and doubtful debt	-	8,96,752
(o) Advertisement/Sales Promotion Expenses	74,55,043	84,46,895
(p) Food and Refreshment Expenses	10,36,242	20,94,238
(q) Miscellaneous expenses	17,02,815	8,68,662
(r) Foreign exchange rate variation (Net)	6,39,150	29,50,201
(s) Loss on sale of asset	2,37,882	-
(t) Assets discarded written off (See note 2.26.2 below)	11,33,233	49,352
(u) Printing and Stationery	29,56,585	29,45,685
(v) Hiring Charges	28,84,130	28,39,735
(w) Insurance	7,56,674	12,01,894
	18,17,30,444	17,99,87,616

2.26.1 Payment to auditors:

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Statutory Audit Fee	5,50,000	5,50,000
(b) Taxation Matters	10,000	-
(c) Other services	-	13,500
(d) Reimbursement of Expenses	1,351	36,933
(e) GST/Service Tax on above	1,01,043	99,000
	6,62,394	6,99,433

2.26.2 Asset discarded written off is net-off insurance claim Rs.10,30,299/- on break down of generator, recognised on the basis of actual receipts on subsequent to the balance sheet date.

2.27 Extraordinary Items

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Repairs charges (see note 2.27.1 below)	-34,31,505	-
(b) Stock lost on flood (see note 2.27.1 below)	-2,80,690	-
(c) Insurance claim on loss by flood (see note 2.27.1 below)	33,88,361	-
	-3,23,834	-

2.27.1 Extraordinary items represents value of stock lost and repairs and maintenance expenses due to flood occurred during the year and Insurance claim recognised as income on the basis of actual receipts during the year/subsequent to the balance sheet date.

2.28 Earning per Equity share:

Particulars	31 st March, 2019	31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
Basic Earnings per share		
(a) Net Profit/(Loss) before extraordinary item	4,62,06,976	4,10,42,249
Less: Preference dividend on Convertible Preference shares (including applicable dividend distribution tax)	-18,083	-
Less: Preference dividend on 5% Cumulative Redeemable Preference share (including applicable dividend distribution tax)	-15,28,038	15,25,533
(b) Profit available to equity shareholders before extraordinary item	4,46,60,854	3,95,16,716
Less: Extraordinary item- Loss on Flood (net of tax)	-2,57,167	-
(c) Profit available to equity shareholders after extraordinary item	4,44,03,687	3,95,16,716
(d) Weighted average number of equity shares @ Rs 10 each, fully paid up	4,86,37,738	4,84,79,451
Earning per share before extraordinary item (b / d)	0.918	0.815
Earning per share after extraordinary item (c / d)	0.913	0.815
Diluted Earnings per share		
(a) Profit available to equity shareholders before extraordinary item	4,46,60,854	3,95,16,716
Add: Preference dividend on Convertible Preference shares (including applicable dividend distribution tax)	18,083	-
Profit available to equity shareholders before extraordinary item after considering dilutive effect	4,46,78,938	3,95,16,716
Less: Extraordinary item- Loss on Flood (net of tax)	-2,57,167	-
(b) Profit available to equity shareholders after extraordinary item	4,44,21,771	3,95,16,716
(c) Weighted average number of equity shares @ Rs 10 each, fully paid	4,86,37,738	4,84,79,451
Add: Potential equity shares	30,000	30,000
(d) Weighted average number of equity shares for diluted earning per share	4,86,67,738	4,85,09,451
Dilutive Earning per share before extraordinary item (a / d)	0.918	0.815
Dilutive Earning per share after extraordinary item (b / d)	0.913	0.815

2.10 Property, Plant and Equipments

[Figures in Rupees]

Particulars	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	As at 1st April, 2018	Additions	Adjustments/ Deductions during the year	As at 31st March 2019	As at 1st April, 2018	For the year	Adjustments/ Deductions during the year	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
(a) Land (See note 2.10.1)	12,74,08,617	-	-	12,74,08,617	-	-	-	-	12,74,08,617	12,74,08,617
	(12,74,08,617)			(12,74,08,617)					(12,74,08,617)	(12,74,08,617)
(b) Buildings	27,21,38,571	-	-	27,21,38,571	2,62,91,810	45,21,961	-	3,08,13,771	24,13,24,800	24,58,46,761
	(27,06,34,533)	(15,04,038)	-	(27,21,38,571)	(2,13,54,536)	(49,37,274)	-	(2,62,91,810)	(24,58,46,761)	(24,92,79,997)
(c) Plant and Equipment										
(i) Medical Equipments	18,36,02,476	1,46,44,531	11,29,125	19,71,17,882	6,05,61,683	1,37,60,337	3,59,959	7,39,62,061	12,31,55,821	12,30,40,793
	(17,81,12,505)	(55,63,037)	(73,066)	(18,36,02,476)	(4,68,90,980)	(1,37,01,418)	(30,715)	(6,05,61,683)	(12,30,40,793)	(13,12,21,525)
(ii) Other Equipments	6,79,48,869	44,14,908	32,17,394	6,91,46,383	2,71,54,894	54,54,269	12,48,013	3,13,61,150	3,77,85,233	4,07,93,975
	(6,75,23,426)	(4,25,443)	-	(6,79,48,869)	(2,18,05,847)	(53,49,047)	-	(2,71,54,894)	(4,07,93,975)	(4,57,17,580)
(d) Furniture and Fixtures	2,48,89,063	11,75,548	-	2,60,64,611	1,18,59,281	22,87,373	-	1,41,46,654	1,19,17,957	1,30,29,782
	(2,08,03,127)	(41,24,236)	(38,300)	(2,48,89,063)	(99,06,200)	(19,84,380)	(31,299)	(1,18,59,281)	(1,30,29,782)	(1,08,96,927)
(e) Office equipment	36,86,086	1,32,559	17,00,000	21,18,645	28,41,154	1,87,747	16,15,000	14,13,901	7,04,744	8,44,932
	(31,12,027)	(5,74,059)	-	-	(36,86,086)	(27,38,620)	(1,02,534)	(28,41,154)	(8,44,932)	(3,73,407)
(f) Computers	1,03,73,941	1,46,206	-	1,05,20,147	93,60,877	5,54,750	-	99,15,627	6,04,520	10,13,064
	(98,80,412)	(4,93,529)	-	(1,03,73,941)	(86,53,767)	(7,07,110)	-	(93,60,877)	(10,13,064)	(12,26,645)
(g) Motor Vehicles	38,06,780	-	-	38,06,780	18,85,951	4,59,240	-	23,45,191	14,61,589	19,20,829
	(38,06,780)	-	-	(38,06,780)	(14,28,145)	(4,57,806)	-	(18,85,951)	(19,20,829)	(23,78,635)
Total	69,38,54,403	2,05,13,752	60,46,519	70,83,21,636	13,99,55,650	2,72,25,677	32,22,972	16,39,58,355	54,43,63,281	55,38,98,753
(Previous year)	(68,12,81,427)	(1,26,84,342)	(1,11,366)	(69,38,54,403)	(11,27,78,095)	(2,72,39,569)	(62,014)	(13,99,55,650)	(55,38,98,753)	(56,85,03,333)

Note: 2.10 Intangible Asset

[Figures in Rupees]

Particulars	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	As at 1st April, 2018	Additions	Adjustments/ Deductions during the year	As at 31st March 2019	As at 1st April, 2018	For the year	Adjustments/ Deductions during the year	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Software	43,93,819 (43,93,819)	14,98,919	-	58,92,738 (43,93,819)	43,12,430 (41,34,664)	1,60,672 (1,77,766)	-	44,73,102 (43,12,430)	14,19,636 (81,389)	81,389 (2,59,155)
Total	43,93,819	14,98,919	-	58,92,738	43,12,430	1,60,672	-	44,73,102	14,19,636	81,389
(Previous year)	(43,93,819)	-	-	(43,93,819)	(41,34,664)	(1,77,766)	-	(43,12,430)	(81,389)	(2,59,155)

Note: 2.10.1: Land admeasuring 149.8 cents (149.8 cents) has not been registered in the name of the Company.

54,57,82,917 55,39,80,142

2.29 The details of Provisions and Contingent Liabilities are as under: (Disclosed in terms of Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets notified by the Companies (Accounting Standards) Rules, 2006

2.29.1 Contingent liabilities not provided for:

Particulars	Year ended 31 st March, 2019	Year ended 31 st March, 2018
	(Amount in Rs.)	(Amount in Rs.)
(a) Bank Guarantees	52,29,396	50,29,396
(b) Preference Dividend on 5% Cumulative Redeemable preference shares of Rs 100 each, not declared by the company	-	1,10,34,611

2.30 The company has an internal control system in place, including in relation to internal financial controls over financial reporting, which is commensurate with the nature and size of its operations. These internal controls are reviewed/tested by the management/internal auditors on an ongoing basis and there are no material weakness/deficiencies. Further strengthening of the internal control systems/improvements are being assessed/carried out by the management on a continuing basis.

2.31 Purchase Commitments

The company had taken certain equipment's from suppliers on operating type lease against payment by agreed annual business commitments for purchase of material in reagents, i.e. controls and consumables for an agreed sum, for the agreed duration under the relative agreement. The company has the following commitments under these agreements:

(Amount in Rs.)

Particulars	Less than 1 year	Later than 1 year and not later than 5 years	Later than 5 Years
Towards value of consumables to be procured from the Lessor(s)	2,15,04,205 (Nil)	- (2,32,38,331)	Nil (Nil)

2.32 Related Party disclosures as per Accounting Standard - 18 "Related Party Disclosures":

Related party and Nature of Relationship:

a) Key Managerial Personnel

Name	Designation
Dr. Yusuf Kumble	Managing Director
Dr. Ali Kumble	Whole Time Director

b) Relatives of Key Managerial Personnel

Name	Designation / Nature of Relationship
Mrs.Nifri Yusuf	Director/Relative of Key Managerial Personnel
Mrs.Raziya Ali	Director/Relative of Key Managerial Personnel
Mrs.Beefathima	Relative of Key Managerial Personnel

c) Enterprise with common key managerial person:

1) Mangalore Institute of Oncology Private Limited

Details of transactions with related parties:

(Amount in Rs.)

Particulars	Year ended 31 st March, 2019	Year ended 31 st March, 2018
1. Remuneration		
a) For Professional Services		
Dr. Yusuf Kumble	1,69,46,584	1,52,66,363
Dr. Ali Kumble	59,74,239	59,92,084
b) Salary		
Mrs. Raziya Ali	6,00,000	6,00,000
Mrs. Nifri Yusuf	6,00,000	6,00,000
Keshavdas	8,89,032	-
Chaithanya V	5,20,938	-
2. Issue of Share Capital- Equity		
Dr. Yusuf Kumble	-	-
Dr. Ali Kumble	-	-
3. Share Application Money Received		
Dr. Yusuf Kumble	-	-
Dr. Ali Kumble	-	-
2. Conversion of Preference shares into Equity Shares		
Dr. Yusuf Kumble	-	-
Dr. Ali Kumble	-	-
3. Loans Repaid/Converted		
Dr. Yusuf Kumble	-	Nil
Dr. Ali Kumble	-	Nil
2. Hospital Services rendered		
Mrs. Beefathima	3,98,774	1,62,924
Dr. Ali Kumble	-	39,280
Mrs. Nifri Yusuf	-	37,580
Mangalore Institute of Oncology Private Limited	12,26,113	53,46,222

(Amount in Rs.)

Particulars	Year ended 31 st March, 2019	Year ended 31 st March, 2018
3. Sale of Medicines		
Dr. Ali Kumble	5,70,444	7,51,640
4. Radiation charges paid		
Mangalore Institute of Oncology Private Limited	3,39,760	8,90,570
4. Balances at year end		
a. Trade Receivable		
Mrs. Beefathima	Nil	Nil
a) Trade Payables		
Dr. Yusuf Kumble	3,09,749	2,53,641
Dr. Ali Kumble	1,32,177	78,321
Mangalore Institute of Oncology Private Limited	2,39,300	8,79,502
b) Loans Received		
Dr. Ali Kumble	-	8,441
c) Trade Receivable		
Mangalore Institute of Oncology Private Limited	5,78,402	17,79,263

2.33 Additional Information

(Amount in Rs.)

2.33.1 Expenditure in Foreign Currency	Year ended 31 st March, 2019	Year ended 31 st March, 2018
a) Interest on Term Loan	3,97,114	6,78,676
b) Interest on Buyers Credit	3,46,112	4,35,167
c) Buyers credit commission	44,612	-
d) Business Tours	2,74,599	3,26,986
e) Subscriptions of Magazines	60,573	38,917

(Amount in Rs.)

2.33.2 Vale of imports calculated on CIF Basis	Year ended 31 st March, 2019	Year ended 31 st March, 2018
a) Capital Goods	-	15,56,400

(Amount in Rs.)

2.33.3 Earnings in Foreign Exchange	Year ended 31st March, 2019	Year ended 31st March, 2018
a) Export of Services	28,98,001	99,71,116

2.34 The estimated amounts of contracts remaining to be executed on capital account and not being provided for as at 31-03-2019, net of advance is Rs.3,87,246/-(Rs.3,10,000/-)

2.35 In the opinion of Directors, Loans and Advances and Other Current Assets have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

2.36 The figures in brackets, unless otherwise stated represents figures for the financial year. Figures have been rounded off to the nearest Rupee. Figures of the previous year have been regrouped/recast where ever necessary to suit the classification/disclosure of the current year.

As per our report of even date attached For Indiana Hospital and Heart Institute Limited,

For Varma and Varma
 (FRN: 004532S)

CA Vivek Krishna Govind
 Chartered Accountant
 (M. No. 208259)
 UDIN: 19208259AAAAAI7399

CA. Chaithanya V
 Chief Financial Officer

Yusuf Aramanayil
 Managing Director
 Din: 00354740

Ali Kumble
 Whole-time Director
 Din:00353935

Place: Kochi
 Date: 05-08-2019

Place: Mangaluru
 Date: 05-08-2019

Form No. MGT-11 Proxy form

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

CIN: U85110KA2010PLC052336

Name of the Company : **INDIANA HOSPITAL AND HEART INSTITUTE LIMITED**

Registered office : **Mahaveer Circle, Pumpwell, Kankanady Post, Mangalore KA 575002**

Name of the Member(s)	:
Registered address	:
E-mail Id	:

I/We being the member of, holding shares, hereby appoint

1. Name :
- Address :
- E-mail Id :
- Signature :, or failing him

2. Name :
- Address :
- E-mail Id :
- Signature :, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of members of the Company, to be held on 12.09.2019 at the registered office of the Company at 11.00 AM and at any adjournment thereof in respect of such resolutions as are indicated below:

- Resolution No.1.....
- 2.....
- 3.....
- 4.....
- 5.....

Signed thisday of...2019

Affix Revenue
Stamp

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

**1st NABH Accredited Corporate Referral Hospital
in MANGALURU**

