

LOTUS



LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

(Formerly Lotus Eye Care Hospital Limited)

18th ANNUAL REPORT
2014 - 15



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LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L85110TZ1997PLC007783

Regd. Office: SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014

E-mail : lotussecdept@gmail.com, Website : www.lotuseye.org

Phone : 0422 4229900 Fax : 0422 4229933

Board of Directors

- Chairman and Managing Director** - **Dr. S.K. Sundaramoorthy**
- Directors**
- **Sri. D. R. Kaarthikeyan**
 - **Dr. S.S. Badrinath**
 - **Dr. Yogesh Shah**
 - **Sri. G.R. Karthikeyan**
 - **CA R. Subramanian**
 - **CA M. Alagiriswamy**
 - **Dr. Kavetha Sundaramoorthy**
(Alternate Director Mr. P.K. Venkatachalam)
 - **Ms. Sangeetha Sundaramoorthy**
- Company Secretary** - **CS K. Rangasamy**
- Chief Financial Officer** - **CA M. Venkatachalapathi**
- Statutory Auditors** - **M/s. V E K A M and Associates**
Chartered Accountants, Coimbatore - 641 012
- Secretarial Auditor** - **Mr. P. Eswaramoorthy**
Company Secretary in Practice
Ramanathapuram, Coimbatore - 641 045
- Bankers**
- **Indian Overseas Bank**, Ganapathy, Coimbatore
 - **Indusind Bank Ltd**, Coimbatore
 - **HDFC Bank Ltd**, Coimbatore
 - **Axis Bank Ltd**, Coimbatore
 - **The Federal Bank Ltd**, Ernakulam
- Registered Office** - S.F. No. 770/12, Avinashi Road
Civil Aerodrome Post, Coimbatore - 641 014
- Registrar and Share Transfer Agent** - **M/s. S.K.D.C. Consultants Limited**
Post Box No : 20416, Kanapathy Towers,
3rd Floor, 1391/A-1, Sathy Road,
Ganapathy Post, Coimbatore - 641 006.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 18th Annual General Meeting of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED will be held on Monday, 28th day of September, 2015 at 3.00 P.M at The Registered Office of the Company at S.F.No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore-641 014 to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2015 and the Reports of the Board of the Directors and Auditors thereon.
2. To appoint a director in place of Dr. Kavetha Sundaramoorthy (holding DIN 2050806), who retires by rotation and being eligible offers herself for re-appointment.
3. To re-appoint M/s. V E K A M and Associates, Chartered Accountants, Coimbatore (Registration No. 05256S) as statutory auditors of the Company and fix their remuneration.

SPECIAL BUSINESS :

4. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and in partial modification of the relevant resolution passed at the Annual General Meeting of the Company held on 24.09.2012, consent of the Company be and is hereby accorded to the revision in the remuneration of Dr.S.K.Sundaramoorthy, (DIN: 1582117), Managing Director of the Company, w.e.f. 01.04.2015 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice, for the remaining period of his tenure i.e. up to 31.03.2017.

RESOLVED FURTHER that except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Managing Director of the Company, as approved by the resolution passed at the Annual General Meeting of the Company held on 24.09.2012, shall remain unchanged.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Dr.S.K.Sundaramoorthy, Managing Director, including the monetary value thereof, to the extent recommended by the nomination and remuneration committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

RESOLVED FURTHER that any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution.”



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

“RESOLVED THAT pursuant to the provision of sections 196, 197 and 203 read with schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and remuneration of managerial personnel) Rules, 2014 (including any statutory modification (s) or reenactment thereof for the time being in force), subject to such sanctions as may be necessary, approval and sanction of the company be and is hereby accorded to the appointment of and payment of remuneration to Ms.Sangeetha Sundaramoorthy (DIN: 1859252) as Whole Time Director of the Company for a period of 5 years with effect from 1st August, 2014 upon the terms and conditions as set out in the Statement annexed to the notice convening this meeting, with the liberty given to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or remuneration in such manner as may be agreed to by and between the Company and Ms.Sangeetha Sundaramoorthy provided however, such alterations are within the maximum limits laid down in the Companies Act, 2013 for the time being in force.”

RESOLVED FURTHER THAT she is appointed as a whole time Director on Board liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid Agreement from time to time

By Order of the Board

For **LOTUS EYE HOSPITAL AND INSTITUTE LIMITED**

Place : Coimbatore

Date : 30th May, 2015

(Sd.) **CS K. Rangasamy**
Company Secretary

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

IMPORTANT NOTES :

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

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable.

2. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2015 to 28th September, 2015 (both days inclusive).
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
4. Members are requested to communicate their change of address, if any, quoting their folio numbers to our Registrars and Share Transfer Agents, M/s. SKDC Consultants Limited, "Kanapathy Towers", 3rd Floor, 1391 / A-1, Sathy Road, Ganapathy, Coimbatore - 641 006. Similarly members holding shares in Demat form, shall intimate the change of address, if any, to their respective Depository Participants.
5. Shareholders holding shares in the physical form and wish to avail Electronic Clearing Services (ECS) facility (subject to availability of the facility) may authorize the Company with ECS mandate in the prescribed form (enclosed) and the same should be lodged with the Registrars and Share Transfer Agents M/s. SKDC Consultants Limited for payment of dividend in future through ECS, if eligible.
6. Members who require any clarifications on accounts or operations of the Company are requested to write their queries to the Company Secretary so as to reach him at least one week before the meeting. The queries will be answered accordingly.
7. The Ministry of Corporate Affairs ("MCA"), Government of India, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by serving the documents viz. Notices for general meetings, Financial Statements, Annual Reports etc. through electronic mode, for which the Company has to obtain email addresses of its members. To take part in the above Green Initiative, we propose to send the above documents in electronic form to the email addresses of the members. In order to serve the documents in electronic mode, Members holding shares in physical mode are requested to communicate their e-mail address quoting their folio numbers to our Registrars and Share Transfer Agents. Similarly members holding shares in Demat form shall intimate their e-mail address to their respective Depository Participants at the earliest.
8. Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.
9. Electronic copy of the Notice of the 18th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 18th Annual General Meeting of the Company *inter alia* indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.



10. Members may also note that the Notice of the 18th Annual General Meeting and the Annual Report for 2014-15 will also be available on the Company's website www.lotuseye.org for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investors.lotus@gmail.com

11. **Voting through electronic means**

Pursuant to Clause 35B of the Listing Agreement with the Stock Exchange and Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 18th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL) :

In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this notice, a postal ballot Form is annexed. A member desiring to exercise vote by postal ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to CS.P.Eswaramoorthy FCS, Scrutinizer, Company Secretary in Practice, 5th Street, Ramalinga Jothi Nagar, Near Corporation Office, Nanjundapuram, Road, Ramanathapuram, Coimbatore – 641 045 so as to reach him on or before 27th September, 2015 by 5.00 P.M. Any Ballot Form received after the said date shall be treated as if the reply from the members has not been received. Kindly note that members can opt for only one mode of voting i.e., either by postal ballot or through e-voting. If members are opting for e-voting then do not vote by postal ballot or vice versa.

However, in case of members casting their vote by postal ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.

The instructions for members for voting electronically are as under:-

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 25th September, 2015 at 9.00 AM and ends on 27th September, 2015 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN relevant to **Lotus Eye Hospital and Institute Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the Votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

12. In case of members desiring to exercise vote by Postal Ballot :

A Member desiring to exercise vote by Postal Ballot should complete the Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed business reply envelope properly sealed. Members are requested to read the instructions contained on the reverse of the Postal Ballot Form and follow the same.

AS THE COMPANY HAS PROVIDED E-VOTING /POSTAL BALLOT VOTING IN TERMS OF CLAUSE 35B OF THE LISTING AGREEMENT, MEMBERS MAY PLEASE NOTE THAT THERE WILL BE ONLY ONE MODE OF VOTING EITHER THROUGH E-VOTING OR BY POST. THE SCRUTINIZER WILL COLLECT THE VOTES DOWNLOADED FROM THE E-VOTING SYSTEM AND VOTES RECEIVED THROUGH POSTAL BALLOT TO DECLARE THE FINAL RESULT FOR EACH OF THE RESOLUTIONS FORMING PART OF THE NOTICE OF ANNUAL GENERAL MEETING.

- i. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date Monday, 21st September, 2015.
 - ii. CS.P.Eswaramoorthy FCS, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process / Postal Ballot in a fair and transparent manner.
 - iii. The scrutiniser shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
 - iv. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith. The results declared along with the scrutiniser’s report shall be placed on the Company’s website www.lotuseye.org immediately after the result is declared by the Chairman and shall be simultaneously communicated to NSE, BSE, NSDL & CDSL.
 - v. In case of any grievances connected with the voting by electronic means, the members may contact the Company Secretary, Lotus Eye Hospital and Institute Limited, SF No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014. Phone : +91 422 4229906. E-mail : lotussecddept@gmail.com.
13. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Sunday, up to and including the date of the Annual General Meeting of the Company.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The shareholders will recall the appointment of Dr.S.K.Sundaramoorthy (DIN: 1582117) as Managing Director of the Company with effect from 01.04.2012 for a period of 5 years at the meeting of the shareholders held on 24.09.2012.

The Company, during the year, has achieved remarkable growth with its turnover crossing ₹. 30 crore. Moreover, the Company is aggressively concentrating on its volume of turnover.

Since there has been a considerable increase in the duties and responsibilities performed by the Managing Director and after considering the prevailing managerial remuneration in industry, the Board of Directors at their meeting held on 30.05.2015, on the recommendations made by the nomination and remuneration committee, has approved the proposal to increase the salary of Dr. S.K.Sundaramoorthy, Managing Director from the present Remuneration of ₹. 3,00,000 per month with annual increment of ₹. 50,000 to ₹. 3,50,000 per month with annual increment of ₹. 50,000 w.e.f. 01.04.2015 for the remaining period of his tenure i.e., up to 31.03.2017. Except for the aforesaid revision in salary, all other terms and conditions of his appointment as the Managing Director of the Company as approved earlier, shall remain unchanged.

As per the terms for revision in remuneration proposed above are well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not necessary for the above revision in remuneration.

Dr.S.K.Sundaramoorthy and his relatives (including Dr.Kavetha Sundaramoorthy and Ms.Sangeetha Sundaramoorthy, Directors) may be deemed to be concerned or interested in the said resolution. No other Directors, key managerial personnel or their relatives are concerned or interested in the said resolution.

Item No.5

The Board of Directors in their meeting held on 30th May, 2015 had re-appointed Ms.Sangeetha Sundaramoorthy (DIN: 1859252) as "Whole-time Director" of the Company for a period of 5 years with effect from 01st August, 2014, subject to approval by the share holders of the Company under Schedule V of the Companies Act, 2013.

The Board has also, subject to approval of the share holders, fixed the remuneration/ perquisites/ benefits payable to the aforesaid Ms.Sangeetha Sundaramoorthy, Whole-time Director from 1st August, 2014 which, shall be as under:

1. Name of the appointee : Ms.Sangeetha Sundaramoorthy
2. Designation : Whole time Director
3. Tenure : Five(5) years From 1st August, 2014
4. Salary : ₹. 40,000/- p.m.
5. Perquisites
 - i) Perquisites include House Rent Allowance, Car, Electricity, Medical Expenses reimbursement for self and family, Leave Travel Concession for self and family, club fees, medical insurance etc., limited to actuals or the Annual Salary whichever is less.
 - ii) Provision of car for use on Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.
 - iii) Company's Contribution to the Provident Fund, Gratuity and encashment of leave as per the rules of



the Company and the same shall not be considered prerequisites as aforesaid.

In the event of absence of or inadequacy of Profit in any Financial Year during the tenure, the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013.

The Board of Directors be and hereby authorised to alter and vary the terms and conditions and grant increment(s) and other prerequisites to respective individuals so as not to exceed the maximum limits for the payment of remuneration specified in Schedule V to the Companies Act, 2013 or any amendments thereto, as may be agreed to between the Board of Directors and the respective Directors.

Further she has been appointed as a whole time director on board liable to retire by rotation.

The above mentioned explanatory statement read together with the resolutions specified under **SPECIALBUSINESS** as item no. 5 of the Notice convening the Annual General Meeting may be considered as an abstract, under section 102 of the Companies Act, 2013.

MEMORANDUM OF INTEREST

Dr.S.K.Sundaramoorthy and Dr.Kavetha Sundaramoorthy are being related to Ms.Sangeetha Sundaramoorthy are deemed to be concerned and interested in the resolution at Item No. 5.

Except the above-mentioned Directors none of the directors of the Company is concerned or interested in this resolution.

By Order of the Board

For LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Place : Coimbatore

Date : 30th May, 2015

(Sd.) CS K. Rangasamy
Company Secretary

The details of Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement) are as follows :

S. No.	Name	Qualification	Experience (in Years)	Directorship in other Public Limited Companies	Committee Membership in other Public Limited Companies	No. of Shares in LEHI LTD
1.	Ms. Sangeetha Sundaramoorthy	MS Software	14 Years	-	-	2,23,050

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Directors' Report and Management Discussion and Analysis:

Your Directors have pleasure in presenting the 18th Annual Report of your Company together with the Audited Accounts for the year ended 31st March 2015.

FINANCIAL RESULTS		(₹ in lacs)
Particulars	31.03.2015 (Current year)	31.03.2014 (Previous year)
Income from Operations and other income	3033.22	2908.52
Profit before Depreciation and Tax	253.76	363.69
Less: Depreciation	476.19	353.71
Profit / (Loss) before Tax	(222.43)	9.98
Add: Provision for Taxes / Deferred Tax Asset	24.35	6.08
Profit / (Loss) after tax transferred to Reserves & Surplus	(198.08)	3.90

REVIEW OF OPERATIONS AND PERFORMANCE :

Your company has reported a turnover of ₹. 3032.91 lacs during the financial year 2014-15 compared to the turnover of ₹. 2908.52 lacs in the previous financial year 2013.14. Your Company incurred a net loss of ₹.198.08 lacs during the financial year 2014-15 against a net profit of ₹. 3.90 lacs during the previous financial year 2013.14. Your directors will take further effort to increase the turnover and net profit.

Dividend: Your Director has not recommended any dividend for the year under review.

SHARE CAPITAL:

The Paid up equity capital as on 31st March, 2015 was ₹. 2, 079.63 Lacs. During the year under review the Company has not issued any shares to the Shareholders. The company has not issued shares with different voting rights nor granted stock option nor sweat equity,

FINANCE:

Cash and cash equivalents as at 31st March, 2015 was ₹. 51.55 Lacs. The Company continues to focus on judicious management of its working capital, Receivables, Inventories and other working capital parameters were kept under strict check through continuous monitoring.

DEPOSITS:

Your company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

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

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

OUTLOOK FOR THE CURRENT YEAR:

Your company will establish infrastructure facilities for separate super speciality for Cornea and Retina at Peelamedu Main Hospital, Coimbatore.

Your Company is planning to establish the new center at Gobichettipalayam, Erode District.

CORPORATE SOCIAL RESPONSIBILITIES:

Your company always places greater importance to manage its affairs with highest levels of transparency, accountability and integrity and is committed to achieve and maintain the high standards of corporate governance on sustained basis. Your Company reaches out to the needy sections of the society in many



ways. In line with this policy, your Company has been continuously organizing many free eye camps along with trust to provide free eye treatment to people below the poverty line.

OPPORTUNITIES AND THREATS:

Through there is a stiff competition in eye care, our company is reasonably doing well. It is because of the established name for quality eye care and increase in demand for eye care in the public.

Our company is situated at South India and faces competition from other hospitals in the home town. We have introduced new departments in Ophthalmology and additional facilities for patients in Coimbatore and other centers.

COMPETITION:

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

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

SHORTAGE OF SKILLED MANPOWER:

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

INVESTMENT:

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

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the period under review your company has incurred the foreign exchange outgo to the tune of ₹. 275.75 Lacs. (Previous year : Nil)

INDUSTRIAL RELATIONS:

During the year under review, your company enjoyed cordial relationship with the employees at all levels.

DIRECTORS:

Dr.Kavetha Sundaramoorthy retires by rotation at the forthcoming Annual General Meeting and being eligible, offer herself for re-appointment.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

BOARD EVALUATION: Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

well as the evaluation of the working of its Audit, Nomination and Remuneration Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

REMUNERATION POLICY: The Board has, on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration policy is stated in the Corporate Governance Report.

BOARD MEETINGS: During the year five Board Meeting, four Audit Committee Meetings and two Nomination and Remuneration Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

AUDIT COMMITTEE: The composition of audit committee, number of meetings hold and the attendance of directors there to have been provided under an identical head in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- I. In the preparation of the annual accounts the applicable accounting standards have been followed.
- II. Appropriate accounting policies have been selected and applied consistently, and judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the company at the end of the financial year and of the company for that period.
- III. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the companies Act, 2013 for safeguarding the assets of the company and for the preventing and detecting fraud and other irregularities.
- IV. Annual accounts have been prepared on going concern basis.
- V. Internal financial controls to be followed by the company and that such internal financial control are adequate and were operating effectively.
- VI. Devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

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

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

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary Company.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year, there was no change in the nature of business of the Company

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

There are no material changes and commitments affecting financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and date of the report.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as “Code of Conduct” which forms an Appendix to the Code. The Code has been posted on the Company’s website www.lotuseye.org.

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

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

KEY MANAGERIAL PERSONNEL:

The Key Managerial Personnel of the Company as stipulated under the Companies Act, 2013 are Dr.S.K.Sundaramoorthy, Managing Director, Ms.Sangeetha Sundaramorthy, Whole-time Director, CA.M.Venkatachalapathi, Chief Financial Officer and CS.K.Rangasamy, Company Secretary.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism named Fraud and Risk Management Policy to deal with instance of fraud and mismanagement, if any.

In staying true to our values of Strength, Performance and Passion and in line with our vision of being one of the most respected companies in India, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

The Company has a Fraud Risk and Management Policy to deal with instances of fraud and mismanagement, if any.

The FRM Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

AUDITOR’S REPORT / SECRETARIAL AUDIT REPORT:

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

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. There are no observations made in the report for the relevant period. However, the company would ensure that all the provisions are complied to the fullest extent.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

STATUTORY AUDITORS:

The Statutory Auditors M/s.V E K A M and Associates, Chartered Accountants, Coimbatore, retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr.P.Eswaramoorthy, Company Secretary in practice to undertake the Secretarial Audit of the Company. The Secretarial Audit report is annexed herewith as "Annexure A"

EXTRACT OF ANNUAL RETURN:

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

BUSINESS RISK MANAGEMENT:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Clause 49 of the listing agreement, the company has constituted a Risk Management Committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report.

At present the company has not identified any element of risk which may threaten the existence of the company.

PARTICULARS OF EMPLOYEES:

As on 31st March, 2015, none of the employees were in receipt of remuneration in excess of the limits prescribed in Section 197 read with Rule 5, 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 .

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

INFORMATION AS PER SECTION 134 (3) (M) OF THE COMPANIES ACT, 2013:

Since the Company is in service industry and does not do any manufacturing activity, the particulars regarding conservation of energy and technology absorption stipulated under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are not applicable.

The particulars regarding foreign exchange inflow and outflow appear as item no.12 in General Notes on Accounts.

CAUTIONARY STATEMENT:

Statement in this Management Discussion and Analysis describing the health care sector's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

ACKNOWLEDGEMENTS:

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

for and on behalf of the Board

Place : Coimbatore
Date : 30th May, 2015

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director



Annexure A to Board's Report
SECRETARIAL AUDIT REPORT

Form No. MR-3

For The Financial Year Ended On 31st March, 2015

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

To

The Members

Lotus Eye Hospital and Institute Limited

CIN: L85110TZ1997PLC007783

S.F.No. 770/12, Avinashi Road

Civil Aerodrome Post

Coimbatore – 641 014

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

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities contracts (Regulation) Act, 1956('SCRA') and rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The major head/groups of Acts, Laws and Regulations as applicable to the Company are

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

(i) Labour Laws; (ii) Environmental and prevention of pollution Laws; (iii) Tax Laws; (iv) Economic and Commercial Laws; (v) The Pharmacy Act, 1948 and (vi) Bio-Medical Waste Management Handling Rules, 1988, (vii) Acts prescribed under Shops and Establishment Act of various local authorities.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India - not applicable as the same was not notified during the audit period
- (ii) The Listing Agreements entered into by the Company with BSE / NSE Limited

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

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

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

I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of quarterly compliance reports by respective department heads and Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable Laws.

I further report that during the audit period there were no instances of

- (i) Public / Rights/ Preferential Issue of shares / Debentures / Sweat Equity etc.
- (ii) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance of Section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

Place : Coimbatore
Date : 30th May, 2015

P. Eswaramoorthy
Company Secretary in Practice
FCS No. : 6510
CP No. : 7069



'ANNEXURE A TO SECRETARIAL AUDIT REPORT'

To

The Members

Lotus Eye Hospital and Institute Limited

CIN: L85110TZ1997PLC007783

S.F.No. 770/12, Avinashi Road

Civil Aerodrome Post

Coimbatore – 641 014

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

1. Maintenance of secretarial record, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively are the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures based on audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore

Date : 30th May, 2015

P. Eswaramoorthy
Company Secretary in Practice

FCS No. : 6510

CP No. : 7069

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Annexure B to Boards Report
Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN: L85110TZ1997PLC007783
- ii) Registration Date: 14/03/1997
- iii) Name of the Company: LOTUS EYE HOSPITAL AND INSTITUTE LIMITED
- iv) Category / Sub-Category of the Company: Company Limited by Shares
- v) Address of the registered office and contact details:
770/12, AVINASHI ROAD,
CIVIL AERODROME POST,
COIMBATORE – 641 014.
- vi) Whether listed company: YES
- vii) Name, Address and Contact details of Registrar and Transfer Agent:
S.K.D.C.CONSULTANTS LIMITED,
POST BOX NO.20416,
KANAPATHY TOWERS, 3rd FLOOR,
1391/A-1, SATHY ROAD, GANAPATHY POST,
COIMBATORE – 641 006.
PHONE: 0422 654995 & 2539835, FAX : 0422 2539837

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products / services	NIC code of the Product Service	% to total turnover of the Compnay
1.	Healthcare Service	85110	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

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

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



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

i) Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year			% of Total Shares	No. of shares held at the end of the year			% change during the year		
	Demat	Physical	Total		Demat	Physical	Total	% of Total Shares	-	
A (1) Promoters										
a) Individual/HUF	11042520	200	11042720	53.099	11045997	200	11046197	53.116	0.017	
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Bank / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1):-	11042520	200	11042720	53.099	11045997	200	11046197	53.116	0.017	
(2) Foreign										
a) NRIs - Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other – Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholdings of Promoter (A) = (A) (1) + (a) (2)	11042520	200	11042720	53.099	11045997	200	11046197	53.116	0.017	
B. Public Shareholding										
a) Mutual Funds/ Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions										
a) Bodies Corp.										
i) Indian	556222	Nil	556222	2.675	530643	Nil	530643	2.552	-0.123	
ii) Overseas										
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹. 1 Lac	4318388	107	4318495	20.765	4089087	107	4089194	19.662	-1.103	
ii) Individual shareholders holding nominal share capital in excess of ₹.1 Lac	4222265	Nil	4222265	20.303	4472850	Nil	4472850	21.508	1.205	
c) Others Non Resident										
Indians	186993	Nil	186993	0.899	121434	Nil	121434	0.584	-0.315	
Clearing Members	119498	Nil	119498	0.575	226229	Nil	226229	1.088	+0.513	
Hindu Undivided Family	350137	Nil	350137	1.684	309783	Nil	309783	1.490	-0.194	
Sub-total (B)(2):-	9753503	107	9753610	46.901	9750026	107	9750133	46.884	-0.017	
Total Public Shareholdings (B)=(b) (1)+(B) (2)	9753503	107	9753610	46.901	9750026	107	9750133	46.884	-0.017	
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	20796023	307	20796330	100.000	20796023	307	20796330	100.000	0.000	

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

ii) Shareholding of Promoters

Share Holder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	Shares of % change in shares holding during the year
1 Kaliannagounder Sundaramoorthy	10596420	50.95	Nil	10599897	50.97	Nil	0.02
2 Dr.Kavetha Sundaramoorthy	223050	1.07	Nil	223050	1.07	Nil	Nil
3 Ms.Sangeetha Sundaramoorthy	223050	1.07	Nil	223050	1.07	Nil	Nil
4 S.A.Karuppasamy	100	Nil	Nil	100	Nil	Nil	Nil
5 V.Saroja	100	Nil	Nil	100	Nil	Nil	Nil

(iii) Change in Promoters' Shareholding (please specify, if there is no change) – NOT APPLICABLE

S.No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	11042720	53.10	11042720	53.10
Date wise Increase / Decrease .in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):Date: 13.03.2015	3477	0.02	3477	0.02
At the End of the year	11046197	53.12	11046197	53.12

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

S.No.	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of shares	% of total shares of the Company
01 Mr. A.K.S.SARAVANAN				
At the beginning of the year	887667	4.27	887667	4.27
02.05.2014 Sale	(58666)	0.28	829001	3.99
16.05.2014 Purchase	4	0.00	829005	3.99
23.05.2014 Purchase	22738	0.11	851743	4.10
30.05.2014 Purchase	24981	0.12	876724	4.22
30.06.2014 Sale	(100)	0.00	876624	4.22
04.07.2014 Purchase	46430	0.22	923054	4.44
11.07.2014 Purchase	20	0.00	923074	4.44
29.08.2014 Sale	(17019)	0.08	906055	4.36
10.10.2014 Purchase	778	0.00	906833	4.36

31.10.2014	Purchase	500	0.00	907333	4.36
21.11.2014	Purchase	1808	0.01	909141	4.37
19.12.2014	Purchase	16383	0.08	925524	4.45
31.12.2014	Purchase	34136	0.17	959660	4.62
02.01.2015	Purchase	3707	0.02	963367	4.64
09.01.2015	Purchase	48083	0.23	1011450	4.86
16.01.2015	Purchase	6126	0.03	1017576	4.89
23.01.2015	Purchase	3000	0.01	1020576	4.90
30.01.2015	Purchase	316	0.00	1020892	4.90
06.02.2015	Sale	(505)	0.00	1020387	4.90
13.02.2015	Purchase	12	0.00	1020399	4.90
20.02.2014	Purchase	771	0.00	1021170	4.90
27.02.2014	Purchase	986	0.00	1022156	4.90
06.03.2014	Purchase	603	0.00	1022759	4.90
13.03.2014	Purchase	254	0.00	1023013	4.90
20.03.2015	Purchase	7766	0.05	1030779	4.95
At the end of the year				1030779	4.95
02 Ms. SANGEETA CHOUDHARY					
At the beginning of the year		69053	0.00	69053	0.33
22.08.2014	Purchase	332203	1.60	401256	1.93
27.03.2015	Purchase	58608	0.28	459864	2.21
At the end of the year				459864	2.21
03 Dr. RAJEEV CHOUDHARY					
At the beginning of the year		439235	2.11	439235	2.11
At the end of the year				439235	2.11
04 Mr. MAGESH KANOOGA S					
At the beginning of the year		22336	0.11	22336	0.10
20.06.2014	Sale	(2538)	0.01	19798	0.09
30.06.2014	Sale	(7840)	0.03	11958	0.06
12.09.2014	Purchase	9106	0.04	21064	0.10
30.09.2014	Purchase	8574	0.04	29638	0.14
03.10.2014	Purchase	9149	0.04	38787	0.18
10.10.2014	Purchase	4335	0.02	43162	0.20
24.10.2014	Sale	(8060)	0.03	35062	0.17
31.10.2014	Purchase	27222	0.13	62284	0.30
07.11.2014	Purchase	31217	0.15	93501	0.45
21.11.2014	Purchase	565	0.00	94072	0.45
28.11.2014	Purchase	94726	0.46	188792	0.91
05.12.2014	Purchase	41300	0.20	230092	1.11
06.02.2015	Purchase	21221	0.10	251313	1.21
13.02.2015	Purchase	1800	0.01	253113	1.22
13.02.2015	Sale	(6501)	0.03	246612	1.19
20.02.2015	Sale	(6009)	0.03	240603	1.16
20.03.2015	Sale	(3948)	0.02	236655	1.14
27.03.2015	Sale	(26138)	0.13	210517	1.01
31.03.2015	Sale	(1953)	0.01	208564	1.00
At the end of the year				208564	1.00

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

05 Mr. SANJAY DINESH SHAH					
At the beginning of the year		175500	0.84	175500	0.84
At the end of the year				175500	0.84
06 Mr. MUGESH KANOOGA S					
At the beginning of the year		46786	0.22	46786	0.22
06.06.2014	Purchase	28469	0.14	75255	0.36
13.06.2014	Purchase	60308	0.29	135563	0.65
20.06.2014	Sale	(4900)	0.02	130663	0.63
30.06.2014	Sale	(3520)	0.02	127143	0.61
12.09.2014	Purchase	14202	0.07	141345	0.68
19.09.2014	Sale	(4328)	0.02	137017	0.66
30.09.2014	Sale	(100)	0.00	136917	0.66
03.10.2014	Purchase	3500	0.02	140417	0.6
10.10.2014	Purchase	15594	0.07	156011	0.75
12.12.2014	Purchase	5015	0.02	161026	0.77
09.01.2015	Sale	(1182)	0.01	159844	0.76
16.01.2015	Purchase	923	0.00	160767	0.76
23.01.2015	Purchase	2233	0.02	163000	0.78
30.01.2015	Purchase	5942	0.03	168942	0.81
06.02.2015	Purchase	30058	0.14	199000	0.95
13.03.2015	Purchase	11198	0.06	210198	1.01
20.03.2015	Sale	(27318)	0.13	182880	0.87
31.03.2015	Sale	(10121)	0.04	172759	0.83
At the end of the year				172759	0.83
07 Mr. PRAS KANOOGA M					
At the beginning of the year		13728	0.07	13728	0.07
13.06.2014	Purchase	5000	0.02	18728	0.09
12.09.2014	Purchase	1000	0.00	19728	0.09
12.12.2014	Purchase	74752	0.36	94480	0.45
19.12.2014	Purchase	1306	0.01	95786	0.46
31.12.2014	Sale	(1300)	0.01	94486	0.45
02.01.2015	Sale	(4200)	0.02	90286	0.43
09.01.2015	Purchase	16894	0.08	107180	0.51
27.03.2015	Sale	(2078)	0.01	105102	0.52
At the end of the year				105102	0.52
08 Mr. HARISH RAMANAN					
At the beginning of the year		-	-	-	-
At the end of the year				104083	0.50
09 Mr. SUBRAMANIAN K					
At the beginning of the year		94506	0.45	94506	0.45
At the end of the year				94506	0.45
10 Mr. MAHENDRA GIRDHARILAL					
At the beginning of the year		90713	0.44	90713	0.44
At the end of the year				90713	0.44



(v) **Shareholding of Directors and Key Managerial Personnel:**

S.No.		Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares Company	No. of shares	% of total shares of the Company
1	Dr. S.K.Sundaramoorthy, Managing Director At the beginning of the year Date wise Increase / Decrease in Share holding during theyear specifying the reasonsfor increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): 13.03.2015 At the End of the year	11042720	53.10	11042720	53.10
		3477	0.02	11046197	53.10
		11046197	53.12	11046197	53.12
2	Dr. Kavetha Sundaramoorthy, Director At the beginning of the year Date wise Increase / Decrease in Share holding during theyear specifying the reasonsfor increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): At the End of the year	223050	1.07	223050	1.07
		223050	1.07	223050	1.07
3	Ms.Sangeetha Sundaramoorthy, Director At the beginning of the year Date wise Increase / Decrease in Share holding during theyear specifying the reasonsfor increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): At the End of the year	223050	1.07	223050	1.07
		223050	1.07	223050	1.07
4	Mr. M.Venkatachalapathi CFO At the beginning of the year Date wise Increase / Decrease in Share holding during theyear specifying the reasonsfor increase / decrease (e.g.allotment / transfer / bonus/sweat equity etc): At the End of the year	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil
5	Mr. K.Rangasamy, Company Secretary At the beginning of the year Date wise Increase / Decrease in Share holding during theyear specifying the reasonsfor increase / decrease (e.g.allotment / transfer / bonus/ sweat equity etc): At the End of the year	50	Nil	50	Nil
		Nil	Nil	Nil	Nil
		50	Nil	50	Nil

V. INDEBTEDNESS (₹. in Lacs)

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

S.No.	Secured Loans excluding deposits	Secured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6.63	Nil	Nil	6.63
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	6.63	Nil	Nil	6.63
Change in Indebtedness during the financial year				
Addition	85.00	Nil	Nil	85.00
Reduction	8.53	Nil	Nil	8.53
Net Change Indebtedness	76.47	Nil	Nil	76.47
At the end of the financial year				
i) Principal Amount	83.10	Nil	Nil	83.10
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	83.10	Nil	Nil	83.10

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S.No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
		Dr. S.K.Sundaramoorthy CMD	Ms.Sangeetha Sundaramoorthy, WTD	
1	Gross Salary			
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36.00	Nil	36.00
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	1.30	Nil	1.30
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission- as % of profit- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	37.30	Nil	37.30
	Ceiling as per the Act			
1.	In case of adequate Profit	5% of the Net Profit	5% of the Net Profit	10% of the Net Profit
2.	In case of no Profit or inadequate Profit	42.00	42.00	84.00
	Plus contribution to Provident Fund, Superannuation, Gratuity and encashment of leave to the extent permitted under the Act			

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

S. No.	Particulars of Remuneration	Name of the Directors						Total Amount
		D.R.Karthikeyan	Dr.S.S.Badrinath	R.Subramanian	G.R.Karthikeyan	Dr.Yogesh Shah	M.Alagiriswamy	
1	Independent Directors							
	Fee for attending board / committee meetings	50000	5000	30000	40000	10000	25000	160000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (1)	50000	5000	30000	40000	10000	25000	160000
2	Other Non-Executive Directors							
		Mr.P.K.Venkata-chalam	Dr.Kavetha-Sundaramoorthy					
	Fee for attending board / committee meetings	10000	5000					15000
	Commission	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (2)	10000	5000					15000
	Total (B)=(1+2)	60000	10000	30000	40000	10000	25000	175000
	Total Managerial Remuneration							175000

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



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

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	150000	715650	865650
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission- as % of profit- others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total (A)	150000	715650	865650

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty Nil	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty Nil	Nil	Nil	Nil	Nil	
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

REPORT ON CORPORATE GOVERNANCE (Annexure to the Eighteenth Directors' Report 2014-15)

Introduction

The Securities and Exchange Board of India has introduced a Code of Corporate Governance (Code) by way of amendment to the listing agreements with the Stock Exchanges. The Company has complied with the mandatory requirements of the Code.

1. The Company's philosophy on Corporate Governance

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

2. Board of Directors

(a) Composition

As on 31st March 2015, the strength of the Board is Nine Directors of which one is Alternate Director. As per Clause 49 of the listing agreement, if the Chairman is an Executive Chairman, atleast half of the Board should comprise of independent directors. There are six Independent Directors in our Board.

None of the Directors on the Board hold office of Director in more than fifteen companies or membership of the committees of the Board in more than ten committees and chairmanship of more than five committees, across all companies.

Name of the Director	Category as per Listing Agreement	Directorship in other Public Ltd Companies	Membership and / or Chairperson of Committees	
			Member	Chairman
Dr. S.K. Sundaramoorthy (Chairman and Managing Director)	Executive Promoter	NIL	1	-
Mr. P.K. Venkatachalam (Alternate Director to Ms. Kavetha Sundaramoorthy)	Promoter	NIL	-	-
Dr. Kavetha Sundaramoorthy	Non-Executive Promoter	NIL	-	-
Ms. Sangeetha Sundaramoorthy	Executive-Promoter	NIL	2	-
Mr. D.R. Kaarthikeyan	Non-Executive Independent	7	3	1
Dr. S.S. Badrinath	Non-Executive Independent	NIL	-	-
CA R. Subramanian	Non-Executive Independent	2	2	2
Dr. Yogesh Shah	Non-Executive Independent	NIL	1	-
Mr. G.R. Karthikeyan	Non-Executive Independent	NIL	2	-
CA M. Alagiriswamy	Non-Executive Independent	1	2	-

(b) Meeting

The Board met five times during the year i.e. on 24th May, 2014, 13th August, 2014, 16th September, 2014, 14th November, 2014 and 14th February, 2015.

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



Name of the Directors	Board Meeting (5)	Audit Committee (4)	Nomination & Remuneration Committee (2)	Stakeholders Relationship Committee (0)	Annual General Meeting
Dr. S.K. Sundaramoorthy	5	-	-	-	Yes
Mr. P.K. Venkatachalam	2	-	-	-	No
Dr. S.S. Badrinath	1	-	-	-	No
Mr. D.R. Kaarthikeyan	4	4	2	-	Yes
CA R. Subramanian	3	3	-	-	No
Mr. Yogesh Shah	1	-	1	-	Yes
Ms. Sangeetha Sundaramoorthy	1	1	-	-	No
Dr. Kavetha Sundaramoorthy	1	-	-	-	No
Mr. G.R. Karthikeyan	4	3	1	-	No
CA M. Alagiriswamy	3	2	-	-	Yes

The figures within brackets denote the number of meetings held during the period from 1st April, 2014 to 31st March, 2015.

(c) General Meeting

During the period one General Meeting was held as per the details hereunder:

Particulars	17 th AGM 2014
Date of Meeting	24 th September, 2014
No. of Members Attended	50
No. of Proxy Attended	-
Chairman of the Meeting	Dr. S.K. Sundaramoorthy
Company Secretary	Mr. K. Rangasamy

3. Composition of Board Committees

For effective and efficient functioning of the Company, the Board has formed the following Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee.

a) Audit Committee

The Audit Committee has been constituted on 16.10.2007. The broad terms of reference to the committee are compliance of adequate internal control system, financial disclosures and other issues confirming to the requirements specified in the Listing Agreement. The Committee was reconstituted on 10.11.2012 with the following Executive and Non-Executive Directors as its Members.

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

Name of the Invitee – CA. M.P.Panneerselvan, Statutory Auditor

Sri. K. Rangasamy, Company Secretary is the Secretary of the Audit Committee.

Any two members, present shall constitute the quorum. Four meetings were held during the year.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

b) Nomination and Remuneration Committee

The Remuneration Committee reconstituted on 10.11.2012 with the following Non Executive Directors as members to determine on behalf of the Board of Directors, with regard to terms of reference, the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment.

The Committee was reconstituted on 10.11.2012 with the following Executive and Non-Executive Directors as its members

S.No.	Name		Category
1.	Mr. D.R. Kaarthikeyan	- Chairman	Independent - Non-Executive
2.	Dr. Yogesh Shah	- Member	Independent - Non-Executive
3.	Ms. Sangeetha Sundaramoorthy	- Member	Non Independent - Executive
4.	Mr. G.R. Kathikeyan	- Member	Independent - Non-Executive

Any two members, present shall constitute the quorum. Two meetings were held during the year.

c) Stakeholders Relationship Committee.

The Committee has been formed on 16.10.2007 to specifically deal in matters relating to transfer and transmission of shares, issue of duplicate share certificate, review of dematerialized shares, redressing of investors complaints and non-receipt of shares, annual report, dividend warrants and other matters relating to shares.

The Committee was reconstituted on 10.11.2012 with the following Executive and Non-Executive directors as its members.

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

Sri. K. Rangasamy, Company Secretary is the Compliance officer.

During the year the company has not received any complaints from the investors and there were no outstanding complaints as on 31.03.2015.

4. Annual General Meeting

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

Financial year	Details of Meeting	Date and Time of Meeting	Venue	Special Resolutions
31 st March, 2012	15 th AGM	24.09.12 - 3.00 p.m.	Kasthuri Srinivasan Trust, "Culture Centre", Avinashi Road, Coimbatore - 641 014	Yes
31 st March, 2013	16 th AGM	25.09.13 - 3.00 p.m.	Registered Office at S.F.No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore - 641 014	Yes
31 st March, 2014	17 th AGM	24.09.14 - 3.00 p.m.	Registered Office at S.F.No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore - 641 014	Yes

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

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

5. Disclosures :

a) Related Party Transactions

Details of related party transactions are disclosed in General Note No.3 in Notes on Accounts forming part of the Accounts, as required under Accounting Standard 18 of The Institute of Chartered Accountants of India and all related party transactions are negotiated, on an arm's length basis. There were no materially significant related party transactions with directors, promoters, management, relatives or related companies etc. which had potential conflict, with the interests of the Company at large.

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

b. Compliance by the Company

The company has fairly complied with the requirements of the Stock Exchanges and SEBI. During the last three years, no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI on any matter. The board reviews periodically the compliance report of all laws applicable to the Company.

c. Accounting Treatment

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

d. Risk Management

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

e. Insider Trading Policy

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

f. CEO / CFO Certification

Pursuant to the provisions of Sub Clause V of the Clause 49 of the Listing Agreement with the Stock Exchanges, the Chairman and Managing Director (CEO) and Chief Financial Officer (CFO) have issued a Certificate to the Board as required for the Financial Year ended 31st March 2015.

g. Code of Conduct

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

h. Compliance with Corporate Governance Norms

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in Clause 49 of the Listing Agreement with the Stock Exchanges.

i. Management

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

6. Means of Communication:

The quarterly financial results are generally published within forty five days from the end of each quarter.

The audited results are announced within sixty days from the end of the last quarter as stipulated in the listing agreement with the Stock Exchanges. The Audited annual financial results form part of the Annual Report and the same is being sent to the shareholders prior to the Annual General Meeting.

The Company Profile, Corporate Information, Shareholding Pattern, Financial Statements, Code of Conduct for Directors and Officers and Service range are posted on the Company's web-site www.lotuseye.org.

Quarterly Financial Results and Quarterly Shareholding Pattern are intimated to Stock Exchanges periodically.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

7. General Shareholders Information

a. Annual General Meeting

Day & Date	:	Monday, 28 th September, 2015
Time	:	3.00 P.M.
Venue	:	Registered Office at S.F.No. 770/12, Avinashi Road Civil Aerodrome Post, Coimbatore - 641 014

b. Financial Calendar:

1 st Quarter	:	1 st April to 30 th June
2 nd Quarter	:	1 st July to 30 th September
3 rd Quarter	:	1 st October to 31 st December
4 th Quarter	:	1 st January to 31 st March

c. Date of Book Closure : 22nd September, 2015 to 28th September 2015 (both days inclusive)

d. Listing of

a. Equity Shares	:	Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
	:	National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051.

b. Listing Fees : Listing fees paid for the above Stock Exchanges for 2013-14 and 2015-16.

e. Custodial Fees : Custodial fees paid to the CDSL and NSDL for 2014-15 and 2015-16

f. Stock Exchange Security Code for Equity Shares :

Bombay Stock Exchange Limited	:	Scrip Code : 532998 – Scrip Name : LOTUSEYE
National Stock Exchange of India Limited	:	LOTUSEYE

g. Demat ISIN Numbers in NSDL & CDSL for Equity Shares : INE 947I01017

h. Address of the Registered Office : SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014

Hospital Branches	:	1. 155-B, East Periasamy Road, Near Opposite to Chinthamani, North Coimbatore, R.S.Puram, Coimbatore – 641 002.
		2. No.5(2), Gajalakshmi Theatre Road, Tirupur – 641 601.
		3. 86, Brindhavan Road, Fairlands, Salem – 636 004.
		4. No.140, Coimbatore Main Road, Opp. Bus Stand, Mettupalayam – 641 031.
		5. No.53/33A – 33F, Thejas Towers, SA Road, Kadavanthara, Cochin – 682 020.
		6. 229A, Kurisingal House, Mulanthuruy Post, Cochin – 382 314.



8. Secretarial Audit

For each of the quarter in the Financial Year 2014-15, a qualified Practicing Company Secretary, carried out Secretarial Audits as stipulated by the Securities and Exchange Board of India to reconcile the total admitted capital, with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total issued and listed capital.

The Audit Reports confirm that the total issued/paid-up capital is in agreement with total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL and in respect of the above, Quarterly Secretarial Audit Report was filed with the Stock Exchanges.

9. Market Price Data

Monthly High & Low Prices of shares traded on BSE & NSE for the period from April 2014 to March 2015 (Shares listed on 11.07.2008)

Month	Share Price in ₹.			
	BSE (High & Low)		NSE (High & Low)	
April, 2014	07.30	05.52	07.10	04.90
May, 2014	08.70	05.57	08.80	05.55
June, 2014	13.10	06.74	13.05	06.90
July, 2014	10.75	08.46	10.60	08.45
August, 2014	10.17	08.20	10.00	08.15
September, 2014	10.30	08.12	10.70	07.95
October, 2014	10.30	08.60	10.40	08.05
November, 2014	12.36	08.78	12.40	08.75
December, 2014	12.96	09.50	12.60	09.65
January, 2015	12.50	10.40	12.20	10.25
February, 2015	13.30	10.25	13.20	10.15
March, 2015	18.60	12.34	18.50	11.00

10. Distribution of Shareholders

a. Categories of Shareholders on 31.03.2015

S.No	Category	No. of Share holders	No. of Shares held	% of paid up Share Capital
1	Promoters and Promoters group	5	11046197	53.12
2	Foreign Institutional Investors	-	-	-
3	Bodies Corporate	153	530643	2.55
4	Individuals	7312	8562044	41.17
5	Others	282	657446	3.16
	Total	7752	20796330	100.00

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

b. Distribution of Shareholding as on 31.03.2015

Range (No. of Shares)	No. of Share holders	No. of Equity Shares	% of Shareholding
1 - 500	5698	1105218	5.31
501 - 1000	1010	880128	4.23
1001 - 2000	507	811889	3.90
2001 - 3000	167	434866	2.09
3001 - 4000	63	229825	1.11
4001 - 5000	92	442236	2.13
5001 - 10000	102	770742	3.71
10001 and above	113	16121426	77.52
Total	7752	20796330	100.00

11. Registrar & Share Transfer / Demat Agents : **M/s. S.K.D.C. Consultants Limited**
Kanapathy Towers, 3rd Floor
1391 / A-1, Sathy Road, Ganapathy
Coimbatore – 641 006

Tel. No. : 0422 – 6549995 & 2539835
Fax No. : 0422 - 2539837
E-mail : info@skdc-consultants.com

12. Dematerialization of Shares :

The Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable members of the Company to select the Depository of their choice for holding and dealing in shares in electronic form.

The Shareholders are requested to make use of such facility for maximizing their convenience in dealing with Company's shares. The ISIN (International Securities Identification Number) of the Company is INE 947101017.

As on 31st March 2015, 99.99% of the Company's paid-up equity capital was held in dematerialized form (only 307 shares in the physical form).

13. Declaration by the Chairman and Managing Director under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

In accordance with Sub-Clause I (D)(ii) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and Senior Management personnel of the Company have affirmed compliance with their respective code of conduct, as applicable to them, for the Financial Year ended 31st March 2015.

for and on behalf of the Board

Place : Coimbatore
Date : 30th May, 2015

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of Lotus Eye Hospital and Institute Limited (Formerly Lotus Eye Care Hospital Limited)

We have examined the compliance of conditions of corporate governance by Lotus Eye Hospital and Institute Limited for the year ended on 31.03.2015, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

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

In our opinion, and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that based on the representation given by the Registrars of the Company to the Investors' Grievance Committee as on 31st March, 2015, there were no investors' grievance matters against the Company remaining pending for more than 30 days.

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

For V E K A M AND ASSOCIATES
Firm Registration No: 05256S
Chartered Accountants

Place : Coimbatore
Date : 30th May, 2015

(Sd.) **CA M.P. Panneerselvan**
Partner
Membership No. 026129

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CEO CERTIFICATE

To

The Board of Directors
Lotus Eye Hospital and Institute Limited

As required by clause 49 (V) of the Listing Agreement entered into with the Stock Exchanges.

I hereby certify that :

- a) I have reviewed the financial statements for the year ended 31st March, 2015 and that to the best of my knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violate any of the company's code of conduct.
- c) I accept that it is my responsibility to establish and maintain internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting and have disclosed to the auditors and the audit committee wherever applicable.
- d) I have indicated to the auditors and the audit committee that there are no
 - i) Deficiencies in the design or operation of internal controls if any, when come to my notice and took steps or propose to take steps to rectify those deficiencies.
 - ii) Significant changes in internal control.
 - iii) Significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements.
 - iv) Instances of significant fraud of which I become aware and the involvement therein if any, of the management or an employee having a significant role in the company's internal control system.

for and on behalf of the Board

Place : Coimbatore
Date : 30th May, 2015

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director



INDEPENDENT AUDITORS' REPORT

To the Members of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED (Formerly Lotus Eye Care Hospital Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED, (Formerly Lotus Eye Care Hospital Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, and the Statement of Profit and Loss, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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, read with Rule 7 of the Companies (Accounts) Rules 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the companies directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement 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 written representations received from the directors as on 31st March, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013; and
 - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us
 - i. The Company has disclosed the impact, if any, pending litigations as at 31st March, 2015 on its financial position in its financial statements - Refer Note 28 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For V E K A M AND ASSOCIATES

Firm Registration No: 05256S
Chartered Accountants

Place : Coimbatore
Date : 30th May, 2015

(Sd.) CA M.P. Panneerselvan
Partner
Membership No. 026129

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" in the Independent Auditors' report of even date to the members of **LOTUS EYE HOSPITAL AND INSTITUTE LIMITED** (Formerly Lotus Eye Care Hospital Limited) on the financial statements for the year ended 31st March, 2015.

- (i) a) The company is in the process of updating its records showing full particulars including quantitative details and situation of fixed assets. However an item wise list of fixed assets containing the particulars for calculation of depreciation is maintained.
- b) All the fixed assets have not been physically verified by the management during the year but there is a phased programme of verification based on the item wise list maintained for calculation of depreciation which, in our opinion, needs to be strengthened having regard to the size of the company and nature of its assets. As informed, no material discrepancies were noticed on such verification. However, in absence of complete information in fixed asset register as stated in clause (a) above, we are unable to comment on the discrepancies, if any.
- (ii) a) As explained to us, the management has conducted physical verification of inventories at reasonable intervals during the year.
- b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt within the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions stated in paragraph 3 (iii) (a) and 3 (iii) (b) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed Assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control systems of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) The Company informed us that the Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for any of the services rendered by the Company.
- (vii) a) According to the information and explanations and records provided to us, the undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, customs duty, cess and other material statutory dues applicable to it have generally been regularly deposited with appropriate authorities though there have been slight delay in a few cases except that employees security deposit amounting to ₹. 19.60 Lacs has not been deposited separately with scheduled banks or post office savings scheme.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty and cess and any other material statutory dues applicable to it, were outstanding as at 31.03.2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, the dues outstanding with respect to, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and other material statutory dues applicable to it, on account of any dispute, are as follows :

Nature of statute	Nature of Dues	Amount (₹. in Lacs)	Amount Paid (₹. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Kerala Value Added Tax Act	VAT Liability	1.89/-	0.57/-	01.04.2012 to 31.03.2013	The Assistant Commissioner (Appeals)

- c) According to the information and explanations given to us, there were no amounts which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act 1956(1 of 1956) and rules made there under.
- (viii) The Company does not have accumulated losses as at 31st March, 2015 and the Company has not incurred any cash loss during the financial year and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions(s), bank(s) or debenture holder(s).
- (x) In our opinion and according to the information and explanations given to us the company has not given any guarantees for loans taken by others from banks or financial Institutions during the year.
- (xi) Based on the information and explanations given to us by the management, term loans have been applied for the purpose for which the said loans were obtained.
- (xii) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For V E K A M AND ASSOCIATES
Firm Registration No: 05256S
Chartered Accountants

Place : Coimbatore
Date : 30th May, 2015

(Sd.) **CA M.P. Panneerselvan**
Partner

Membership No. 026129

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Balance Sheet as at 31st March, 2015

(₹. in Lacs)

Particulars	Note No.	As on 31.03.2015	As on 31.03.2014
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	2,079.63	2,079.63
(b) Reserves and Surplus	3	2,858.78	3,056.86
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	66.67	4.59
(b) Deferred Tax Liabilities (Net)	5	-	21.15
(c) Long-Term Provisions	6	27.17	20.02
(3) Current Liabilities			
(a) Trade Payables	7	318.31	285.33
(b) Other Current Liabilities	8	280.82	359.85
(c) Short-Term Provisions	9	10.13	27.98
TOTAL		5,641.51	5,855.41
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		4,698.66	4,686.97
(ii) Intangible Assets		5.38	7.12
(iii) Capital work in progress		27.36	36.28
		4,731.40	4,730.37
(b) Deferred Tax Asset (Net)	11	3.20	-
(c) Long term loans and advances	12	339.96	463.45
(2) Current Assets			
(a) Inventories	13	308.52	363.72
(b) Trade receivables	14	35.31	39.42
(c) Cash and cash equivalents	15	51.55	92.01
(d) Short-term loans and advances	16	171.57	166.44
Branch / (HO) - Balance		-	-
TOTAL		5,641.51	5,855.41

Significant Accounting Policies & Notes on Financial Statements 1 to 29

As per our Report of even date attached

For **V E K A M AND ASSOCIATES**

Firm Registration No: 05256S

Chartered Accountants

(Sd.) **CA M.P. Panneerselvan**

Partner

Membership No. 026129

Place : Coimbatore

Date : 30th May, 2015

For and on behalf of the Board of Directors

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director

(Sd.) **CA R. Subramanian**
Director

(Sd.) **CS K. Rangasamy**
Company Secretary

(Sd.) **CA M. Venkatachalapathi**
Chief Financial Officer



Statement of Profit and Loss Account for the year ended 31st March, 2015 (₹. in Lacs)

Particulars	Note No.	As on 31.03.2015	As on 31.03.2014
INCOME:			
Revenue from operations	17	2,989.80	2,869.46
Other Income	18	43.42	39.06
TOTAL REVENUE		3,033.22	2,908.52
EXPENSES:			
Cost of materials consumed	19	414.88	265.72
Purchase of Stock-in-Trade	20	528.16	521.48
Service Expenses	21	590.96	594.59
Changes in inventories	22	(15.09)	9.68
Employee Benefit Expenses	23	552.41	550.17
Financial Cost	24	5.52	0.97
Depreciation and Amortization Expenses	25	476.19	353.71
Other Expenses	26	705.21	602.21
TOTAL EXPENSES		3,258.24	2,898.53
Profit / (Loss) before Tax and Exceptional item		(225.02)	9.98
Exceptional Items			
Profits / (Loss) on Sale of Fixed Assets	27	0.29	-
Depreciation Withdrawn		2.30	-
Profit / (Loss) Before Tax		(222.43)	9.98
Tax Expenses			
(1) Current tax (including provisions)		-	1.90
(2) Deferred tax (Income / Expenses)		24.35	4.18
Profit / (Loss) for the year		(198.08)	3.90
Earning per equity share :			
(1) Basic		(0.95)	0.02
(2) Diluted		(0.95)	0.02

Significant Accounting policies & Notes on Financial statements 1 to 29

As per our Report of even date attached

For **V E K A M AND ASSOCIATES**
Firm Registration No: 05256S
Chartered Accountants

(Sd.) **CA M.P. Panneerselvan**
Partner

Membership No. 026129

Place : Coimbatore

Date : 30th May, 2015

For and on behalf of the Board of Directors

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director

(Sd.) **CA R. Subramanian**
Director

(Sd.) **CS K. Rangasamy**
Company Secretary

(Sd.) **CA M. Venkatachalapathi**
Chief Financial Officer

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(₹. in lacs)

Particulars	For the year 2014-15	For the year 2013-14
A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit / Loss Before Tax and after Extraordinary Items	(222.42)	9.98
ADJUSTMENTS FOR:-		
Depreciation	476.18	351.06
Income on Investments	(9.57)	(27.45)
Depreciation Withdrawn	(2.30)	0.00
Preliminary Expenses Written off	-	2.65
Interest Expenses	5.52	0.97
Operating profit before working capital changes	247.40	337.20
ADJUSTMENTS FOR:-		
(Increase) / Decrease in Inventories	55.20	(48.78)
(Increase) / Decrease in Trade Receivables	4.11	(8.49)
(Increase) / Decrease in Short Term Loans and Advances	(5.13)	3.94
Increase / (Decrease) in Current Liability	(63.90)	159.45
Cash Generated From (Used in) Operating Activities	237.68	443.31
Tax Paid	-	(1.90)
Net Cash Generated from / (used in) Operating Activity	237.68	441.41
B) CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	(548.52)	(507.78)
Capital Work in Progress	-	(25.03)
Sales of Assets	73.61	-
Interest Received	9.57	27.45
Net Cash Generated from (Used in) Investing Activities	(465.34)	(505.36)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest Expenses	(5.52)	(0.97)
Increase / (Decrease) in Long Term Borrowings	62.09	(6.86)
Increase / (Decrease) in Long Term Provisions	7.15	5.20
Increase / (Decrease) in Long Term Loans & Advances	123.49	(74.13)
Net Cash From / (Used in) Financing Activities	187.21	(76.76)
(Increase) / Decrease In Cash and Cash Equivalents	(40.45)	(140.71)
Cash and Cash Equivalents at the Beginning of the Year	92.01	232.72
Cash and Cash Equivalents at the End of the Year	51.55	92.01
Cash on Hand	8.88	16.56
Balance With Bank	42.67	75.45

As per our Report of even date attached

For **V E K A M AND ASSOCIATES**
Firm Registration No: 05256S
Chartered Accountants

(Sd.) **CA M.P. Panneerselvan**
Partner
Membership No. 026129

Place : Coimbatore
Date : 30th May, 2015

For and on behalf of the Board of Directors

(Sd.) **Dr. S.K. Sundaramoorthy**
Chairman and Managing Director

(Sd.) **CA R. Subramanian**
Director

(Sd.) **CS K. Rangasamy**
Company Secretary

(Sd.) **CA M. Venkatachalapathi**
Chief Financial Officer



Note No – 1

A. Nature of Operations :

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

B. SIGNIFICANT ACCOUNTING POLICIES:

a. Method of Accounting

The Financial statements have been prepared 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(Accounting Standards) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis. The Accounting policies have been consistently applied by the Company with those used in the previous year.

b. Use of estimates :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets, liabilities disclosures relating to contingent liabilities and assets as at the balance sheet date and reported amounts of income and expenses during the year. Difference between the actual amounts and the estimates are recognised prospectively in the year in which the events are materialised.

c. Fixed Assets, Depreciation and Amortization

Tangible Fixed Assets:

Fixed Assets are stated at cost comprises of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

There is a change in the method of depreciation due to the amendments brought in by the Companies Act, 2013 which replaces schedule XIV of the Companies Act, 1956 with schedule II. Depreciation in fixed assets is provided under Written Down Value Method at the rates determined based on Useful Lives of the respective assets and the residual values in accordance with Schedule II of the companies Act, 2013.

On Improved Leased Assets, the value capitalized in the earlier year under the heading Building has been bifurcated as Improved Leased Asset and has been equally written off over the Prime Lease Period of 5 years in Kochi and in Salem Prime Lease period of 3 years and renewable for further period of 3 years has been written off in 5 years from the Financial Year 2011-12 onwards.

d. Inventories

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

e. Revenue Recognition

All Income and expenses to the extent they are considered as receivable and payable respectively, unless specifically stated to be otherwise are accounted for on mercantile basis.

In respect of claims from insurance Companies which are accounted as and when the claims are accepted or settled by the insurance company whichever is earlier.

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

f. Borrowing Cost

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

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

g. Lease

The Company's significant Leasing arrangements are in respect of Operating Lease for Medical Equipments which are cancelable in nature. The Lease rentals paid/received under such agreements are charged to Profit and Loss Account.

h. Translation of Foreign Currency Transactions:

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

i. Retirement Benefits

Payment to defined contribution schemes are charged as expense as and when incurred.

Post Employment and other long term benefits which are defined benefit plans are recognized based on the present value of the obligation determined in accordance with Accounting Standard 15 on "Employee Benefits"

j. Taxes on Income

Tax on Income for the Current Period is determined on the basis of taxable income and tax credit computed in accordance with the provisions of the Income Tax Act 1961, and based on the expected outcome of assessments/ appeals. Deferred Tax is recognized on timing difference between accounting income and the taxable income for the year quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date. Deferred Tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

k. Interim Financial Reporting

Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standard are followed with respect to such results. Quarterly financial results are subjected to a limited review by the auditors as required by SEBI.

l. Impairment of Assets

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

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

m. Contingent Liabilities

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



Amounts in the financial statements are presented in ₹. in Lacs, except for per share and as otherwise stated

NOTE NO: 2 SHARE CAPITAL

(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Authorised Capital		
	2,50,00,000 Equity Shares of ₹. 10/- each.	-	
		2,500.00	2,500.00
		<u>2,500.00</u>	<u>2,500.00</u>
2.	Issued, Subscribed & Paid up capital		
	2,07,96,330 Equity Shares of ₹. 10/- each	2,079.63	2,079.63
	Total	2,079.63	2,079.63

- The Company has only one class of shares referred to as equity shares having par value of ₹.10/-. Each holder of equity shares is entitled to one vote per share.
- Before amalgamation 211000 Equity shares of ₹. 100/- each consists of initial subscription to memorandum and subsequent allotment to the promoters.
- 497900 Equity shares of ₹. 100/- each issued on 03.08.2007 pursuant to High Court Order dated 09.07.2007 approving the scheme of amalgamation of Dr. S.K.S. Eye Care Centre Private limited with Lotus Eye Care Hospital Limited.
- 345233 Equity shares of ₹. 100/- each were allotted as bonus shares on 28.08.2007 by Capitalisation of general reserve.
- The face value of equity shares was split from ₹.100/- per share to ₹. 10/- per share on 03.09.2007. Due to this the total number of shares consist of 10541330 shares of ₹.10 each.
- 255000 equity shares of ₹. 10/- each were allotted to M/s. Bennett and Coleman Company Ltd on 22.01.2008 on preferential allotment with a premium of ₹. 40/- per share.
- 10000000 equity shares of ₹. 10/- each allotted on 03.07.2008 through Initial Public Offer (IPO) with a premium of ₹. 28/- per share.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in Proportion to the number of equity shares held by the shareholders.
- Details of Shareholders holding more than 5% shares in the Company**

Sl. No.	Name of the Shareholder	Equity share		Equity shares	
		As at 31.03.2015		As at 31.03.2014	
		No. of shares held	% of holding	No. of shares held	% of holding
1	Dr. S.K. Sundaramoorthy	10,599,887	50.97	10,596,420	50.95

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

j. Reconciliation of shares outstanding at the beginning and at the end of the period

Sl. No.	Particulars	Equity share As at 31.03.2015		Equity shares As at 31.03.2014	
		No. of shares	Amount in ₹.	No. of shares	Amount in ₹.
1	At the beginning of the period	20,796,330	207,963,300	20,796,330	207,963,300
	Add: Shares issued during the year	-	-	-	-
	Less: Shares bought back during the year	-	-	-	-
	Add: Other movements during the year	-	-	-	-
	Outstanding at the end of the period	20,796,330	207,963,300	20,796,330	207,963,300

k. The Company has no stock option plans

Note No. 3 Reserves & Surplus

Sl. No.	Particulars		(₹. in lacs)	
			As at 31.03.2015	As at 31.03.2014
1.	Share Premium Reserve	A	2,514.14	2,514.14
2.	Surplus (Profit & Loss Account)			
	Balance brought forward from previous year		542.72	538.82
	Add: Profit / (Loss) for the period		(198.08)	3.90
		B	344.64	542.72
	Total (A + B)		2,858.78	3,056.85

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

b. Utilization of Initial Public Offer (IPO) funds up to 31st March, 2015

Details	As at 31.03.2015	As at 31.03.2014
Proceeds from issue of shares	3,800.00	3,800.00
Less : Expenses for issue	387.86	387.86
Add : Interest and Dividend from Temporary Investments	71.21	70.12
Net IPO Proceeds	3,483.35	3,482.26
Less : Funds deployed towards the project	3,483.12	3,447.52
Unutilized IPO funds deposited in the form of Temporary investment/Current account with bank	0.23	34.74



Non-Current Liabilities

Note No. 4 Long Term Borrowings

(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Term Loan		
	From Bank		
	Canara Bank	2.31	4.59
	HDFC Bank Ltd	64.36	-
	Total	66.67	4.59

1. The term loan availed from Canara Bank and HDFC Bank Limited for the purchase of assets secured by the hypothecation of Maruthi Swift Car and Hospital Equipments Purchased.

Note No. 5 Deferred Tax Liabilities (Net)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Deferred tax liability on account of Accumalted Depreciation	-	16.97
	Less: Deferred tax liability	-	4.18
	Total	-	21.15

- a. Deferred tax has been provided in accordance with AS-22 "Accounting for Taxes on Income".

Note No. 6 Long Term provisions

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
	Provision for Grauity	27.17	20.02
	Total	27.17	20.02

Note No. 7 Trades Payable

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
A	Sundry Creditors for Services:		
	i) Consumables and Contact Lens	100.37	89.82
	ii) Pharmacy	38.67	38.12
	iii) Optical Lens & Frames	103.82	94.68
	iv) Canteen	2.84	2.35
B	Others	72.61	60.36
	Total	318.31	285.33

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

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

Note No. 8 Other Current Liabilities

(₹. in lacs)

Sl.No	Particulars	As at	As at
		31.03.2015	31.03.2014
i	Current maturities of long term debt.	16.42	12.68
ii	Accrued salaries and benefits	32.52	34.15
iii	Advance received from customers	27.66	8.42
iv	Statutory Dues	18.56	20.19
v	Creditors for Capital Goods	161.98	253.99
vi	Other Liabilities	23.68	30.42
	Total	280.82	359.85

- a. Other liabilities includes caution deposit collected from employees who are in service amounting to ₹. 19.60 Lacs.

Note No. 9 Short Term Provisions

Sl.No	Particulars	As at	As at
		31.03.2015	31.03.2014
1	Provision for employee benefits		
	a. Provision for Gratuity	4.01	7.15
2.	Provision for Tax (Including wealth tax)	-	2.90
3	Other Short term provisions	6.12	17.93
	Total	10.13	27.98

Note No.10 : FIXED ASSETS

(₹. in lacs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1.04.2014	Addition During the Year	Deduction during the year	As at 31.03.2015	As at 31.03.2014	Depreciation During the year	Deduction during the year	As at 31.03.2015	WDV As at 31.3.2014
Tangible Assets									
Land	2,353.08	-	-	2,353.08	-	-	-	-	2,353.08
Buildings	1,163.62	12.80	-	1,176.42	297.52	41.87	-	339.39	837.03
Furniture & Fixtures	105.72	8.94	-	114.66	53.71	16.35	-	70.06	44.60
Office Equipments	43.91	7.38	-	51.30	24.17	8.23	-	32.40	18.90
Electrical Equipments	229.02	36.65	-	265.66	115.05	47.81	0.12	162.75	102.91
Plant and Machinery	1,288.51	18.16	73.61	1,233.06	550.27	143.46	4.35	689.37	543.69
Hospital Equipments	1,289.03	311.45	-	1,600.48	939.62	102.28	-	1,041.90	558.58
Vehicles	116.48	-	-	116.48	60.69	18.93	-	79.62	36.85
Computers	59.49	29.06	-	88.55	43.52	11.84	-	55.36	33.19
Sub Total (A)	6,648.86	424.43	73.61	6,999.68	2,084.54	390.79	4.47	2,470.85	4,528.83
Intangible Assets									
Software									
Sub Total (B)	15.73	1.70	-	17.43	8.61	3.44	-	12.04	5.38
Capital Work in Progress									
Building RSP	27.36	-	-	27.36	-	-	-	-	27.36
Vinayagar Temple	8.92	2.83	11.74	-	-	-	-	-	8.92
Sub Total (C)	36.28	2.83	11.74	27.36	-	-	-	-	36.28
Total (A+B+C) Current Year	6,700.87	428.96	85.35	7,044.47	2,093.15	394.22	4.47	2,482.90	4,607.72
Previous Year	6,190.53	517.10	6.76	6,700.87	1,795.60	297.54	-	2,093.14	4,607.72

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1.04.2014	Addition During the Year	Deletion/ transfer during the year	As at 31.03.2015	As at 31.03.2014	Depreciation During the year	Depreciation Written back	Asset Written off during the year	WDV As at 31.3.2014
Improved Leased Asset									
Salem New Building	26.47	-	0.99	25.47	15.88	9.59	-	25.47	10.59
Salem Brindavan	-	116.86	-	116.86	-	15.52	-	15.52	-
Salem Old Building	19.10	-	0.72	18.39	11.46	6.93	-	18.39	7.64
Mettupalayam	40.85	-	-	40.85	11.43	9.55	-	20.99	29.42
Cochin Super Structure	187.65	14.00	-	201.65	112.66	40.36	-	153.02	74.99
Sub Total (D)	274.07	130.86	1.71	403.22	151.43	81.95	-	233.39	122.64
Previous Year	251.60	22.51	-	274.11	97.88	53.55	-	151.44	153.68
Grand Total Current Year	6,974.94	559.81	87.06	7,447.70	2,244.58	476.19	4.47	2,716.30	4,730.37
Grand Total Previous Year	6,442.13	539.61	6.76	6,974.98	1,893.49	351.09	-	2,244.58	4,548.61

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Note No. 11 Deferred Tax Asset (Net)		(₹. in lacs)	
Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
i.	Deferred tax liability on account of Accumaltd Depreciation	21.15	-
	Less: Deferred tax Asset created during the year	24.35	-
	Total	3.20	-

a. Deferred tax has been provided in accordance with AS-22 Accounting for Taxes on Income

Note No. 12 Long Term Loans and Advances

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Capital Advances	189.76	253.58
2.	Security Deposit		
	Electricity & Other Deposit	11.81	33.04
	Bank Guarantee Deposit	-	26.64
3.	Other Loans and advances		
	Rent Deposits	138.39	150.19
	Total	339.96	463.45

Note No. 13 Inventories

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Pharmacy	24.41	22.38
2	Canteen	0.24	0.28
3	Consumables	86.01	156.30
4	Optical Frames	187.48	172.01
5	Contact lens	10.38	12.75
	Total	308.52	363.72

a. The closing stock of Pharmacy,Canteen,Theatre items, and Consumables are valued at Lower of cost and net realizable value and stock of Optical and contact lens are valued at Market price. Cost is arrived at first in first out basis except for optical and contact lens.

b. Due to certain practical difficulties relating to this specific industry and items are largely small value, quantitative particulars in respect of operations and inventories have not been furnished as per the requiremnet of schedule III to the Companies Act, 2013.

Note No. 14 Trade Receivables

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Outstanding for more than six months		
a)	Unsecured, Considered Good	1.72	7.00
2	Other		
a)	Unsecured, Considered Good	33.59	32.42
	Total	35.31	39.42



Note No. 15 Cash & Cash Equivalents

(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
a)	Cash and cheques on hand	8.88	16.57
b)	Balance with Banks		
	In Current Accounts	(100.03)	(90.45)
	In Deposit Accounts	142.71	165.89
		42.67	75.44
	Total	51.55	92.01
	Current account includes		
i)	Public issue refund account	0.26	0.26
ii)	Public issue current account	0.23	0.51

a. Out of Public issue, Refund amounting to ₹. 0.26 lacs has been kept in a separate bank account (Axis Bank Ltd)

b. Current account includes unutilized IPO funds amounting to ₹. 0.23 lacs (Indian Overseas Bank)

Note No. 16 Short Term Loans and Advances

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
a)	Advance for expenses	91.71	98.77
b)	Prepaid expenses	79.86	67.67
	Total	171.57	166.44

Note No. 17 Revenue from Operations

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Income From Medical Services	1,909.79	1,744.19
2	Income from Other utilities	53.57	46.12
3	Pharmacy Sales	256.81	253.26
4	Contact Lens & Opticals	769.63	825.88
	Total	2,989.80	2,869.46

Note No. 18 Other Income

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Interest on FDR's	9.57	27.45
2	Other Receipts	33.85	11.61
	Total	43.42	39.06

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Note No. 19 Cost of Material Consumed

(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Opening Stock	156.30	97.83
2	Add : Purchase	344.59	324.19
		500.89	422.02
3	Less : Closing Stock	86.01	156.30
	Total	414.88	265.72

Note No. 20 Purchase of Stock in Trade

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Pharmacy Purchase	166.33	159.27
2	Purchase of Contact Lens & Opticals	327.35	328.05
3	Canteen & Utility Purchase	34.48	34.16
	Total	528.16	521.48

Note No. 21 Service Expenses

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Professional charges to Doctors	509.33	511.30
2	Power & Fuel	81.63	83.29
	Total	590.96	594.59

Note No. 22 Changes in Inventories

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Opening Stock	207.42	217.10
2	Closing Stock	222.51	207.42
	(Increase) / Decrease in Inventories	(15.09)	9.68

Note No. 23 Employee Benefit Expenses

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Salaries & Bonus	466.83	466.94
2	Contribution to Provident and other Funds	41.45	38.51
3	Staff Welfare Expenses	8.13	8.72
4	Directors Remuneration	36.00	36.00
	Total	552.41	550.17


Note No. 24 Financial Cost
(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Interest on Car loan	0.80	0.06
2	Interest on Term loan	4.71	0.91
	Total	5.52	0.97

Note No. 25 Depreciation & Amortised Cost

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Depreciation	396.53	297.54
	Less: Depreciation Withdrawn	2.30	-
		394.23	297.54
2	Preliminary Expenses W/O	-	2.65
3	Improved Leased assets Written off	81.96	53.52
	Total	476.19	353.71

Note No. 26 Other Expenses

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1	Hospital Upkeep Expenses	22.15	15.18
2	Advertisement & Publicity	42.13	40.41
3	Auditors Remuneration	3.35	2.98
4	Interanal Auditors Remuneration	6.00	-
5	Bank Charges	4.52	3.19
6	Board and AGM Meeting Expenses	6.95	3.34
7	Camp Expenses	16.30	1.21
8	Directors Sitting Fees	1.81	1.47
9	Donation	0.21	-
10	Insurance Expenses	10.98	10.86
11	VAT TDS Interest & Interst on TDS	1.69	-
12	License & taxes	11.53	13.68
13	Marketing,Conference expenses	20.59	6.67
14	Postage & Telegram	4.52	3.03
15	Printing & Stationery Expenses	19.72	19.50
16	Professional & Recommendation Charges	27.78	29.47
17	Rent	265.88	216.59
18	Sales Tax & Service Tax Paid	6.26	44.00
19	Security Expesnes	21.51	18.18
20	Sundry balance written off	16.92	-
21	Telephone Expenses	15.81	13.77
22	Travelling Expenses	4.64	6.84
23	Water Charges	10.74	8.93
24	Prior Period Expenses	23.63	4.25
25	Repairs & Maintenance - Building	16.12	7.00
26	Repairs & Maintenance - Equipment & AMC	68.07	79.50
27	Repairs & Maintenance - Electrical	6.15	7.03
28	Repairs & Maintenance - Vehicle	17.01	17.98
29	Repairs & Maintenance - Computer	2.12	5.11
30	Repairs & Maintenance - Others	1.47	1.19
31	Administrative & Other Expenses	28.67	20.86
	Total	705.21	602.21

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

Note No: 27 Exceptional Items

1. The Company has sold its Generator & Refregirator during the Year.
2. The Income from Sales is reflected as Exceptional Item in Consolidated Statement of Profit and Loss.

Note No: 28 Contingent Liabilities and Commitments as on the closing date

(₹. in lacs)

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Contingent Liabilities		
a.	On account of Pending Litigations Sales Tax Matters (along with Interest & Penalty if any)	1.89	-
	Total	1.89	-

Auditors Remuneration

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	For Statutory Audit	2.25	2.25
2.	For Tax Audit	0.40	0.40
3.	For VAT Audit	0.15	-
4.	For Tax Representation For Service Tax	0.18 0.37	- 0.33
	Total	3.35	2.98

Prior Period Expenses includes

Sl. No.	Particulars	As at 31.03.2015	As at 31.03.2014
1.	Personnel Cost	0.22	0.07
2.	Professional Charges	0.43	0.00
3.	Purchase	2.01	3.06
4.	Boarding & Travelling Expenses	0.01	0.41
5.	Selling Expenses	10.58	0.80
6.	Service Expenses	0.04	0.08
7.	Repairs & Maintenance	0.49	1.29
8.	Other Administrative Expenses	11.37	0.96
9.	Discount received & Other Income	(1.54)	(2.42)
	Total	23.63	4.25

General Note No: 29

1. Earnings Per Share (EPS) computed in accordance with AS 20 :

	31.03.2015	31.03.2014
Net Profit / (Loss) after tax	(198.08)	3.90
Number of shares issued	2,07,96,330	20796330
The Nominal value per equity share (₹.)	10	10
Basic/Diluted EPS	(0.95)	0.02

2. Figures have been rounded off to the nearest thousands and previous year's figures have been regrouped, reclassified wherever necessary to confirm to current years classification.

3. Related party disclosure :

List of related parties as identified by the management are as under

(I) Name of related parties and description of relationship

- a. Key Management Personnel : 1. Dr. S.K.Sundaramoorthy
2. Ms. Sangeetha Sundaramoorthy
- b. Other related parties : Lotus Vision Research Trust

(II) Related party transaction in 2014-15

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

(₹. in lacs)

Nature of transaction	Key Management personnel	Other related parties	Total
Lease rent paid	19.92	9.60	29.52
Lease rent received	-	1.14	1.14
Remuneration	37.30	-	37.30
Others	-	-	-
Cheque received	-	-	-

Remuneration paid to Managing / Whole-time Director during the year 2014-15

Remuneration ₹. 36.00 Lacs

House Rent including Perquisites ₹. 1.30 Lacs

4. Disclosure regarding lease transactions :

- a. Lease rent paid to Dr.S.K.Sundaramoorthy for leasing medical equipments to the company ₹. 19.92 Lacs.
- b. Lease rent paid to Lotus Vision Research Trust for leasing medical equipments to the company ₹. 9.60 Lacs.

5. No dividend is recommended for the financial year 2014-15.

6. Amount of contribution to employees provident fund during the year is ₹. 25.47 Lacs (previous year ₹. 17.18 Lacs)

7. The company has not entered into any derivative transactions during the year under report.

8. Confirmations of balance are yet to be obtained from few parties.

9. Segment Reporting :

Based on the guiding principles given in accounting standard on the Segment Reporting (AS-17) issued by the ICAI, there is only one Reportable segment namely Eye Care and related activities. As the Company's business activity is interrelated, the disclosure requirement of AS-17 in this regard does not arise.

10. During the year there is no impairment of assets as certified by the management.

11. Provision for all known liabilities including depreciation is neither inadequate nor more than what is necessary except compensated leave salary.

12. Expenditure on Foreign exchange During the year is ₹. 275.75 Lacs.

i) CIF value of imports

- a. Capital goods ₹. 258.21 Lacs
- b. Consumable and spares ₹. 17.54 Lacs

ii) Earnings in foreign currency NIL

iii) Expenditure in foreign currency - Travel & others NIL

iv) Dividend paid in foreign currency NIL

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

13. Employees Benefits - The Company has provided for employee benefits as per Accounting Standard 15 in respect of defined benefit plan (Gratuity)

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

Defined benefit plan:

(in ₹.)

	31.03.2015	31.03.2014
A. Change in the present value of obligation – Reconciliation of opening and closing balances:		
Present value of the obligation as at the beginning of the period	2717036	2002100
Interest cost	241816	158166
Current service cost	785661	661730
Past service cost – (non vested benefits)	-	-
Past service cost – (vested benefits)	-	-
Benefits paid	-	-
Actuarial loss / (gain) on obligation (balancing figure)	(626025)	(104957)
PVO as at the end of the period	3118491	2717039
B. Change in the fair value of plan assets – Reconciliation of opening and closing balances:		
Fair value of plan assets as at the beginning of the period	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain / (loss) on plan assets (balancing figure)	-	-
Fair value of plan assets as at the end of the period	-	-
C. Actual return on plan assets		
Expected return on plan assets	-	-
Actuarial gain / (loss) on plan assets	-	-
Actual return on plan assets	-	-
D. Actuarial gain / loss recognized		
Actuarial gain / (loss) for the period – Obligation	626025	104957
Actuarial gain / (loss) for the period – Plan Assets	-	-
Total (gain) / loss for the period	(626025)	(104957)
Actuarial (gain) / loss recognized in the period	(626025)	(104957)
Unrecognized actuarial (gain) / loss at the end of the year	-	-
E. Amounts recognized in the Balance Sheet and related analysis		
Present value of the obligation	3118491	2717039
Fair value of plan assets	-	-
Difference	3118491	2717039
Unrecognized transitional liability	-	-
Unrecognized past service cost – non vested benefits	-	-
Liability recognized in the balance sheet	3118491	2717039



F. Expenses recognized in the statement of Profit and Loss:		
Current service cost	785661	661730
Interest cost	241816	158166
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(626025)	(104957)
Transitional liability recognized in the year	-	-
Past service cost – non vested benefits	-	-
Past service cost – vested benefits	-	-
Expenses recognized in the statement of profit and loss	401452	714939
G. Movements in the liability recognized in the balance sheet		
Opening net liability	2717039	2002100
Expenses as above	401452	714939
Contribution paid	-	-
Closing net liability	3118491	2717039
H. Amount for the current period		
Present value of obligation	3118491	2717039
Plan assets	-	-
Surplus / (Deficit)	(3118491)	(2717039)
Experience adjustments on plan liabilities – (loss) / gain	23858	(33189)
I. Principal Actuarial assumptions (Expressed as weighted averages)		
Discount rate	0.00%	0.00%
Salary escalation rate	0.00%	0.00%
Attrition rate	0.00%	0.00%
Expected rate of return on plan assets	0.00%	0.00%
J. Major categories of plan assets as percentage of total plan assets		
Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity Shares of listed Companies	0.00%	0.00%
Property	0.00%	0.00%
Insurer managed	0.00%	0.00%
Mutual Funds	0.00%	0.00%
Bank Deposits	0.00%	0.00%
Total	0.00%	0.00%

Note: 01. The salary escalation considered in actuarial valuation takes on account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

As per our Report of even date attached	For and on behalf of the Board of Directors	
For V E K A M AND ASSOCIATES Firm Registration No: 05256S Chartered Accountants	(Sd.) Dr. S.K. Sundaramoorthy <i>Chairman and Managing Director</i>	
(Sd.) CA M.P. Panneerselvan Partner Membership No. 026129	(Sd.) CA R. Subramanian <i>Director</i>	(Sd.) CA M. Venkatachalapathi <i>Chief Financial Officer</i>
Place : Coimbatore Date : 30 th May, 2015	(Sd.) CS K. Rangasamy <i>Company Secretary</i>	



LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L85110TZ1997PLC007783

Regd. Office: SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014

Email: lotussecdept@gmail.com, Website: www.lotuseye.org

Phone: 0422 4229900 Fax: 0422 4229933

ATTENDANCE SLIP

18th ANNUAL GENERAL MEETING

DP ID		Folio No.	
Client ID		No. of Shares	
Name of Member			
Name of Proxy			

I hereby record my presence at the 18th ANNUAL GENERAL MEETING of the Company held on Monday, the 28th September, 2015 at 3.00 P.M. at the Registered Office of the Company at S.F.No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014.

Member's / Proxy's Signature

Note :

1. Please complete the Folio / DP ID – Client ID No. and name, sign this Attendance Slip and handover at the Attendance Verification Counter at THE MEETING HALL.
2. Electronic copy of the Annual Report for FY 2014-15 and the Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2014-15 and the Notice of the Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or who have requested for a hard copy.

E-VOTING PARTICULARS

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

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

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

Commencement of e-voting	End of e-voting
Friday, 25 th September, 2015 (From 9.00 AM)	Sunday, 27 th September, 2015 (5.00 P.M)

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



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]

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN : L85110TZ1997PLC007783

Regd. Office: SF No. 770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014

E-mail : lotussecdept@gmail.com, Website : www.lotuseye.org

Phone : 0422 4229900 Fax : 0422 4229933

18th ANNUAL GENERAL MEETING

Name of the member (s)	
Registered Address	
E-mail ID	
Foloi No / Client ID	DP ID :

I/We being the member(s) of — — — shares of Lotus Eye Hospital and Institute Limited, hereby appoint:

1. Name _____ Address _____

Email ID _____ Signature _____ or failing him

2. Name _____ Address _____

Email ID _____ Signature _____ or failing him

3. Name _____ Address _____

Email ID _____ Signature _____ or failing him

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company to be held on Monday, 28th September, 2015 at 3.00 P.M at the Registered office of the Company at S.F.No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014 and at any adjournment thereof in respect of such resolutions as are indicated overleaf;



LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

CIN: L85110TZ1997PLC007783

Regd. Office: SF No.770/12, Avinashi Road, Civil Aerodrome Post, Coimbatore – 641 014

Email: lotussecdpt@gmail.com, Website: www.lotuseye.org

Phone: 0422-4229900 Fax: 0422 4229933

Form No. MGT-12

POSTAL BALLOT FORM (in lieu of E-voting at the AGM)

1	Name of Sole / First Member	
2	Name(s) of Joint Member(s), if any	
3	Registered Folio No./DP ID No./Client ID No.	
4	Number of shares held	

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through e-voting / Postal Ballot for the business stated in the AGM Notice dated 30th May, 2015 of the Company by conveying my / our assent or dissent to the said Resolution(s) by placing the tick(\ /) mark at the appropriate box below:

S.No	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1	To receive, consider and adopt the Financial Statements of the Company for the year ended 31 st March, 2015 including audited balance Sheet as at 31 st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a director in place of Dr.Kavetha Sundaramoorthy (holding DIN 2050806), who retires by rotation and being eligible offers herself for re-appointment		
3	To appoint M/s. V E K A M and Associates, Chartered Accountants (Registration No. 052565) as statutory auditors of the Company and fix their remuneration.		
	Special Business		
4	To fix the remuneration of Dr. S.K.Sundaramoorthy, Managing Director of the Company for the period of two years from 01.04.2015 to 31.03.2017.		
5.	To re-appointment of Ms. Sangeetha Sundaramoorthy as a Whole-time Director for the period of five years from 1st August, 2014.		

Signed this day of 2015

Signature of Shareholder

Affix Revenue Stamp not less than Rs. 1

Notes :

1. This form of proxy in order to be effective be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting
2. For the resolution, explanatory statements and Notes, please refer to the Notice of 18th Annual General Meeting
3. * It is optional to put “ \ / ” in the appropriate column against the Resolutions indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate

Hospital Branches



LOTUS EYE HOSPITAL AND INSTITUTE LIMITED

(Formerly Lotus Eye Care Hospital Limited)

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

Phone: 0422-4229900