Thyrocare
Think Thyroid. Think Thyrocare.

July 31, 2019

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

The Bombay Stock Exchange Ltd
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001

Dear Sirs/Madam,

Sub: Notice of 19th Annual General Meeting of our company.

This is to inform you that the 19th Annual General Meeting of the Company will be held at 03.00 P.M. on Saturday, August 24, 2019, at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705 to transact the ordinary and special business set out in the Notice of the meeting.

In this regard, pursuant to the Regulation 34 (1) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are submitting herewith a copy of the Annual Report along with the Notice of the 19th Annual General Meeting, which is being sent to the Shareholders.

We request you to kindly take the same on the record.

Yours Faithfully,

For **Thyrocare Technologies Limited,**

THYROCARE TECHNOLOGIES LIMITED

Ramjee Dorai
Company Secretary and Compliance Officer

Thyrocare Technologies Limited
D-37/1, TTC MIDC, Turbhe, Navi Mumbai - 400 703, India 022-3090 0000 / 4125 2525
enquiry@thyrocare.com www.thyrocare.com
(CIN : L85110MH2000PLC123882)

Annual Report **2018-19**

Thyrocare®

Think Thyroid. Think Thyrocare.

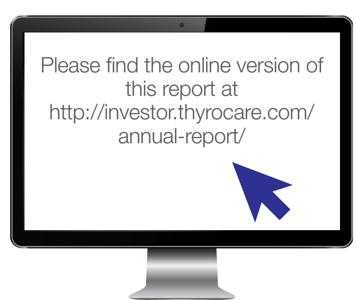
Focussed.
Committed.
Tested.

Contents

02-22
Corporate Overview

23-103
Statutory Reports

104-212
Financial Statements



Focussed. Committed. Tested.

These words encapsulate our vision and strategy for a better future, approach and attitude to values and our steadfastness amidst challenges. They capture how we started and built a successful business model. They provide a clear direction of where we are headed.

As we work to grow our business that spans diverse healthcare segments and markets, we are focussed on nurturing our business model and undertaking dedicated efforts in the right direction.

As we strive to create long-term value in our Company, we are committed to our beliefs, vision and mission to improve healthcare in India by making it affordable and accessible.

As we look forward to a better future and live up to the expectations of our stakeholders, we take inspiration from our past to move forward with confidence.

At Thyrocare, we bring extraordinary focus and commitment to everything that we do backed by our strong technologies, infrastructure and manpower.

Thyrocare – A Snapshot

Promoting healthy living with affordable and accessible wellness and preventive care for bettering the lives of people.

Thyrocare Technologies believes and works on the maxim that an ounce of prevention is worth a pound of cure by actively promoting the use of preventive diagnostic tests. Housing one of India's largest and first fully automated clinical chemistry laboratory, we offer bundled diagnostic packages that enables early identification of disorders necessary for effective and timely treatment. We have committed ourselves and built a business model based on lowest cost operations, backed by automation and advanced IT to ensure greater affordability. We serve laboratories, hospitals and individual patients through our advanced 2-lakh sq. ft. Centralised Processing Laboratory (CPL) and 9 Regional Processing Laboratories (RPLs) across select Indian cities. Our services are tested and trusted.

Thyrocare diagnostic edge

Advanced

Deploys best IT, instrumentation and automation infrastructure

Accessible

Pan-India availability through a distributed network of agents, owned laboratories and franchisees

Affordable

Amongst the lowest test prices in the industry

Dependable

100% accuracy

Scalable

Target audience covers the entire non-sick populace

Portfolio

Wide range of clinical preventive and wellness tests

Fast

Average turnaround time of 20-24 hours for sample processing

Certified

- ISO 9001:2008
- NABL (National Accreditation Board for Testing and Calibration Laboratories)
- CAP (College of American Pathologists)

ISO 9001:2008

NABL (National Accreditation Board for Testing and Calibration Laboratories)

CAP (College of American Pathologists)

1,210
Employees

101.42 mn
Investigations performed

571
Cities

6,624
Touchpoints

18.76 mn
Samples processed

₹ 76.14 cr
Free cash flows

*All numbers pertain to 2018-19

Our Business Model

Our business is built to facilitate speed, accuracy, volumes, affordability and scalability over the long run to deliver sustainable value for all stakeholders. That remains our focus, the bedrock of our commitment and the basis of our touchstone test.

Our business activities

Devise test packages

We devise attractive test packages at very affordable rates

Collect samples

We collect and aggregate samples from laboratories, hospitals and individuals through our network of agents

Transport

Collected samples are sent to the nearest RPL or CPL depending upon the test/ distance through a combination of air or road transport

Overnight testing

Samples arriving at CPL/RPL are processed overnight

Deliver results

Results are delivered the next day online and via mail

Creating value for all stakeholders

Wellness to customers
(B2C-Patients)

Our industry-defining 'Aarogyam' brand provides multiple profiles of 30-40 metabolic tests at economical prices, facilitating early detection of lifestyle-related disorders, thus ensuring wellness of individuals.

Sustained business to partners
(B2B-Laboratories and Hospitals)

The popularity of our economical test packages ensures sustained business. This, coupled with higher margins offered to partners, ensures continued profitable growth.

Value to shareholders

Our business is distinguished by zero-debt, strong upfront cash-flows and high operating margins. We continually invest in new businesses and scale existing ones to create enhanced value and ensure long-term sustainability.

Reaching out to India

We have a strategic, well-distributed presence that ensures pan-India accessibility. Our CPL (Central Processing Laboratory) is located in Navi Mumbai, which is also our headquarters. Our RPLs in New Delhi, Bhopal, Kolkata, Hyderabad, Coimbatore, Bengaluru, Patna, Mumbai and Chennai facilitate access to the north, south, east, west and central India.

Our Business Segments

Expanding our portfolio to establish relevancy amongst more people, while driving business sustainability.

The test of our focus and commitment to our business is our sustained ability to devise, roll out and popularise diagnostic packages that resonate with the health and wellness agenda of people. Our intent is to increase spends on prevention and thereby unburden people from the need for expensive medical treatments.

Nueclear Healthcare Limited (NHL)

Our fully-owned subsidiary, NHL, undertakes cancer-related diagnostic testing. It has a total of 12 centres (6 owned and 6 franchised) spread across Navi Mumbai, Delhi, Hyderabad, Surat, Raipur, Vadodara, Mumbai, Jaipur, Aurangabad, Nashik, Bengaluru and Coimbatore. We provide 18F-FDG (FluoroDeoxyGlucose) whole body PET-CT Imaging service at the lowest prices in the industry to encourage oncologists to recommend patients likely to benefit from investigations.

The initiative epitomises our efforts to make healthcare affordable and accessible.

NUECLEAR DIFFERENTIATION

NHL's fusion imaging technology (PET-CT) helps in:

- Determining the stage of cancer growth and the expected effectiveness of chemotherapy and radiation treatments
- Deciding upon customised course of treatment
- Detecting the post treatment recurrence of cancer

Future Strategic direction

- Focus and commitment to scale up existing centres' operations to greater capacity utilisation, before new capex investment
- Build market by undertaking programmes to spread awareness and knowledge among general practitioners and specialists

In 2018-19, NHL conducted 29,274 18F-FDG PET-CT Imaging scans. Its revenues increased by 33% to ₹ 32.64 Crore, contributing 8.1% to the overall revenues.

Focus TB

TB is a life-threatening disease, making its early diagnosis extremely critical. This is more so in India where every year 28 lakh people develop TB, while over 4 lakh people die of it and an estimated 40% of the population continue to suffer from Latent TB. Despite its seriousness, there are no branded players operating in the segment.

In keeping with the goal of spreading awareness about preventive healthcare, Thyrocare, invested in creating a TB Care diagnostic setup. It provides affordable TB testing services using the highly advanced Polymers Chain Reaction (PCR) technology that expedites results and ensures quality. With molecular biology revolutionising diagnostic technology, PCR, due to its rapid detection and affordable cost have emerged as the preferred TB test medium. Our laboratory, equipped with advanced and fully automated RT-PCR machines, also aids in diagnosis of HIV, HBV and HCV qualitative and quantitative methodologies. Our centre is also certified for TB drug susceptibility testing by the National Mycobacteriology Certification System of Central TB Division, Ministry of Health & Family Welfare, Government of India.

PCR TECHNOLOGY DIFFERENTIATION

- Inexpensive and rapid detection of diseases for timely prevention, treatment and control
- Specific, sensitive and rapid technique for identifying pathogens and monitoring treatment in infectious agents
- Vital research tool
- Can generate millions of DNA copies from a strand of DNA extracted from clinical specimen

Future Strategic direction

- Strengthen sputum collection capabilities

Matrnity

In 2018-19, Thyrocare entered the prenatal screening test segment with its venture Matrnity. It provides Non-Invasive Prenatal Testing (NIPT) using Next-Generation Sequencing (NGS) techniques as a safer method compared to invasive procedures that involve risks of miscarriage.

This testing determines the health of a foetus by screening for genetic disorders. Our fully automated NGS platform in a state-of-the-art laboratory, is designed to perform the most sensitive NIPT screening. This involves analysing the cell-free foetal DNA or DNA of the unborn child from the mother's blood, to identify possible syndromes such as Downs, Edward or Patau.

Future Strategic direction

- Traditionally, NIPT, unlike in developed countries, has been non-existent segment in India due to high cost and many other reasons. However, with the rising per capita income of Indians, growing health awareness and rising Government focus on healthcare, the segment is expected to witness strong boost.
- Our focus will be to intensify focus, marketing and back-end to capitalise on the growth opportunity.

Delivering through Sound Strategy and Strong Execution

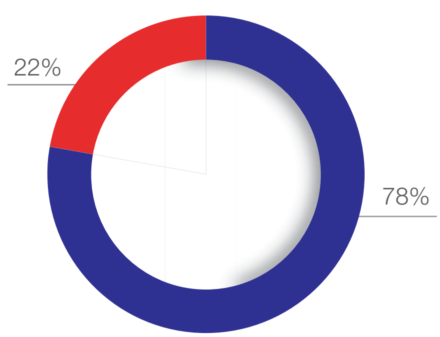
The test of our focus and commitment is our results, which speak for themselves.

Key financial and operational parameters

Income from operations growth	EBITDA growth (normalised)	Samples growth	Total investigations growth
12%	**9%**	**15%**	**20%**
Over 2017-18	Over 2017-18	Over 2017-18	Over 2017-18

2018-19 revenue break-up

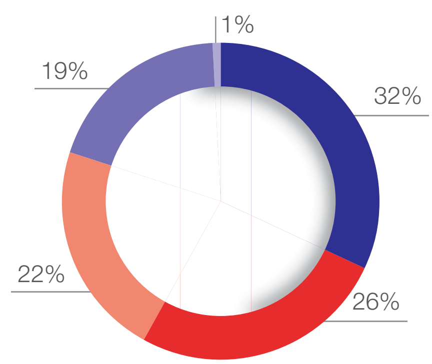
By customer segment



B2B
₹ 276.49 Cr

B2C
₹ 76.20 Cr

By region



West
₹ 113.41 Cr

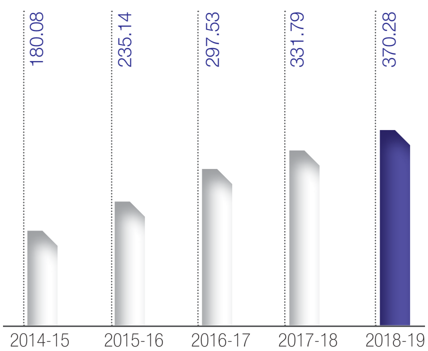
South
₹ 92.64 Cr

North
₹ 77.55 Cr

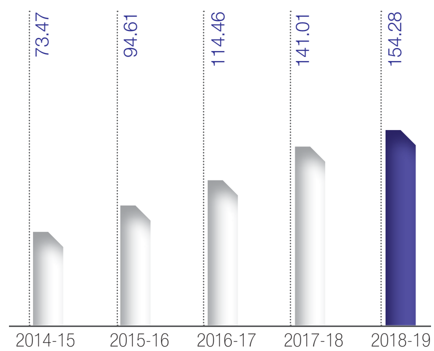
East
₹ 68.14 Cr

Others
₹ 2.69 Cr

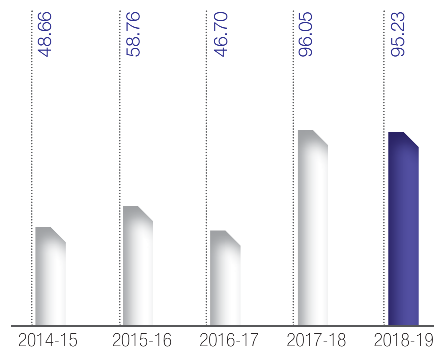
Revenue from operations (₹ Cr)



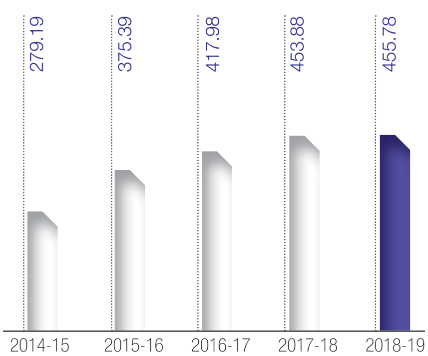
EBIDTA (Normalised) (₹ Cr)



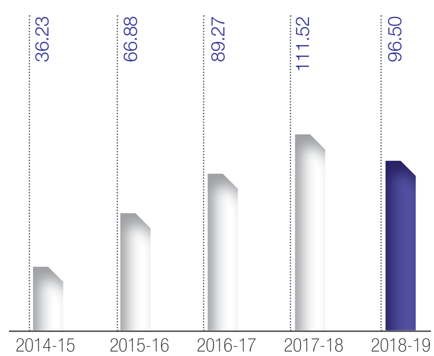
PAT (₹ Cr)



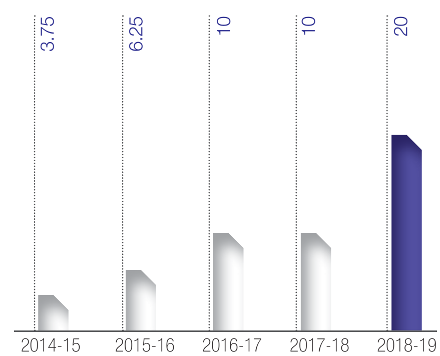
Net worth (₹ Cr)



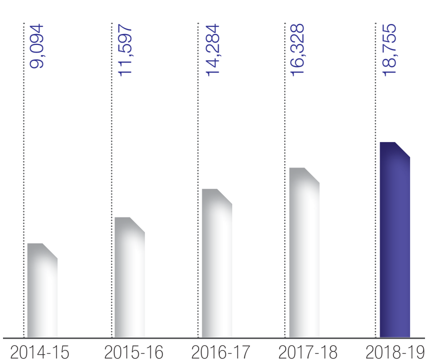
Net cash generated from operations (₹ Cr)



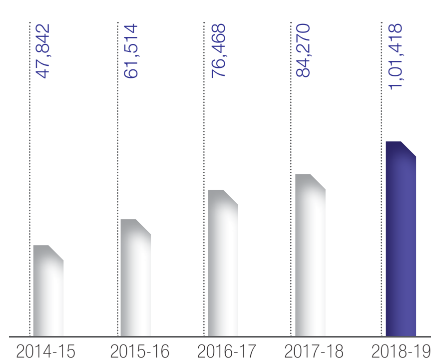
Dividend (₹)



Samples processed (In ‘000)



Total investigations (In ‘000)



Chairman's Review

Dear Shareholders,

Our big theme for 2018-19 was sticking to our basics and focussing on the core strengths that has always served this organisation. The result of this drive is that we are better positioned to withstand a competitive environment.

At the outset, I request our investors to view our business from a long-term perspective.

Thyrocare has been built on a robust, yet unique business model. The kind of infrastructure and manpower that we have, our extensive network, B2B relationships, volumes and costs, and the strong balance sheet position are our edge that we sharpened over our 24-year existence. Building such a model is not easy and it is because of this that we can consistently outperform the industry benchmarks.

I say this in the wake of the recent slowdown in our topline growth as compared to the over 20% historic growth levels, which has triggered concerns of our outlook. However, it is important to understand that this is a temporary phenomenon caused due to our planned strategy of reducing prices of our best-selling Aarogyam package to tackle competition. This move will help us grow volumes and topline in the coming years; the early impact of this is already being felt with the total number of investigations during the year growing by 20%.

Business performance

In 2018-19, our consolidated revenues increased by 13% to ₹ 402.91 Crores, despite growing competition and price rationalisation that had an overall impact on the revenues. Our pathology business revenues grew by 12% to ₹ 370.28 Crores and radiology business, done through subsidiary Nueclear, grew by 33 % to ₹ 32.64 Crores. We started a regional processing laboratory in Chennai and two PET-CT scanning centres, one each in Bengaluru and Coimbatore, while another PET-CT centre is being set up in Chennai. Our new initiative Focus TB did ₹ 0.45 Crores of business and is expected to continue its growth path.

Coming to profitability, though our EBITDA increased by 9% to ₹ 160.37 Crores, PAT was under pressure and declined by 8.72% to ₹ 85.14 Crores. Several factors contributed to this. One was the direct impact of price reduction. The second factor was a significant manpower addition for aggressive marketing. The impact of this, is not yet evident because we hire freshers and during the first year a lot of effort goes into their training and orientation. PAT was also impacted due to the negative returns from our subsidiary Nueclear where utilisation was lower than capacity, as the market being in a nascent stage. This resulted in an increase in our expense ratio. We are forthwith adopting a cautious approach towards this business and curtailing any further capex. Our focus will be on growing daily scan volumes to ensure all existing centres break even.

Focussing on the long-term growth

Our focus is to make Thyrocare a robust and sustainable organisation in the long run. This requires establishing new growth engines, while cultivating the existing business. Pursuant to this effort, in 2018-19, we have invested in non-invasive pregnancy testing – prenatal screening testing – with Matrnity. In this segment too, we continue to adopt our business model of disruptive pricing by offering the test at ₹ 8,000 as against ongoing market rates of around ₹ 25,000. We will use next-generation sequencing techniques NIPT which is safe way to determine the foetus' health status and genetic disorders.

Globally and in India too, this test is gaining popularity, and we believe it will deliver good growth. Besides, as this business is less capital intensive, it will open a new cash flow source without stressing the balance sheet.

Talking of long-term, it is important to nurture the pathology business in the right way. The kind of business model we follow is not localised and doctor dependent. Instead, we deal with laboratories and hospitals in remotest of locations who give us access to large volumes of customers. So, our business is a largely B2B driven and it is necessary to provide them best of services at attractive prices.

However, we note that the presence of middlemen (franchisees) between us and the B2B partners, the benefit of our price cut is not passing on to them. Besides, the service level offered leaves much to be desired, which in turn impacts customer stickiness. So, there is a need to relook at our delivery system and eliminate middlemen where possible. For this, we have appointed field staff to directly serve the customers and ensure quality services while passing on the full benefit of price cuts.

We will continue to drive this business with B2B focus as it delivers good volumes that lower operational costs. B2C business on the other hand, requires significant customer acquisition and handling costs, making it less profitable.

Outlook

The past few years have been challenging for the pharma and hospital sectors with imposition of several regulations, pricing controls and growing competition. Having said that, I believe that the healthcare segment, especially the wellness segment still has a lot to offer. Growing awareness among people regarding lifestyle-related disorders and rising income levels will continue to drive the segment. The industry is still largely dominated by unorganised players. However, given the kind of differentiation offered by organised players in terms of services, speed and quality; the industry will increasingly shift to organised segments.

Furthermore, the unorganised segment primarily deals with patients requiring single tests. This inhibits growth beyond a point and eventually they would need to partner with bigger players. Thyrocare will remain focussed on capturing this opportunity and strengthening its presence.

While being cautious about new capex commitment, we are strongly driven to grow volumes in the radiology, tuberculosis and prenatal testing businesses. The Government is targeting eradication of Tuberculosis by 2025 which will require huge infrastructure. Our prenatal testing solution will enable detection of genetic orders which is a huge market in advanced countries, where every case of pregnancy has to follow a set of diagnostics. Though in India, it is not a mandatory procedure, we believe with our pricing, we can create a big market. These businesses have a lot of headroom and right strategy will enable us to maximise market share.

We started a regional processing laboratory in Chennai and two PET-CT scanning centres, one each in Bengaluru and Coimbatore, while another PET-CT centre is being set up in Chennai.

Message to the shareholders

I take this opportunity to thank all our stakeholders for their support. I understand that lately there has been concern among investors regarding the Company's future growth trajectory which is reflected in the significant erosion in the share prices this fiscal. But be rest assured, your Company is taking every measure to ensure better value creation going forward.

I thank all the shareholders who have continued to stay with us, despite this erosion. The Board has recommended a dividend of ₹ 20 per share.

Warm regards,

Dr. A. Velumani

Focussed on Strengthening Business Model

Thyrocare, in the last two decades, has built its reputation on the back of its unique business model. With rising competition and changing industry scenario, we are now undertaking a focussed approach to strengthen its sustainability in the long run.

Focussed on volume

India is a huge market with price-conscious customers. Seeking growth requires us to deliver value for money to end customers and better margins to business partners. To achieve this, we will continue to retain focus on growing volumes to reduce operational expenses and pass on the benefits.

Focussed on B2B

Servicing B2B clientele effectively is an imperative for us, as this segment accounts for a majority of our revenues and are key for our future growth. However, we serve a large proportion of these customers through middlemen (franchisees). Our client retention and stickiness depend on their service capabilities. Moreover, they absorb most of the price cuts offered by us and deny our B2B clients of these benefits. We are undertaking efforts to ensure that our clients get the best of services and the benefit from our price cuts. To this end, we have appointed field agents who forge direct links with B2B clients wherever possible.

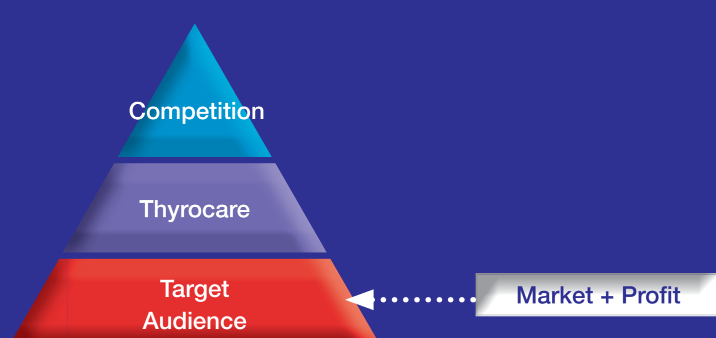
Focussed on the bottom of the pyramid

Our business model provides significant economies of scale driven by investment in advanced technologies and high levels of automation. Thus, higher volumes enable us to effectively distribute overhead costs. While our target customer segment of wellness care is virtually the entire non-sick populace, we have been targeting the middle of the pyramid segment.

This segment is not very price sensitive and so our growth is limited. Going forward, we will target the huge bottom of the pyramid segment who are extremely price conscious. Our ability to tap this segment will drive growth in market share, which in turn will positively impact profitability.

Focussed on being the back-end laboratory

Volumes are central to the diagnostic business. However, the industry is largely fragmented with most laboratories in the country operating at local levels with very low volumes, thus limiting their growth potential. Our focus is on leveraging our capacity and automation advantage to become back-end partners for these laboratories. This will create a win-win situation with Thyrocare benefiting from more volumes and partner laboratories achieving sustained profitable business. This model will additionally facilitate reduced wastage, and higher customer delight while enabling introduction of more tests. The strategy will help us to tap multiple local markets and aggressively expand to more geographies, while creating employment opportunities.



Committed to Deliver in the Long Run

Beliefs, vision and mission are embedded at the core of every organisation, as are focus and commitment. They drive all actions and determine trajectory. At Thyrocare, our commitment is to improve healthcare in India by making diagnostic, preventive testing affordable and accessible while creating value for all our stakeholders. We will continue to drive our business around these aspects to ensure long-term business sustainability.

Committed to widening revenue channels

In the last two years, we entered two strategic segments of tuberculosis and non-invasive pregnancy testing, by offering disruptive pricing and high quality. Both these segments are largely populated by unorganised players and offer significant opportunities for growth.

Committed to enhance profitability

In our radiology business, we intend to establish a network of PET-CT scanners across the country. While the business has strong prospects, the market has excess capacity leading to underutilisation and negative returns. This is putting pressure on our overall profitability. Keeping this in mind, we are taking a long-term approach towards the business. We will undertake initiatives to grow volumes, utilise existing capacity and withhold further capex commitment until the business turns profitable.

Committed to growing diagnostic capacity

As we seek to grow diagnostic volumes, it will be important to grow capacity accordingly. We have plans to add more analysers to enhance our processing capacity.

Committed to a healthier country

With our businesses that focus on wellness and preventive segments, we are committed to providing the citizens in the country a means to take care of their health in an easy and affordable manner.

Tested Over the Years

In the past decade, the pharma and healthcare markets have undergone significant changes. The competition has risen, digital technologies are creating disruptions and regulations have tightened. Across all the ups and downs, Thyrocare has continued to maintain its growth momentum recording strong performance year after year.

Changes in the last four years

Captions	2015-16	2016-17	2017-18	2018-19
Samples Per Day	31,772	39,135	44,735	51,384
Investigations per Day	168,532	209,501	230,874	277,857
No. of B2B Partners	1,041	1,593	3,779	6,342
Cities of Presence	355	558	551	555
Net Worth	375.39 Cr	417.98 Cr	453.88 Cr	420.69 Cr

Unchanged in the last ten years

- Our commitment to healthcare and wellness
- Focus on growth and stakeholder value creation
- Passion for excellence
- Drive to stay ahead of the curve

Key drivers of Thyrocare's business model

1 Targeting right customer segment

- B2B that delivers significant volumes
- Wellness segment that comprises 99% of population

2 Targeting right clinical trials

- Biochemistry focus that is scalable, fast-growing, safe and a cash positive
- Chronic illness, disorders and metabolic problems wherein our diagnostic tests deliver fast and accurate reports

3 Delivering value for money

- Introducing concept of test packages at affordable rates

4 Operational excellence

- Fast turnaround
- Quality control
- Accuracy

Focussed on Leading with Operational Excellence and Technology

At Thyrocare, we are not just driven by the focus on being the largest, but also being the best and the most affordable. We achieve this with our investments in operational excellence and technology. We will continue to nurture our competencies in these to retain our differentiation.

We use best-in-class Information Technology (IT) infrastructure

Fully automated operations

Use of bar-coding, bi-directional interfacing and indigenous Laboratory Information System (LIS) in clinical testing for complete automation right from sorting of vials, directing them to relevant analysers and transmitting report information to IT servers.

Advantage

- Less human intervention and error
- High speed

Virtual network

Our advanced networking system facilitates connectivity with authorised service providers and regional processing laboratories.

Advantage

- Real-time seamless connectivity, communication and data sharing
- Efficient client, patient, doctor, order and material management

We maintain unparalleled quality standards

Pre-analytical quality control

- Barcoding and use of bi-directional LIS for accuracy
- Sealed collection kit and cold chain system to ensure zero contamination
- Pre-analytical automation to sort vials in accordance with tests

Analytical stage quality control

- **Internal quality control –** checking of analyser performance status, routine maintenance and checks pre, mid and post processing
- **External quality control –** benchmarking and participation in multiple proficiency testing programme

State-of-the-art testing and analyser instrumentation

Procured from reputed global vendors like Siemens, Thermo Fisher Scientific, Agilent Technologies, Abbott and Roche for higher accuracy

Focussed on Employee Efficiency and Motivation

Engaged and motivated employees are key to drive business growth. At Thyrocare, we strive to create an exciting, facilitative and learning work culture with focus on meritocracy, learning and development and healthy career opportunities.

Driving employee engagement

We have a robust performance management system to ensure employee performance is measured in a fair and transparent manner. High performers are rewarded with attractive performance rewards and stock options. We ensure our remuneration is as per industry standards. Apart from these, we undertake various employee engagement initiatives like organising competitions and celebrating festivals to strengthen internal bonding. We also arrange for unofficial meetings with the CEO to facilitate exchange of dialogues and ideas and strengthen top management connect with the middle management.

Channelising youth power

We believe youth have the necessary drive and energy that can be rightly channelised for a business like ours where speed, volumes and business relations are key. Therefore, we hire youth/freshers and groom them.

Skilling employees

We adopt a culture of continuous learning and have created a training calendar requiring employees to undergo minimum allotted hours of training each month. With this, we ensure them career growth opportunities as well as ensure higher work productivity and error-free operations.

Job security

Thyrocare is an employee-friendly and fair employer. We provide employees ample scope to learn, improve and grow. For weaker employees, we practice hand-holding instead of firing.

254

freshers hired in 2018-19

532,918

man-hours of training provided

Board of Directors

Dr. A. Velumani
Chairman, Managing Director & CEO

He is a graduate in science from the University of Madras, and a post graduate in science and doctorate in philosophy (science) from the University of Bombay. He has rich experience in the diagnostics business and has been instrumental in the Company's success heading it for over 24 years. He worked in Bhabha Atomic Research Centre (BARC) for over 12 years as a scientific officer specialising in immunodiagnostics, particularly in radioimmunoassays, where he standardised various immuno, analytical and biotechnological techniques. He was awarded the Brig. S. K. Mazumdar Memorial Oration Award in 2001. A lifetime member of the Society of Nuclear Medicine, India, he has been the Managing Director on our Board since incorporation.

A. Sundararaju
Executive Director and Chief Financial Officer

He is a graduate in law from the University of Bombay. He is proficient in the field of finance, legal and administrative activities with over 24 years of experience. He has overseen the Company's finance, legal, administrative and franchisee departments since 1996. He has been a Director on our Board since incorporation.

Gopalkrishna Shivram Hegde
Independent Director

He is a graduate in law from the University of Bombay. He has more than 25 years of experience in the legal profession. He has been an Independent Director on our Board since August 21, 2014.

Amruta Velumani
Non-Executive Director

She holds a master's degree in science from ITM University. She has been a Non-Executive Director on our Board since February 22, 2016.

Vishwas Kulkarni
Independent Director

He is a graduate in commerce and law from the University of Bombay. He has more than 25 years of experience in the legal profession. He has been an Independent Director on our Board since August 21, 2014.

N. Palanisamy
Independent Director

He holds a diploma in mechanical engineering from the State Board of Technical Education and Training, Madras. He has work experience of 13 years and presently works as a freelance consultant for turnkey projects. In his previous stint, he worked with SIV Industries Ltd., Sirumugai. He has been an Independent Director on our Board since September 20, 2014.

Dr. Neetin S. Desai
Independent Director

He is a graduate in science from Rajaram College, Shivaji University, and a post graduate in science and doctorate in philosophy from Shivaji University. He is currently employed with Amity University, Mumbai. Prior to this, he was associated with D. Y. Patil University, Belapur, Navi Mumbai as Professor in the Department of Biotechnology and Bioinformatics. He has been an Independent Director on our Board since September 20, 2014.

Dr. Indumati Gopinathan
Independent Director

Dr. Indumati Gopinathan is a reputed pathologist, having got her post-graduation degree (M.D.) in Pathology. She is a leading commentator on Tele-pathology. She is a healthcare columnist for The Times of India, and for Health Care Express, a leading weekly healthcare publication by the Indian Express group. She is a committee Member of Practising Pathologists of India. Through Rotary, she has participated in numerous vocational training teams and community service outreach programmes nationally and internationally.

Corporate Information

REGISTERED OFFICE

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

CORPORATE OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

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

BANKERS

Axis Bank Limited
IDBI Bank Limited

STATUTORY AUDITORS

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

Board's Report

TO THE MEMBERS

Your Directors have pleasure in presenting their 19th Annual Report, along with the audited Stand-alone and Consolidated financial statements of the Company for the Financial Year ended March 31, 2019.

Financial Results:

The Stand-alone and Consolidated financial results for the financial year 2018-19 are given below:

₹ in crores.

	Stand-alone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Revenue from operations	370.28	331.79	402.91	356.32
Other income	13.66	23.63	9.95	23.00
Total income	383.94	355.42	412.86	379.32
Expenses				
Cost of materials consumed	103.25	88.07	108.46	92.20
Purchases of stock-in-trade	2.33	2.41	2.33	2.41
Changes in inventories of stock-in-trade	-0.26	0.37	-0.26	0.37
Employee benefits expense	40.51	32.49	43.35	35.34
Finance cost	0.47	0.40	0.61	0.44
Depreciation and amortisation expense	14.47	12.08	26.17	20.10
Other expenses	76.31	69.46	94.80	81.29
Total expenses	**237.08**	**205.27**	**275.46**	**232.15**
Profit before exceptional items, share of profit of associate and income tax	146.86	150.15	137.40	147.18
Exceptional items	0.00	-2.19	0.00	-2.19
Share of profit in associate entity	-	-	0.66	0.00
Profit after exceptional items, share of profit of associate and before income tax	**146.86**	**147.96**	**138.06**	**144.99**
Tax expense:				
Current tax	52.90	52.37	52.90	52.36
Deferred tax	-1.27	-0.44	0.02	-0.65
Total Tax	**51.63**	**51.93**	**52.92**	**51.71**
Profit after tax	**95.23**	**96.03**	**85.14**	**93.28**
Other comprehensive income for the year, net of income tax	0.10	0.17	0.11	0.17
Total comprehensive income for the year	**95.33**	**96.20**	**85.25**	**93.45**
Earnings per share [Nominal value of ₹ 10 each]:				
(a) Basic earnings per share (INR)	17.84	17.91	15.95	17.39
(b) Diluted earnings per share (INR)	17.80	17.85	15.91	17.34

Dividend:

Your Directors are happy to recommend a Dividend of ₹ 20/- (Rupees twenty only) per share.

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

Transfer of unclaimed dividend to Investor Education & Protection Fund:

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

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

Dividend for	No. of Shareholders who have not claimed	Unclaimed - Amount	Date of declaration	Date of transfer to Unpaid Account	Last date for transfer to Investor Education Fund
2015-16 Final	1458	205755	12-09-2016	12-10-2016	12-10-2023
2016-17 Interim	375	62925	28-01-2017	27-02-2017	27-02-2024
2016-17 Final	371	72100	12-08-2017	11-09-2017	10-09-2024
2017-18 Interim	308	60255	03-02-2018	05-03-2018	04-03-2025
2017-18 Final	322	55740	01-09-2018	01-10-2018	30-09-2025

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

The Shareholders may note that along with the Unclaimed Dividend Amount, **the relevant shares shall also be transferred to the IEPF** Authority. Therefore, the Shareholders concerned may write to the Company or to the Company's Registrar & Share Transfer Agent, Link Intime India Private Ltd., at the earliest, to claim their dividend.

Share Capital:

During the year under review, following changes have taken place in the Equity Share Capital of the Company.

In September / October 2018, the Company bought back a total number of 9,58,900 equity shares at an average price of ₹ 657/- per share.

In January 2019, the Company allotted 33,973 new equity shares at face value to the eligible employees who had exercised the Stock Options granted to them in 2015.

Consequent on these changes, the Paid-up Equity Capital of the Company stands at ₹ 52,79,86,060/- (Rupees Fifty Two Crores Seventy Nine Lakhs Eighty Six Thousand and Sixty only) made up of 5,27,98,606 equity shares of ₹ 10/- each, as shown below:

	No. of shares	Amount - ₹
AUTHORISED EQUITY SHARE CAPITAL	10,00,00,000	100,00,00,000
ISSUED, SUBSCRIBED AND PAID UP EQUITY SHARE CAPITAL		
As on 01-04-2018	5,37,23,533	53,72,35,330
Less: No. of shares bought back	9,58,900	95,89,000
Balance shares after the Buyback	5,27,64,633	52,76,46,330
Add: No. of shares issued under ESOP 2014-15	33,973	3,39,730
As on 31-03-2019	**5,27,98,606**	**52,79,86,060**

Reserves & Surplus:

Total Reserves & Surplus as the close of the financial year under review stands at ₹ 402.98 crore, as shown below:

₹ in Crores

	As on	
	31-03-2019	31-03-2018
Capital Reserve	30.25	30.25
Securities Premium Account	65.08	127.22
Share Options Outstanding Account	3.88	2.81
Capital Redemption Reserve	0.96	-
General Reserve	9.17	9.17
Retained Earnings	293.64	230.71
Total	**402.98**	**400.16**

Deposits:

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

Performance of the Subsidiary Company, included in the Consolidated Financial Statement:

The Company has a wholly owned subsidiary Nueclear Healthcare Limited (NHL) which operates a growing network of molecular imaging centres, primarily focused on early and effective cancer monitoring. Each of NHL's imaging centres use PET-CT scanners to assist in cancer diagnosis, staging, monitoring of treatment, and efficacy and evaluation of disease recurrence. It currently has 14 operating PET-CT scanners across 12 imaging centers. Two are in Navi Mumbai, two in New Delhi, and one each in Hyderabad, Surat, Vadodara, Raipur, Jaipur, Mumbai, Aurangabad, Nashik, Bangalore and Coimbatore. NHL also owns and operates a medical cyclotron unit in Navi Mumbai, which produces the radioactive bio-marker FDG required for PET-CT scanning.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report:

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

Auditors' Report:

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

Appointment of Auditors:

B S R & Co. LLP, Chartered Accountants, Mumbai (having firm Registration No. 101248W/W-100022 were appointed as Statutory Auditors of the Company for a period of five consecutive years at the 16th Annual General Meeting (AGM) of the Members held on September 12, 2016, on a remuneration mutually agreed upon by the Board of Directors and the Statutory Auditors. Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on September 12, 2016.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn from the Statute. Hence, no resolution seeking ratification of the Members for continuance of their appointment is being placed before the Members at this AGM.

Internal Auditors:

M/s. M. Chinnaswamy & Co., Chartered Accountants, Coimbatore, having Firm Registration No. 018008S, appointed as Internal Auditors of the Company, conducted Internal Audit for the financial year 2018-19 as per the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014. Their reports were reviewed by the Audit Committee and follow-up measures taken wherever necessary.

Cost Auditor:

The Board had appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2018-19. He has conducted the Audit and submitted his report. The approval of Members is sought by way of ratification for the remuneration payable to him, as required under the provisions of Companies Act, 2013.

Secretarial Audit Report:

The Secretarial Audit Report issued by the Secretarial Auditors, M/s. V. Suresh Associates, Practising Company Secretaries, Chennai, in Form MR-3 is furnished in **Annexure-1**, attached to this report. The Secretarial Auditors have not made any qualification, reservation, adverse remark or disclaimer.

Secretarial Audit has also been carried out for our wholly owned subsidiary, Nueclear Healthcare Limited, as required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended.

Directors:

A) Changes in Directors and Key Managerial Personnel:

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

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

Pursuant to the amendments to SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, which, inter alia, stipulated that the Board of Directors of the top 500 listed companies should have at least one independent woman director, the Board of Directors appointed Dr. Indumati Gopinathan (originally appointed as Non-Executive Non-Independent Director at the 17th Annual General Meeting, in the place of Mr. Sohil Chand, who was due for re-election at the said Annual General Meeting but had expressed his intention not to seek re-election) as a Non-Executive Independent Director with effect from March 09, 2019, subject to the approval of the Members. Dr. Indumati Gopinathan has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act. Her appointment as Independent Director is being placed before the Members for their approval.

The five-year term of the other four Independent Directors would be over as shown below:

	Date of appointment	5-year term ending on
Mr. G. S. Hegde	21-Aug-14	20-Aug-19
Mr. Vishwas Kulkarni	21-Aug-14	20-Aug-19
Dr. Neetin Desai	20-Sep-14	19-Sep-19
Mr. N. Palanisamy	20-Sep-14	19-Sep-19

Out of the above, Mr. N. Palanisamy has expressed his intention not to get reappointed due to personal reasons. Therefore, the Nomination & Remuneration Committee which discussed the matter at their meeting held on 18-05-2019, recommended reappointment of the other three Independent Directors for a further period of five years. The Board of Directors, at their meeting held on the same day, viz. 18-05-2019, resolved to accept the recommendation of the Nomination & Remuneration Committee. Accordingly, the proposals for their reappointment are being placed before the Members for their approval.

All the above four Independent Directors have furnished a declaration pursuant to section 149(6) of the Companies Act, 2013 that they meet the criteria of independence and are eligible for appointment as an Independent Director. In the opinion of the Board, all the above four independent directors fulfill the conditions specified in the Act and the Rules made thereunder and are independent of the Management.

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

B) Declaration by Independent Directors:

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

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

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

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

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

The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, as also the performance of the Chairperson of the Company and the Executive Director, and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board, at an exclusive meeting held without the attendance of Non-Independent Directors and Members of the Management, where all the

Independent Directors were present. They had no adverse comment to make.

Number of meetings of the Board of Directors:

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

(i) 02-04-2018 (ii) 28-04-2018. (iii) 04-08-2018 (iv) 11-08-2018 (v) 03-11-2018 (vi) 09-02-2019 (vii) 09-03-2019.

Audit Committee:

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

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

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

Nomination and Remuneration Committee:

The Nomination & Remuneration Committee consists three members and all the three are Independent Directors, as follows:

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

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

Stakeholders Relationship Committee:

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

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

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

Corporate Social Responsibility (CSR) Committee:

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

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

During the year under review, the Company has spent a total sum of ₹ 1.003 crores on the CSR activities as approved by the CSR Committee and Audit Committee.

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

Risk Management Committee:

The Company has constituted a Risk Management Committee consisting of one Independent Director, one executive Director and one non-executive director as follows:

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

Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been communicated to all the Directors and Senior Management personnel. The Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the financial year 2018-19. The Senior Management personnel have also submitted declarations confirming that in none of the financial / commercial transactions of the Company, they had any personal interest conflicting with the interests of the Company.

Vigil Mechanism:

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

Policy on prevention of Sexual Harassment:

The Company has formed a Committee to attend to any complaint of sexual harassment. During the financial year ended March 31, 2019, the Company has not received any complaint from any employee pertaining to any sexual harassment.

Statement of particulars of appointment and remuneration of managerial personnel:

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

Subsidiaries, Joint Ventures and Associate Companies:

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

Your company was holding 5,440 equity shares in Thyrocare International Holding Company (TIHC), Mauritius, valued at ₹ 1.62 Crores, which is about 9.09% of the total equity share capital of the said company. TIHC is holding 51% of the equity share capital of Thyrocare Gulf Laboratories WLL, Bahrain. During the previous year, your company had decided to sell its entire holding at the acquisition cost to a related party, but for want of approval of RBI, the sale could not go through. Since TIHC has incurred substantial losses, it initiated the process of voluntary liquidation, and has since been wound up. The aforesaid investment has been written off.

As already intimated, your company has invested ₹ 20 Crores in the equity share capital of Equinox Labs Private Limited (Equinox), a company engaged in the business of water, food and other environment and hygiene testing. Your company is presently holding 4,29,185 numbers of equity shares of the above company, constituting 30% of their paid-up Equity Share Capital. Thus, Equinox has already become an Associate company of your company, as defined in the Companies Act, 2013.

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

Particulars of contracts or arrangements with related parties:

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

Particulars of loans, guarantees or investments under Section 186:

The Company has given Loan aggregating to ₹ 39 Crores to Nueclear Healthcare Limited under the provisions of Section 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, and the details have been disclosed in the financial statements.

Particulars of employees

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

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

Name of the Directors	Position	Ratio to median remuneration
Executive Directors		
Dr. A. Velumani	Managing Director & CEO	N.A.
Mr. A.Sundararaju	Executive Director & CFO	25.53

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

Name of the Directors / KMPs	Position	%age of increase in the financial year
Executive Directors / KMPs		
Dr. A. Velumani	Managing Director & CEO	*
Mr. A.Sundararaju	Executive Director & CFO	**
Mr. Ramjee Dorai	Company Secretary	8.23

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

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

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

(iii) The percentage increase in the median remuneration of employees in the financial year: 4.44%

(iv) The number of permanent employees on the rolls of Company as on 31-03-2019: 1189.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase was 15.12% in the salaries of employees other than the managerial personnel, and the average increase in the managerial remuneration was 14.35%. In comparison, there is no unreasonable difference.

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

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

Employees Stock Purchase / Option Schemes:

As already intimated, your Company had allotted 33,650 equity shares in the year 2014 to Thyrocare Employees Stock Option Trust, as approved by the shareholders, which got multiplied to 1,34,600 equity shares subsequent to the Bonus issue made in 2014. These shares vested on the eligible employees numbering One Hundred, on April 01, 2018 and all of them have exercised their option to acquire these shares. Out of these, 134,236 equity shares have already been transferred to the respective employees, and the transfer of the remaining 364 equity shares to one employee is in the process and is expected to be completed shortly.

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

Accordingly, the Company has already issued Stock Options equivalent to 40,434 Equity Shares in 2014-15, Stock Options equivalent to 50,537 Equity Shares in 2015-16, Stock Options equivalent to 50,529 Equity Shares in 2016-17 and Stock Options equivalent to 40,452 Equity Shares in 2017-18.

Out of these, the Stock Options issued for 2014-15 vested on 26-09-2018 after the specified period of three years from the date of granting of Options. Out of the 119 employees to whom these options were granted, 35 employees had left the services of the Company, and the remaining 84 employees exercised the Options granted to them, equivalent to 33,973 equity shares. Accordingly, 33,973 new shares were issued and allotted to them. These shares have also been listed with both National Stock Exchange of India Ltd. (NSE) and BSE Ltd., (BSE) and credited to the respective demat accounts of the employees. The remaining 6,461 Options would be added back to the Pool, subject to the applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and the Companies Act, 2013.

This year, it is proposed to grant Stock Options equivalent to 40,429 Equity Shares, which would vest on the eligible employees after a lock-in period of three years, subject to their continuing in service, and the proposal is being placed before the Members for their approval. The disclosure as per rule 12 (9) of The Companies (Share Capital and Debentures) Rules, 2014 relating to Employees Stock Option Scheme is enclosed as **Annexure-6**, attached to this report.

Change in the nature of business:

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

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future:

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

Business Responsibility Report:

Your Company has been declared as one of the top 500 companies listed in both NSE and BSE based on market capitalization as on 31-03-2019, and hence is required to furnish a Business Responsibility Report, under the provisions of Regulation No. 34 (2)(f) of SEBI (Listing Obligations & Disclosure Requirements) Rules, 2015. Accordingly, the Business Responsibility Report is enclosed as an annexure to the Board's Report.

Conservation of energy, technology absorption and foreign exchange earnings and outgo:

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

Extract of the Annual Return:

As per the provisions of Sub-Section 3 of Section 92 of the Companies Act, 2013, read with rule 12 of The Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in **Form MGT-9** is furnished as **Annexure-8**, attached to this report. A copy of Annual Return has also been placed in the Company's website, www.thyrocare.com.

Insurance:

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

Risk management policy:

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

Internal Financial Controls:

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

Directors' Responsibility Statement:

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

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

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

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

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

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

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

Acknowledgements:

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

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

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

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

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

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

Place: Navi Mumbai
Date:18-05-2019

ANNEXURE-1

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

For the Financial Year 2018-19

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

To,
The Members,
M/s. THYROCARE TECHNOLOGIES LIMITED

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

Based on our verification of **M/s. THYROCARE TECHNOLOGIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2019, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. THYROCARE TECHNOLOGIES LIMITED** ("the Company") for the financial year ended on 31st March 2019 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**

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

(vi) Other Law specifically applicable to this Company is as follows:

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

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

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

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

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

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

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

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

We further report that, during the audit period,

1. The Company implemented a scheme of Buyback through open market through stock exchanges. The buyback scheme opened on 24-09-2018 and closed on 15-10-2018. During this period, the Company bought back a total number of 9,58,900 equity shares at an average price of ₹ 657/-. The Company has complied with all the provisions of the Companies Act, 2013, read with the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI (Buyback of Securities) Regulations, 1998, as amended. These shares have been extinguished and consequently the paid up capital of the Company got reduced as follows:

	No. of shares	Amount in ₹
Authorised Capital	10,00,00,000	100,00,00,000
Issued, Subscribed and Paid up Capital prior to buyback	5,37,23,533	53,72,35,330
Less: No. of shares bought back & extinguished	9,58,900	95,89,000
Issued, Subscribed and Paid up Capital post buyback	5,27,64,633	52,76,46,330

2. The Company has issued and allotted 33,973 equity shares to 84 eligible employees of the company under its ESOP scheme 2015. The Company has complied with all the provisions of the Companies Act, 2013, read with the rules framed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI (Share Based Employee Benefits) Regulations, 2014, as amended. The necessary approvals (In-Principle and Final approvals for admitting and trading of the new shares) from NSE and BSE have been obtained, and the same has been registered with both the depositories, viz. NDSL and CDSL. Consequently, the paid up capital of the company got increased as follows;

	No. of shares	Amount in ₹
Authorised Capital	10,00,00,000	100,00,00,000
Issued, Subscribed and Paid up Capital prior to buyback	5,37,23,533	53,72,35,330
Less: No. of shares bought back & extinguished as shown above	9,58,900	95,89,000
Add: No. of shares allotted under ESOP Scheme 2015	33,973	3,39,730
Issued, Subscribed and Paid up Capital post allotment	5,27,98,606	52,79,86,060

For V Suresh Associates
Practising Company Secretaries

K R Udaya Kumar
Partner
ACS No. 42435
C.P.No. 21973

Place: Chennai
Date: 15.05.2019

BOARD'S REPORT

ANNEXURE- 2

NOMINATION & REMUNERATION COMMITTEE

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

1 Mr. Gopalkrishna Shivram Hegde, Independent Director - Chairman

2 Mr. Vishwas Kulkarni, Independent Director - Member

3 Dr. Indumati Gopinathan, Independent Director- Member

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

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

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

3 Devising a policy on Board diversity;

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

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

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

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

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

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

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

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

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

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

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

Nomination & Remuneration Policy:

The objectives of the Policy

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

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

3 To carry out evaluation of the performance of Directors.

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

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

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

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

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

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

Place: Navi Mumbai
Date: 18-05-2019

BOARD'S REPORT
REPORT ON CSR ACTIVITIES

ANNEXURE- 3

1	A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:	The Company's CSR Policy is based on the principle of extending support to the underprivileged segments of the Society and rendering service to achieve selected goals for the common benefit of the entire society.
		The Company has identified four thrust areas for implementation of its CSR Policy, viz. (i) Environment-oriented (ii) Society-oriented (iii) Education-oriented and (iv) Health-care oriented.
		CSR Policy may be viewed at the Company's website, "www.thyrocare.com"
2	The composition of the CSR Committee:	The Company has a CSR committee of directors comprising of
		- Mr. Gopalkrishna Shivram Hegde, Independent Director- Chairman
		- Mr. Vishwas Kulkarni, Independent Director- Member
		- Mr. A. Sundararaju, Executive Director & CFO- Member
		₹ in crores
3	Average net profit of the Company for the three financial years:	115.75
4	Prescribed CSR expenditure at 2% of the above amount	2.32
5-a	Total amount spent during the year 2018-19	1.00
5-b	Amount unspent	1.31
5-c	Manner in which the amount spent during the financial year	Mentioned in the Annexure attached.
6	In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.	The balance amount relating to the earlier years, which could not be spent pending identification of suitable project(s), will be spent in the ensuing financial years.
7	A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.	We hereby affirm that the implementation and monitoring of the CSR Policy, as approved by the Board, is in compliance with the objectives and Policy of the Company.

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804
Place: Navi Mumbai
Date: 18-05-2019

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

BOARD'S REPORT

ANNEXURE 3.1

DETAILS OF CSR PROJECT OF THE COMPANY

(₹ in Crores)

1	2	3	4	5	6		7	8
S. No.	CSR Project or Activity identified	Sector in which project is covered	Projects or programs (1) Local area or other (2) specify the State and district where projects or programs was undertaken	Amount oulay (budget) project or program wise	Amount spent on the projects or programs		Cumulative expenditure incurred upto the reporting period	Amount spent: direct or through implementing agency
					Direct expenditure on project or programs	Over heads		
1	Financial Support to School Students, by way of scholarship, provision of free lunch, etc.	Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	Maharashtra & Tamil Nadu		0.15	-	0.15	Direct
2	Contribution to Chief Minister's Relief Fund - both Tamil Nadu and Kerala to help the people affected by flood in Kerala & cyclone in Tamil Nadu.	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;	Tamil Nadu & Kerala		0.15		0.15	Direct
3	Distribution of Safety Helmets for Police.	Safety on the Roads	Maharashtra		0.03		0.03	Direct
4	Donation to Rotary Club of Chembur	Preventive Healthcare	Maharashtra	-	0.002	-	0.002	Direct
5	Donation of books to School Libraries in aided schools.	Setting up public libraries	Tamil Nadu	-	0.48		0.48	Direct
6	Pension to Old age people	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.	Tamil Nadu		0.19		0.19	Direct
					1.00		**1.00**	

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

Dr. A. Velumani
(Chairman, Managing Director & CEO)
DIN: 00002804
Place: Navi Mumbai
Date: 18-05-2019

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

BOARD'S REPORT
FORM AOC-1

ANNEXURE -4

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details
1	Name of the subsidiary	Nueclear Healthcare Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company's reporting period, viz. 31-03-2019
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital – Authorised	15.00
	– Paid up	11.11
5	Reserves & surplus	57.04
6	Total Assets	115.85
7	Total Liabilities	115.85
8	Investments	0
9	Turnover	33.27
10	Profit / Loss before taxation	-9.91
11	Provision for taxation	-0.01
12	Profit / Loss after taxation	-9.90
13	Proposed Dividend	-
14	% of shareholding	100%
Notes: The following information shall be furnished at the end of the statement:		
1.	Names of subsidiaries, which are yet to commence operations:	Nil
2.	Names of subsidiaries, which have been liquidated or sold during the year:	Nil

Part "B": Associates and Joint Ventures

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

(₹ in crores)

	Name of associates/Joint Ventures	Equinox Labs Private Limited, Mumbai.
1	Latest audited Balance Sheet Date	31-03-2019
2	2. Shares of Associate/Joint Ventures held by the company on the year end	
	- No.	4,29,185
	- Amount of Investment in Associates/Joint Venture	₹ 20.00 Crores
	- Extent of Holding%	30.00%
3	Description of how there is significant influence	The Company does not have significant influence
4	Reason why the associate/joint venture is not consolidated	Not Applicable, as its consolidated
5	Net worth attributable to shareholding as per latest audited Balance Sheet	6.99
6	Profit/Loss for the year	
	i. Considered in Consolidation	0.66
	ii. Not Considered in Consolidation	Nil
1.	Names of associates or joint ventures which are yet to commence operations:	Nil
2.	Names of associates or joint ventures which have been liquidated or sold during the year:	Nil

For and on behalf of the Board of Directors,

Thyrocare Technologies Limited

Ramjee Dorai	**Dr. A. Velumani**	**A. Sundararaju**
Company Secretary	Chairman, Managing Director & CEO	Executive Director & CFO
FCS-2966	DIN- 00002804	DIN- 00003260
Navi Mumbai	Navi Mumbai	Navi Mumbai
18-May-19	18-May-19	18-May-19

BOARD'S REPORT
FORM NO. AOC-2

ANNEXURE- 5

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

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

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

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

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

Sr. No.	Name(s) of related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration's of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
	(a)	(b)	(c)	(d)	(e)	(f)
1	Nueclear Healthcare Ltd. (Wholly-owned subsidiary company)	Loan transaction between the holding company and the wholly owned subsidiary company	This is a loan transaction and not a contract of any duration	Thyrocare Technologies Limited will give a loan upto an amount not exceeding of ₹ 100 Crores to Nueclear Healthcare Limited, our wholly owned subsidiary company. The loan will carry interest at the rate of 9% p.a. Interest is payable on maturity. The loan will be for a tenure of five years, unless extended on mutually agreed terms.	28-04-2018	Not Applicable

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

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

Place: Navi Mumbai
Date: 18-05-2019

BOARD'S REPORT

ANNEXURE- 6

STATEMENTS ON EMPLOYEES STOCK OPTION SCHEME

Sr. No.	Particulars	Details					
		2014 Shares	2015 Shares	2016 Options	2017 Options	2018 Options	2019 Options
a.	Options granted	1,34,600 (including Bonus)	40,434	50,537	50,529	40,444	40,429
b.	Options vested	1,34,600	40,434	Not yet due	Not yet due	Not yet due	Not yet due
c.	Options exercised	1,34,600	33,973	Not Applicable	Not Applicable	Not Applicable	Not Applicable
d.	The total number of shares arising as a results of exercise of option	1,34,600	33,973	Not Applicable	Not Applicable	Not Applicable	Not Applicable
e.	Options lapsed	Nil	6,461**	Not Applicable	Not Applicable	Not Applicable	Not Applicable
f.	The exercise price (Already determined)	₹10/-	₹10/-	₹10/-	₹10/-	₹10/-	₹10/-
g.	Variations of terms of options	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
h.	Money realized by exercise of options - in ₹	3,36,500*	3,39,730	Not Applicable	Not Applicable	Not Applicable	Not Applicable
i.	Total number of options in force	-	-	50,537	50,529	40,444	40,429
j.	Employee wise details of options granted to:-						
	i. Key Managerial Personnel						
	Mr. Ramjee Dorai	Nil	Nil	Nil	851	644	587
	ii. Any other employee who receives a grant in any one year of option amount to 5% or more of options granted during the year						
1	Dr. Caesar Sengupta, Vice-President-Operations.	22,395	6,076	3,520	2,706	2,026	NA
2	Mr. M. Chandrasekhar, Vice-President-Infrastructure	13,721	4,411	NA	NA	NA	NA
3	Mr. S. Krishnakumar, Dy.General Manager-Laboratory	8,447	2,155	NA	NA	NA	NA
4	Mr. Rajkumar S. Kushawaha, Dy.Gen. Manager-Laboratory	8,312	NA	NA	NA	NA	NA
5	Mr. Kallathikumar, Dy.General Manager-Laboratory	7,906	2,209	NA	NA	NA	NA
6	Mr. M. Santhosh, General Manager-Business Development	7,583	2,151	NA	NA	NA	NA
7	Mr. Sachin Salvi, Vice President-Finance	NA	NA	NA	NA	NA	NA
	iii. Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	None	None	None	None	None

** Originally, 33,650 shares were issued, which got multiplied to 1,34,600 consequent on issue of bonus shares. Hence, the amount payable by the allottees was only ₹ 3,36,500/-*

*** This represents options granted to 35 employees who were not in the Company's service at the time of vesting of options. These options would be added back to the Pool, subject to statutory regulations as applicable.*

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

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

Place: Navi Mumbai
Date: 18-05-2019

BOARD REPORT

ANNEXURE 7

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

(A)	**CONSERVATION OF ENERGY:-**	
(i)	the steps taken or impact on conservation of energy	Standard operating hours have been scheduled for all Air-conditioners & Lights. It is being monitored round the clock. Automatic Air-conditioner schedular has been installed to optimize the running hours and reduce power consumption. Also 3rd party Energy audit was conducted to assess and replace old Electrical and UPS systems.
(ii)	the steps taken by the company for utilising alternate sources of energy:	The Company has taken steps for installing additional 211 KW rooftop Solar power plant in Central Processing Laboratory, and 63 KW in Corporate Office, both located in Navi Mumbai. It would ensure that about 12 to 15% of total power consumption comes from renewable source.
(iii)	the capital investment on energy conservation equipment	Opex model
(B)	**TECHNOLOGY ABSORPTION:-**	
(i)	the Efforts made towards technology absorption:	1. We have installed two sets of ION Proton high throughput sequencers and ION Chef fully automated sample preparation system to automate NGS workflow for faster turn-around time.
		2. Proposed to instal India's largest Hematology Automation Track Sysmex XN 9000 in Central Processing Laboratory in Navi Mumbai.
		3. Added four more advanced High throughput Photometry analyzers which can process additional 1,20,000 Biochemistry tests in 15 hours
(ii)	the Benefits derived like product improvement, cost reduction, product development or import substitution:	These technologies help us expand our menu, reduce our costs, and improve the efficiency of our services.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	Nil
	(a) the details of technology import	
	(b) the year of import	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development:	
(C)	**FOREIGN EXCHANGE EARNINGS AND OUTGO:-**	
	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows-	

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

Particulars	31-03-2019	31-03-2018
Actual Inflow	5.19	2.83
Actual Outflow	4.99	4.43

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

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

Place: Navi Mumbai
Date: 18-05-2019

ANNEXURE- 8

BOARD'S REPORT
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L85110MH2000PLC123882
2	Registration Date	28-01-2000
3	Name of the Company	THYROCARE TECHNOLOGIES LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares
		Indian Non-Government Company
5	Address of the Registered office & contact details	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai (MH)-400703 Ph. No. 022-27622762
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Private Limited C-101, 247 Park. L B S Marg, Vikhroli West, Mumbai- 400 083. Ph. 022- 49186000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Independent diagnostic/pathological laboratory services	86905	96.47%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nueclear Healthcare Limited, D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703.	U74120MH2011PLC212839	Wholly owned subsidiary company	100.00	Section 2(87)
2	Equinox Labs Privae Limited 224,Plot-3/3A,Unique Industrial Estate, Swatantra, Veer Sawarkar Marg, Prabhadevi, Mumbai-400025.	U74999MH2017PTC297024	Associate Company	30.00	Section 2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1,97,73,030	-	1,97,73,030	36.81	2,01,04,293	-	2,01,04,293	38.08	1.27
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1,45,88,715	-	1,45,88,715	27.16	1,45,88,715	-	1,45,88,715	27.63	0.48
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	3,43,61,745	-	3,43,61,745	63.96	3,46,93,008	-	3,46,93,008	65.71	1.75
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL (A)	**3,43,61,745**	**-**	**3,43,61,745**	**63.96**	**3,46,93,008**	**-**	**3,46,93,008**	**65.71**	**1.75**
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	1,00,51,979	-	1,00,51,979	18.71	70,78,601	-	70,78,601	13.41	-5.30
b) Banks / FI	97,319	-	97,319	0.18	1,77,434	-	1,77,434	0.34	0.15
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Portfolio Investors	52,27,886	-	52,27,886	9.73	61,61,986	-	61,61,986	11.67	1.94
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Alternate Investment Funds	2,31,093	-	2,31,093	0.43	-	-	-	-	-0.43
Sub-total (B)(1):-	**1,56,08,277**	**-**	**1,56,08,277**	**29.05**	**1,34,18,021**	**-**	**1,34,18,021**	**25.41**	**-3.64**
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	15,61,877	5	15,61,882	2.91	20,26,314	5	20,26,319	3.84	0.93
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	6,76,411	-	6,76,411	1.26	10,01,189	-	10,01,189	1.90	0.64
NBFCs registered with RBI	-	-	-	-	1,721		1,721	0.00	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Bodies Corporate	10,09,990		10,09,990	1.88	12,69,694	-	12,69,694	2.40	0.52
Foreign Nationals- NRI (Non Repat and NRI Repat)	2,24,085	-	2,24,085	0.42	2,66,651	-	2,66,651	0.51	0.09
Clearing Members	99,020	-	99,020	0.18	24,691		24,691	0.05	-0.14
Trusts	1,09,764	-	1,09,764	0.20	333	-	333	0.00	-0.20
Hindu Undivided Family (HUFs)	71,140	-	71,140	0.13	96,615	-	96,615	0.18	0.05
Sub-total (B)(2):-	**37,52,287**	**5**	**37,52,292**	**6.98**	**46,87,208**	**5**	**46,87,213**	**8.88**	**1.89**
Total Public (B)	**1,93,60,564**	**5**	**1,93,60,569**	**36.04**	**1,81,05,229**	**5**	**1,81,05,234**	**34.29**	**-1.75**
C. Employees Benefit Trust under SEBI (Shared Based Employee Benefit) Regulations, 2014	1,219	-	1,219	0.00	364	-	364	0.00	-
Grand Total (A+B+C)	**5,37,23,528**	**5**	**5,37,23,533**	**100.00**	**5,27,98,601**	**5**	**5,27,98,606**	**100.00**	**-**

(ii) **Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. A. Velumani	1,48,09,317	27.57	-	1,48,09,317	28.05	-	0.48
2	Mr. A. Sundararaju	2,49,669	0.46	-	2,49,669	0.47	-	0.01
3	Mr. Anand Velumani	6,33,164	1.18	-	6,33,164	1.20	-	0.02
4	Miss. Amruta Velumani	7,52,512	1.40	-	7,52,512	1.43	-	0.02
5	A. Velumani HUF	9,11,828	1.70	-	12,43,091	2.35	-	0.66
6	A. Sundararaju HUF	24,16,540	4.50	-	24,16,540	4.58	-	0.08
7	Mahima Advertising LLP	12,60,000	2.35	-	12,60,000	2.39	-	0.04
8	Thyrocare Publications LLP	65,34,500	12.16	-	65,34,500	12.38	-	0.21
9	Sumathi Infra Project LLP	15,76,415	2.93	-	15,76,415	2.99	-	0.05
10	Thyrocare Properties and Infrastructure Pvt. Ltd.	52,17,800	9.71	-	52,17,800	9.88	-	0.17

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	1-Apr-18		1,48,09,317	27.57%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				1,48,09,317	28.05%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	1-Apr-18		2,49,669	0.46%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				2,49,669	0.47%
3	**Mr. Anand Velumani**						
	At the beginning of the year	1-Apr-18		6,33,164	1.18%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				6,33,164	1.20%
4	**Miss. Amruta Velumani**						
	At the beginning of the year	1-Apr-18		7,52,512	1.40%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				7,52,512	1.43%
5	**A. Velumani HUF**						
	At the beginning of the year	1-Apr-18		9,11,828	1.70%		
	Purchase	15-Feb-19	Transfer	82,962		9,94,790	1.88%
	Purchase	22-Feb-19	Transfer	1,48,172		11,42,962	2.16%
	Purchase	1-Mar-19	Transfer	60,129		12,03,091	2.28%
	Purchase	8-Mar-19	Transfer	30,000		12,33,091	2.34%
	Purchase	15-Mar-19	Transfer	10,000		12,43,091	2.35%
	At the end of the year	31-Mar-19				12,43,091	2.35%
6	**A. Sundararaju HUF**						
	At the beginning of the year	1-Apr-18		24,16,540	4.50%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				24,16,540	4.58%
7	**Mahima Advertising LLP**						
	At the beginning of the year	1-Apr-18		12,60,000	2.35%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				12,60,000	2.39%

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
8	**Thyrocare Publications LLP**						
	At the beginning of the year	1-Apr-18		65,34,500	12.16%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				65,34,500	12.38%
9	**Sumathi Infra Project LLP**						
	At the beginning of the year	1-Apr-18		15,76,415	2.93%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				15,76,415	2.99%
10	**Thyrocare Properties and Infrastructure Pvt. Ltd.**						
	At the beginning of the year	1-Apr-18		52,17,800	9.71%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				52,17,800	9.88%

(iv) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**New Horizon Opportunities Master Fund**						
	At the beginning of the year	1-Apr-18		4,50,000	0.84%	-	-
	Purchase	13-Apr-18	Transfer	6,00,000	-	10,50,000	1.95%
	Purchase	20-Apr-18	Transfer	2,600	-	10,52,600	1.96%
	Purchase	27-Apr-18	Transfer	19,400	-	10,72,000	2.00%
	Purchase	7-Sep-18	Transfer	4,28,000	-	15,00,000	2.79%
	Purchase	14-Dec-18	Transfer	5,00,000	-	20,00,000	3.79%
	Purchase	4-Jan-19	Transfer	2,00,000	-	22,00,000	4.17%
	At the end of the year	31-Mar-19		-	-	22,00,000	4.17%
2	**Reliance Capital Trustee Co. Ltd.- A/C Reliance Pharma Fund**						
	At the beginning of the year	1-Apr-18		42,07,089	7.83%	-	-
	Sale	30-Jun-18	Transfer	(44,153)		41,62,936	7.75%
	Sale	6-Jul-18	Transfer	(66,743)		40,96,193	7.62%
	Sale	13-Jul-18	Transfer	(5,104)		40,91,089	7.62%
	Sale	7-Sep-18	Transfer	(4,41,797)		36,49,292	6.79%
	Sale	26-Oct-18	Transfer	(161)		36,49,131	6.79%
	Sale	2-Nov-18	Transfer	(73,549)		35,75,582	6.78%
	Sale	9-Nov-18	Transfer	(27,938)		35,47,644	6.72%
	Sale	16-Nov-18	Transfer	(2,24,218)		33,23,426	6.30%
	Sale	23-Nov-18	Transfer	(55,460)		32,67,966	6.19%
	Sale	30-Nov-18	Transfer	(45,322)		32,22,644	6.11%
	Sale	7-Dec-18	Transfer	(1,94,678)		30,27,966	5.74%
	Sale	14-Dec-18	Transfer	(6,67,547)		23,60,419	4.47%
	Sale	21-Dec-18	Transfer	(6,400)		23,54,019	4.46%
	Sale	28-Dec-18	Transfer	(19,853)		23,34,166	4.42%
	Sale	31-Dec-18	Transfer	(1,360)		23,32,806	4.42%
	Sale	4-Jan-19	Transfer	(2,35,514)		20,97,292	3.97%
	Purchase	1-Feb-19	Transfer	70,000		21,67,292	4.10%
	Sale	15-Mar-19	Transfer	(60,500)		21,06,792	3.99%
	At the end of the year	31-Mar-19				21,06,792	3.99%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
3	**Aditya Birla Sunlife Trustee Pvt. Ltd. A/C Aditya Birla Sunlife Equity Hybrid 95 fund**						
	At the beginning of the year	1-Apr-18		22,47,007	4.18%	-	-
	Sale	4-May-18	Transfer	(32,200)		22,14,807	4.12%
	Sale	7-Sep-18	Transfer	(2,63,000)		19,51,807	3.63%
	Purchase	29-Sep-18	Transfer	7,700	-	19,59,507	3.65%
	At the end of the year	31-Mar-19		-	-	19,59,507	3.71%
4	**Sundaram Mutual Fund A/C Sundaram Small Cap Fund**						
	At the beginning of the year	1-Apr-18		8,71,852	1.62%	-	-
	Purchase	13-Apr-18	Transfer	3,01,193		11,73,045	2.18%
	Purchase	30-Jun-18	Transfer	1,50,192		13,23,237	2.46%
	Sale	31-Aug-18	Transfer	(200)		13,23,037	2.46%
	Purchase	16-Nov-18	Transfer	1,175		13,24,212	2.51%
	Purchase	30-Nov-18	Transfer	12,592		13,36,804	2.53%
	Purchase	7-Dec-18	Transfer	99,271		14,36,075	2.72%
	Purchase	14-Dec-18	Transfer	83,137		15,19,212	2.88%
	Purchase	4-Jan-19	Transfer	1,000		15,20,212	2.88%
	At the end of the year	31-Mar-19		-	-	15,20,212	2.88%
5	**Fundsmith Emerging Equities Trust PLC**						
	At the beginning of the year	1-Apr-18		8,13,657	1.51%	-	-
	Purchase	13-Apr-18	Transfer	70,036	-	8,83,693	1.64%
	At the end of the year	31-Mar-19		-	-	8,83,693	1.67%
6	**HDFC Trustee Company Ltd. A/C HDFC Capital Builder Value Fund**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Purchase	7-Dec-18	Transfer	7,01,000		7,01,000	1.30%
	Purchase	11-Jan-19	Transfer	50,000		7,51,000	1.42%
	Purchase	22-Mar-19	Transfer	50,000		8,01,000	1.52%
	Purchase	29-Mar-19	Transfer	30,000		8,31,000	1.57%
	At the end of the year	31-Mar-19		-	-	8,31,000	1.57%
7	**Al Mehwar Commercial Investments LLC- Noosa**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Purchase	8-Jun-18	Transfer	7,95,000	-	7,95,000	1.48%
	At the end of the year	31-Mar-19		-	-	7,95,000	1.51%
8	**University of Notre Dame DU LAC**						
	At the beginning of the year	1-Apr-18		3,27,563	0.61%	-	-
	Purchase	22-Jun-18	Transfer	1,25,681		4,53,244	0.84%
	Purchase	30-Jun-18	Transfer	11,099		4,64,343	0.86%
	Purchase	6-Jul-18	Transfer	36,781		5,01,124	0.93%
	At the end of the year	31-Mar-19		-	-	5,01,124	0.95%
9	**Cobra India (Mauritius) Limited**						
	At the beginning of the year	1-Apr-18		3,31,775	0.62%	-	-
	Purchase	6-Apr-18	Transfer	53,500		3,85,275	0.72%
	Purchase	13-Apr-18	Transfer	55,000	-	4,40,275	0.82%
	At the end of the year	31-Mar-19		-	-	4,40,275	0.83%
10	**DSP Small Cap Fund**						
	At the beginning of the year	1-Apr-18		11,33,247	2.11%	-	-
	Sale	30-Nov-18	Transfer	(25,000)		11,08,247	2.06%
	Sale	7-Dec-18	Transfer	(5,17,267)		5,90,980	1.12%
	Sale	11-Jan-19	Transfer	(20,289)		5,70,691	1.08%
	Sale	18-Jan-19	Transfer	(8,216)		5,62,475	1.07%
	Sale	25-Jan-19	Transfer	(4,436)		5,58,039	1.06%
	Sale	1-Feb-19	Transfer	(71,517)		4,86,522	0.92%
	Sale	8-Feb-19	Transfer	(100)		4,86,422	0.92%
	Sale	15-Feb-19	Transfer	(7,795)		4,78,627	0.91%
	Sale	22-Feb-19	Transfer	(71,729)		4,06,898	0.77%
	At the end of the year	31-Mar-19				4,06,898	0.77%

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

S. No	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	**Dr. A. Velumani**						
	At the beginning of the year	1-Apr-18		1,48,09,317	27.57%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				1,48,09,317	28.05%
2	**Mr. A. Sundararaju**						
	At the beginning of the year	1-Apr-18		2,49,669	0.46%		
	Changes during the year			-		-	
	At the end of the year	31-Mar-19				2,49,669	0.47%
3	**Mr. Gopalkrishna Shivram Hegde**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-19		-	-	-	-
4	**Mr. Vishwas Kulkarni**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-19		-	-	-	-
5	**Dr. Neetin Desai**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-19		-	-	-	-
6	**Mr. N. Palanisamy**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-19		-	-	-	-
7	**Miss. Amruta Velumani**						
	At the beginning of the year	1-Apr-18		7,52,512	1.40%	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-19		-	-	7,52,512	1.43%
8	**Dr. Indumati Gopinathan**						
	At the beginning of the year	1-Apr-18		-	-	-	-
	Changes during the year			-	-	-	-
	At the end of the year	31-Mar-19		-	-	-	-
9	**Mr. Ramjee Dorai**						
	At the beginning of the year	1-Apr-18		33	0.00%	-	-
	Changes during the year			-	-		-
	At the end of the year	31-Mar-19		-	-	33	0.00%

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

The Company has neither taken any Secured/Unsecured loans nor accepted any deposits during the financial year 2018-19.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
	Name	Dr. A. Velumani	Mr. A. Sundararaju	In ₹
	Designation	Chairman, Managing Director & CEO	Executive Director & CFO	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12.00 *	6000000.00 **	60,00,012.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	Nil	Nil	-
3	Sweat Equity	Nil	Nil	-
4	Commission			-
	- as % of profit	Nil	Nil	-
	- others, specify	Nil	Nil	-
5	Others, please specify			-
	i) Leave Encashment	-	-	-
	Total (A)	**12.00**	**6000000.00**	**60,00,012.00**
	Ceiling as per the Act			

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

*** Mr. A. Sundararaju, Executive Director & CFO has voluntarily opted to receive the same remuneration of ₹ 5 lakhs only per month.*

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors					In ₹
1	**Independent Directors**	Mr. G.S. Hegde	Mr. Vishwas Kulkarni	Dr. Neetin Desai	Mr. N. Palanisamy	Dr. Indumati Gopinathan	Total Amount
	Fee for attending board committee meetings	1,70,000.00	1,40,000.00	60,000.00	70,000.00	10,000.00	4,50,000.00
	Commission	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	
	Total (1)	**1,70,000.00**	**1,40,000.00**	**60,000.00**	**70,000.00**	**10,000.00**	**4,50,000.00**
2	**Other Non-Executive Directors**						
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil	Nil	
	Commission	Nil	Nil	Nil	Nil	Nil	
	Others, please specify	Nil	Nil	Nil	Nil	Nil	
	Total (2)	-	-	-	-		-
	Total (B)=(1+2)	**1,70,000.00**	**1,40,000.00**	**60,000.00**	**70,000.00**	**10,000.00**	**4,50,000.00**
	Total Managerial Remuneration						
	Overall Ceiling as per the Act						

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel	(₹)
	Name	Ramjee Dorai	
	Designation	Company Secretary & Compliance Officer	Total Amount
1	Gross salary	21,32,319.00	21,32,319.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	3,13,399.30	3,13,399.30
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify - Bonus	33,587.00	33,587.00
5	Others, please specify	-	-
	Total	**24,79,305.30**	**24,79,305.30**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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

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

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

Place: Navi Mumbai
Date: 18-05-2019

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

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

The Company's basic goal is to maximize the long term value for all our stakeholders – investors, employees, business associates, customers and the society at large, and all its business decisions and actions are oriented towards achieving this basic goal.

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

2. BOARD OF DIRECTORS

a) Composition and Category of Directors:

The Board of Directors of the Company is headed by Dr. A. Velumani, Founder-Promoter of the Company. As on 31st March 2019, the Board has eight directors - Two Executive Directors, One Non-Executive Woman Director, and Five Non-Executive Independent Directors, including one Independent Woman Director. During the year under review, Dr. Indumati Gopinathan, who was appointed as Non-Executive Non-Independent Director, was appointed as an Independent Director, so as to comply with the recent amendment to the SEBI Listing Regulations, making it mandatory for the top 500 listed companies to have at least one independent woman director.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding their Committee positions, if any, in other public companies as on March 31, 2019, have been made by all the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations, read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the said Regulations, they have submitted declarations that they meet with the criteria of independence as provided in the said Regulations and are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Board of Directors, after due assessment of veracity of such declarations, have taken them on record.

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

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

*Appointed as an Independent Director effective from 09-03-2019

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

b) **Attendance of Directors at the meetings:**

The details of attendance of the Directors at the Board Meetings held during the year ended March 31, 2019 and at the last Annual General Meeting are given below:

S. No.	Name	Board Meetings		Attendance at AGM held on 01-09-2018.
		Held during the tenure of the Director	Attended	
1	Dr. A. Velumani	7	7	Yes
2	Mr. A. Sundararaju	7	7	Yes
3	Mr. Gopalkrishna Shivram Hegde	7	7	Yes
4	Mr. Vishwas Kulkarni	7	6	Yes
5	Dr. Neetin Desai	7	5	Yes
6	Mr. N. Palanisamy	7	6	No
7	Miss. Amruta Velumani	7	7	Yes
8	Dr. Indumati Gopinathan	7	5	Yes

c) **Other Directorships & Committee Memberships/Chairmanships**

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

S. No.	Name	In Other Public Companies			Name of the listed entities where holding directorship, and category of directorship
		No. of Directorships	No. of Committee Membership	No. of Committee Chairmanship	
1	Dr. A. Velumani	3	-	-	-
2	Mr. A. Sundararaju	3	2	-	-
3	Mr. Gopalkrishna Shivram Hegde	1	-	2	-
4	Mr. Vishwas Kulkarni	-	-	-	-
5	Dr. Neetin Desai	-	-	-	-
6	Mr. N. Palanisamy	-	-	-	-
7	Miss. Amruta Velumani	-	-	-	-
8	Dr. Indumati Gopinathan	-	-	-	-

d) **Number of Board Meetings:**

The Board meets at regular intervals to discuss, inter alia, quarterly financial results, significant developments and other regular subjects including information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, as applicable, and take appropriate decisions.

The notice of Board / Committee Meetings is given well in advance to all the Directors, and the Agenda is circulated at least one week prior to the date of the Meeting. The Agenda includes an Action Taken Report comprising of actions taken arising out of the decisions taken at the earlier Meeting, and detailed notes on the items to be discussed at the Meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2019, seven Board Meetings were held as follows:

(i) 02-04-2018, (ii) 28-04-2018, (iii) 04-08-2018, (iv) 11-08-2018, (v) 03-11-2018, (vi) 09-02-2019 and (vii) 09-03-2019.

The maximum interval between any two Meetings was well within the maximum allowed gap of 120 days.

e) **Disclosure of relationship between Directors inter-se:**

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

f) **Shares held by Non-Executive Directors:**

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

The Company has not issued any convertible instruments.

g) **Web-link where details of familiarisation programmes imparted to independent directors are disclosed.**

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

h) **Matrix setting out the skills / expertise / competence of the Board of Directors.**

S. No.	Skill Area	Expectation	Dr. A. Velumani	Mr. A. Sundararaju	Mr. G.S. Hegde	Mr.Vishwas Kulkarni	Dr. Neetin Desai	Mr. N. Palanisamy	Miss. Amruta Velumani	Dr. Indumati Gopinathan
1	Experience in leading a large business enterprise	Ability to lead an enterprise having sizeable manpower, diverse clientele, business associates having different business background and others connected with the business.	√	√	-	-	√		√	√
2	Working out correct business strategies and policies.	Ability to think strategically; identify and critically assess strategic opportunities and threats. Develop effective strategies for achieving the given objectives of the Company, relevant policies and priorities.	√	√	√	√	√	√	√	√
3	Technical / Professional skills	Knowledge of the type of Company's business and appropriate exposure with ability to identify evolving trends in the area of Company's business and identify opportunities for the business development.	√	√	√	√	√	-	√	√
4	Legal acumen and exposure to changing regulatory landscape.	Ability to understand the compliance requirements under various laws, and also to guide and ensure that the board's responsibility in overseeing compliance with statutory rules and regulations is properly discharged.	√	√	√	√	-	-	-	-
5	Risk management	Ability to identify key risks in a wide range of areas including commercial operations, business environment, management of clients, vendors, employees and others, and issues involving legal and regulatory compliance.	√	√	√	√	√	√	√	√
6	Financial Knowledge	Ability to understand and analyse key financial statements, critically assess financial viability and performance, oversee efficient use of resources.	-	√	√	√	√	-	√	-
7	Marketing & Communications and consumers' expectations.	Knowledge of and exposure to nuances of marketing and public promotion campaigns, and ability to gather information relating to consumers' expectations and grievances.	√	√	√	√	√	√	√	√
8	Commercial Experience	A broad range of commercial / business experience, preferably in areas relating or relevant to the Company's business.	√	√	√	√	√	√	√	√
9	Human Resources Management	Ability to understand the competencies expected of human resources forming the backbone of the Company, their expectation and the ways and means of monitoring their performance, attitude and contribution.	√	√	√	√	√	-	√	-

i) **Independent Directors:**

The Board of Directors confirms that in its opinion, the independent directors fulfill the conditions specified in the SEBI (Listing Obligations & Disclosure Requirements) Regulations and are independent of the management.

No Independent Directors has resigned during the year under review.

3. AUDIT COMMITTEE:

(a) Brief description of terms of reference:

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

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;

2. Recommending to the Board the appointment, remuneration and terms of appointment of the auditors of the Company;

3. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

4. Approval of payments to statutory auditors for any other services rendered by the statutory auditors;

5. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by management;

   d. Significant adjustments made in the financial statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to financial statements;

   f. Disclosure of any related party transactions; and

   g. Modified opinion(s) in the draft audit report.

6. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by the Company;

8. Approval of any transactions of the Company with Related Parties, including any subsequent modifications thereof.

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Monitoring the end-use of funds raised through public offers and related matters;

13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;

14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

16. Discussing with internal auditors on any significant findings and follow up there on;

17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. Reviewing the functioning of the whistle blower mechanism;

21. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate;

22. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision. and

23. Carrying out such other function as may be required in pursuance of any decision of the Board of Directors or any provision under the Companies Act and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or any other applicable law."

    The Audit Committee shall mandatorily review the following information:

    1. Management's discussion and analysis of financial condition and results of operations;

    2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;

    3. Management letters / letters of internal control weaknesses issued by the statutory auditors;

    4. Internal audit reports relating to internal control weaknesses;

    5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

    6. Statement of deviations:

        (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and

        (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of the Listing Regulations."

    The Audit Committee shall have the following powers:

    i. To investigate any activity within its terms of reference;

    ii. To seek information from any employee;

    iii. To obtain outside legal or other professional advice; and

    iv. To secure attendance of outsiders with relevant expertise, if it considers necessary."

(b) **Composition, names of members and chairperson:**

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

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

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

(c) **Meetings and attendance during the year:**

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

(i)28-04-2018, (ii) 04-08-2018, (iii) 11-08-2018, (iv) 03-11-2018, and (v) 09-02-2019.

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

The details of attendance at the Committee are as follows:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivram Hegde	Chairman	5	5
2	Mr. Vishwas Kulkarni	Member	5	5
3	Mr. A. Sundararaju	Member	5	5

4. NOMINATION & REMUNERATION COMMITTEE:

(a) **Brief description of terms of reference:**

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

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

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

3. Devising a policy on Board diversity;

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

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

6. Analysing, monitoring and reviewing various human resource and compensation matters, and recommending to the Board all remuneration, in whatever form, payable to senior management.

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

8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary),

which shall be market-related, usually consisting of a fixed and variable component;

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

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

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

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

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

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

(b) Composition, names of members and chairperson:

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

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivram Hegde	Non-executive Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Non-executive Independent Director	Member
3	Dr. Indumati Gopinathan*	Non-executive Independent Director	Member

*Appointed as an Independent Director effective from 09-03-2019

(c) Meetings and attendance during the year.

During the year, there was one meeting of Nomination & Remuneration Committee, held on 28-04-2018. Details of attendance of Members of Nomination & Remuneration Committee are given below:

S. No.	Name	Position	Committee Meetings	
			Held	Attended
1	Mr. Gopalkrishna Shivram Hegde	Chairman	1	1
2	Mr. Vishwas Kulkarni	Member	1	1
3	Dr. Indumati Gopinathan	Member	1	1

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

(d) Performance evaluation criteria for independent directors:

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

5. REMUNERATION TO DIRECTORS.

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

S. No.	Name of the Independent Director	Sitting Fee paid during the year - ₹
1	Mr. Gopalkrishna Shivram Hegde	1,70,000
2	Mr. Vishwas Kulkarni	1,40,000
3	Dr. Neetin Desai	60,000
4	Mr. N. Palanisamy	70,000
5	Dr. Indumati Gopinathan*	10,000

*Appointed as an Independent Director effective from 09-03-2019

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

c) The criteria of making payments to non-executive directors has been disseminated in the Company's website, www.thyrocare.com.

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

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

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

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

a) Composition:

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

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

b) Name and designation of the Compliance Officer:

Mr. Ramjee Dorai, Company Secretary & Compliance Officer.

c) Number of shareholders' complaints received so far: 3

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

e) Number of pending complaints: Nil

7. GENERAL BODY MEETINGS:

a) Location and time, where last three annual general meetings held;

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

AGM Detail	Venue	Time & Date
16th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	2.30 P.M. on September 12, 2016.
17th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	10.30 A.M. on August 12, 2017
18th Annual General Meeting	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705	3.00 P.M. on September 01, 2018

b) Special resolutions passed in the previous three annual general meetings:

16th Annual General Meeting:

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

17th Annual General Meeting:

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

18th Annual General Meeting:

1. Issue of Stock Options equivalent to 40,452 equity shares to the eligible employees of the Company.
2. Buy-back proposal

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

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

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

No special resolution is proposed to be conducted through postal ballot on or before the ensuing AGM.

8) MEANS OF COMMUNICATION:

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

The Quarterly, Half-yearly and Annual results of the Company are published in leading newspapers in India, viz. The Free Press Journal (English) and Pudhari (Marathi), and are displayed on the Company's website www.thyrocare.com.

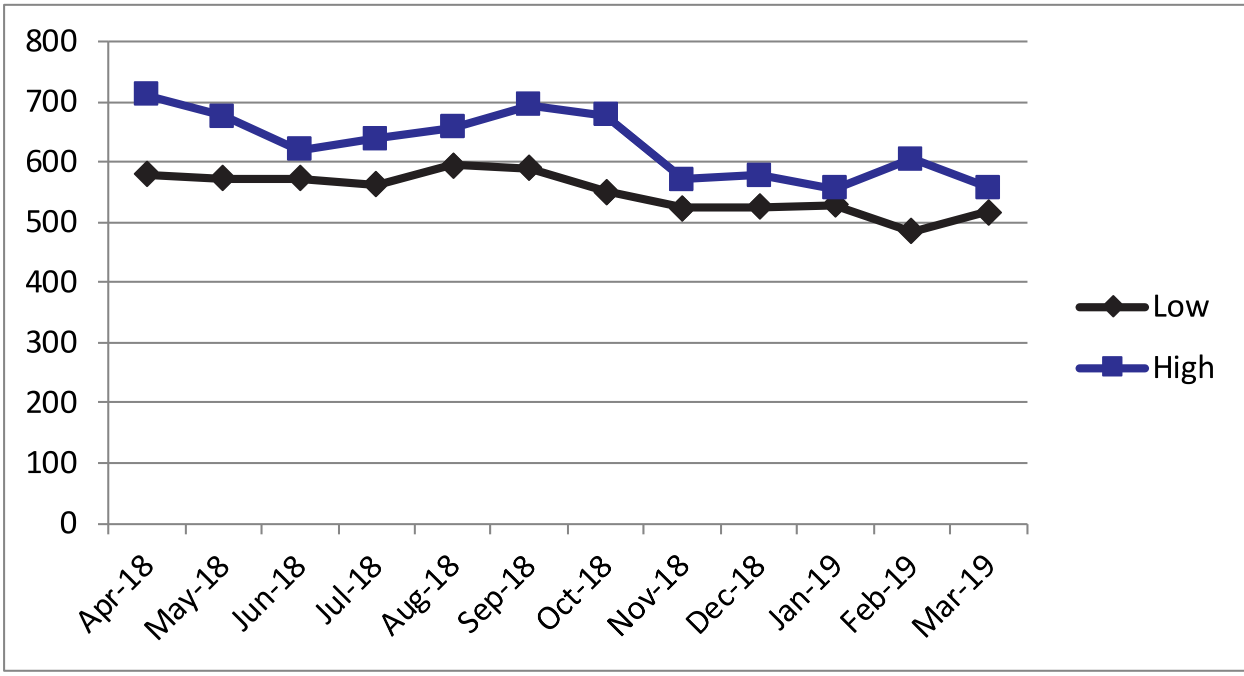
All advertisements, intimations given to the Stock Exchanges, transcripts of post-results conference calls and press releases, if any, are also displayed on the Company's website, www.thyrocare.com.

9) GENERAL SHAREHOLDER INFORMATION

A)	**19th Annual General Meeting**	
	Date	24-08-2019
	Day	Saturday
	Time	3.00 P.M.
	Venue	Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705.
B)	**Financial Year**	1st April 2018 to 31st March 2019
C)	**Dividend Payment Date**	Within 30 days from the date of approval by the Shareholders for the dividend.
D)	**Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);**	National Stock Exchange of India Limited, Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051
		BSE Limited, 1st Floor, P.J. Towers, Exchange Plaza, Dalal Street, Fort, Mumbai-400 001
		Annual Listing fee has been paid to both the exchanges.
E)	**Stock Code**	NSE – THYROCARE
		BSE – 539871

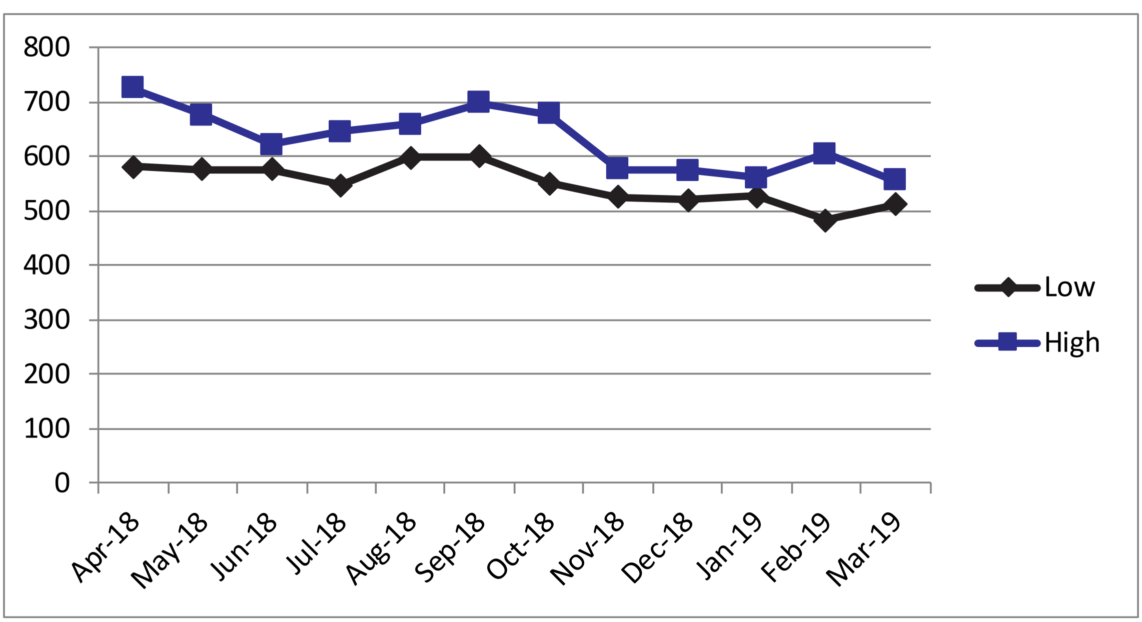
F) **Share Price Movement at NSE**

Month	High	Low	No. of shares traded
April-18	711.00	580.15	18,43,903
May-18	675.65	572.20	4,86,196
June-18	620.00	572.10	7,63,082
July-18	638.00	562.00	3,56,743
August-18	657.90	594.10	7,17,829
September-18	694.80	590.10	15,34,869
October-18	677.00	550.60	13,02,232
November-18	571.30	524.00	8,92,674
December-18	576.95	525.00	10,36,920
January-19	556.10	528.40	4,58,770
February-19	604.70	485.00	12,74,894
March-19	558.00	516.00	6,28,439



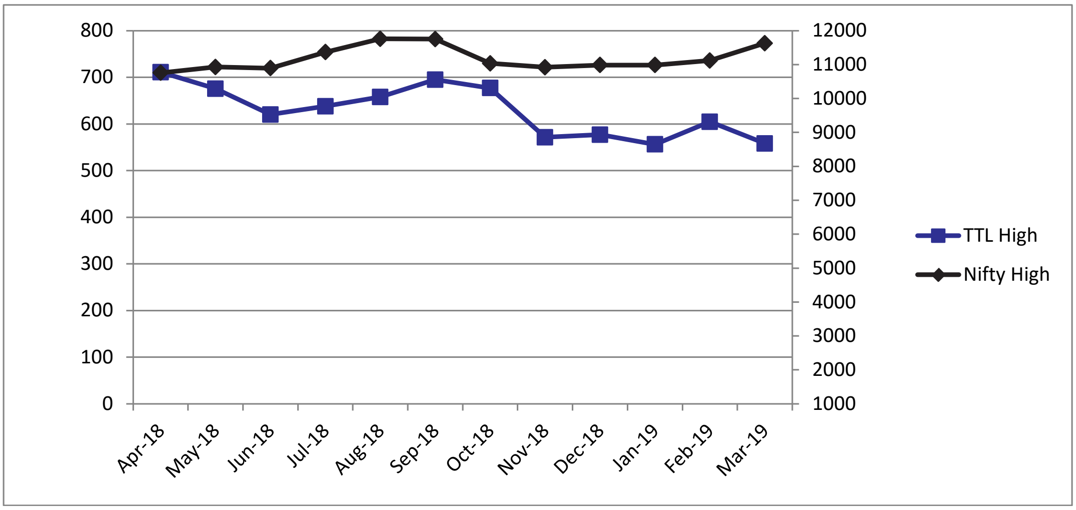
High / Low at BSE during each month in the year under review from the date of listing

Month	High	Low	No. of shares traded
April-18	725.00	581.00	5,58,499
May-18	675.95	576.00	36,736
June-18	621.55	575.00	9,62,523
July-18	644.80	547.70	25,473
August-18	657.85	598.05	1,06,058
September-18	697.00	600.00	2,85,115
October-18	677.95	550.00	89,848
November-18	576.50	525.00	3,39,868
December-18	574.65	519.85	5,99,626
January-19	560.00	527.50	80,196
February-19	604.10	482.00	1,29,524
March-19	554.95	511.20	36,943

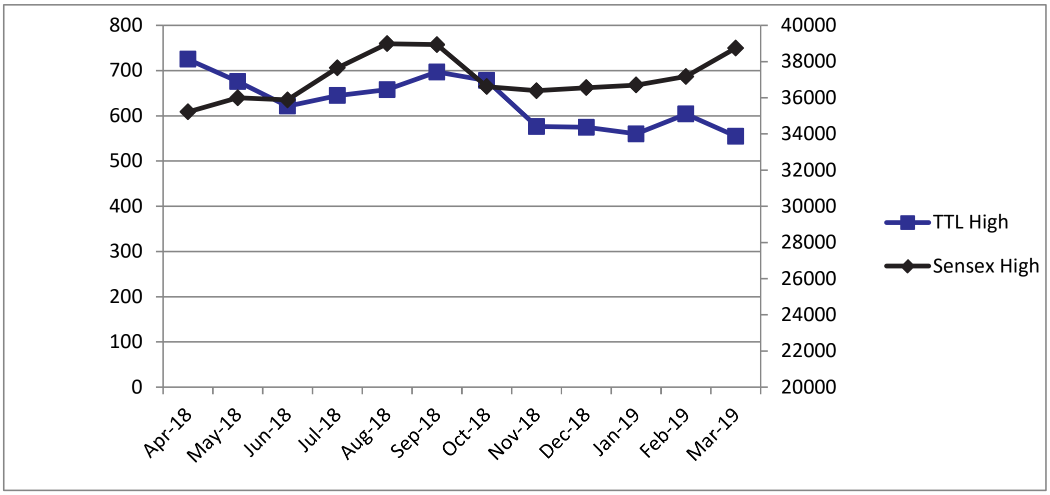


G) **Performance in comparison to broad-based indices: such as BSE sensex, CRISIL Index, etc.:**

Comparison with TTL High and Nifty High, is given below:-



Comparison with TTL High and BSE Sensex High, is given below



H)	**Reasons for suspension, if any**	There is no suspension.
I)	**Registrar to an issue and share transfer agents;**	Link Intime India Pvt. Limited, C-101, 247 Park, Lal Bahadur Shastri Marg, Vikhroli West, Mumbai, MH 400083.
J)	**Share Transfer System**	All shares are in demat form, except for five (5) shares, which are held in physical form by the concerned shareholder, as on 18-05-2019. Transfer of shares in demat form, is done by the depositories on receipt of appropriate Instruction Slip from the shareholder, without any involvement of the Company. If any shareholder rematerialises his shares and wishes to transfer the shares in physical form, the share transfer form, along with the physical share certificate, should be sent to the Registrars at the address given above. The transfer will be effected within 15 days, subject to the transfer documents being valid and complete in all respects.

K) Shareholding Pattern as on May 18, 2019

S. No.	Category	No. of shares	Percentage of shareholding
1	Promoters & Promoter Group	34730062	65.78
2	Mutual Funds	7185068	13.61
3	Banks, Financial Institutions & Insurance Companies	176444	0.33
4	FIIs & FPIs	5951213	11.27
5	Private Corporate Bodies & NBFCs	1328552	2.52
6	Indian Public, including HUFs, Trusts,etc.	3121300	5.91
7	NRIs and OCBs	280140	0.53
8	Others	25827	0.05
	Total	**52798606**	**100.00**

Distribution of Shareholding as on May 18, 2019:

SR. NO.	SHAREHOLDING RANGE			NO. OF SHARE-HOLDERS	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1	to	500	28020	96.83	1406678	2.66
2	501	to	1000	432	1.49	319813	0.61
3	1001	to	2000	220	0.76	313377	0.59
4	2001	to	3000	70	0.24	175061	0.33
5	3001	to	4000	27	0.09	94831	0.18
6	4001	to	5000	20	0.07	91708	0.17
7	5001	to	10000	45	0.16	312708	0.59
8	10001	to	**********	102	0.35	50084430	94.86
Total				**28,936**	**100.00**	**5,27,98,606**	**100.00**

L) Dematerialization of shares and liquidity:

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

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

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

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

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

O) Plant locations:

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

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

1. New Delhi.	2. Hyderabad.	3. Coimbatore.
4. Kolkata.	5. Bhopal.	6. Bangaluru.
7. Mumbai	8. Patna	9. Chennai

P) Address for correspondence

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

Q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not sought / obtained any credit rating; the Company has not issued any debt instruments, does not have any fixed deposit scheme and has no proposal involving mobilization of funds in India or abroad.

(10) Other Disclosures:

(a)	disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large;	Nil
(b)	details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;	Nil
(c)	details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;	Whistle Blower policy has been formulated as part of Vigil Mechanism introduced, and the details are available at the Company's website, www.thyrocare.com. No personnel have been denied access to the Audit Committee.
(d)	details of compliance with mandatory requirements and adoption of the non-mandatory requirements;	All mandatory requirements have been complied with. Adoption of non-mandatory requirements would be considered at appropriate time.

(e)	web link where policy for determining material' subsidiaries is disclosed;	The policy for determining 'material subsidiaries' is disclosed at the company's website, www.thyrocare.com.
(f)	web link where policy on dealing with related party transactions is disclosed.	The policy for dealing with Related Party transactions is disclosed at the company's website, www.thyrocare.com
(g)	disclosure of commodity price risks and commodity hedging activities.	Not applicable, as the Company is not dealing with any 'commodities'.
(h)	Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).	During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement.
(i)	a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.	Certificate from Mr. V. Suresh, Practising Company Secretary, is attached.
(j)	Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:	During the year, there has been no occasion where the Board has not accepted any recommendation of any of the Committees.
(k)	Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network Firm / network entity of which the statutory auditor is a part.	0.52 crore
(l)	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:	
	Number of complaints filed during the financial year	Nil
	Number of complaints disposed of during the financial year	Nil
	Number of complaints pending as on end of the financial year.	Nil
(11)	Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.	Not applicable, since all the requirements have been complied with.
(12)	The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.	Discretionary requirements would be adopted as and when felt appropriate.
(13)	The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.	The Company has complied with the requirements specified in regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46.

Other Corporate Governance Requirements:

(1) **The Company has also constituted the following Committees:**

a) **Corporate Social Responsibility Committee consisting of the following members:**

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

b) **Risk Management Committee consisting of the following members:**

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

2. During the year under review, the Independent Directors had an exclusive meeting, without the presence of non-independent directors and members of the management and all the independent directors were present at such meeting. During this meeting, the Independent Directors (a) reviewed the performance of non-independent directors and the board of directors as a whole; (b) reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors; and (c) assessed the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

3. Corporate Governance requirements with respect to the subsidiary:

   a) The Company has nominated Mr. Gopalkrishna Shivram Hegde, Independent Director, as an independent director on the board of the subsidiary company, Nueclear Healthcare Limited.

   b) The audit committee of the Company reviews the financial statements, in particular, the investments made by the unlisted subsidiary.

   c) The minutes of the meetings of the board of directors of the unlisted subsidiary are placed at the meeting of the board of directors of the Company.

   d) Details of all significant transactions and arrangements entered into by the unlisted subsidiary are being brought to the notice of the board of directors of the Company.

   e) The unlisted subsidiary has undertaken Secretarial Audit through a Company Secretary in practice, which would be annexed to its Annual Report.

D.	Declaration signed by the Chief Executive Officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management.	Declaration signed by the Chief Executive Officer is attached.

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

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

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

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

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

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

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:

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

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

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

Place: Navi Mumbai	**A. Sundararaju**	**Dr. A. Velumani**
Date: May 18, 2019	Executive Director & CFO	Chairman, Managing Director & CEO

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

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

I confirm that the Company has, in respect of the year ended March 31, 2019, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the Deputy General Manager cadre and above as on March 31, 2019.

Place: Navi Mumbai
Date: May 18, 2019

Dr. A. Velumani
Chairman, Managing Director & CEO

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Thyrocare Technologies Limited,
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai – 400703.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Thyrocare Technologies Limited having CIN:L85110MH2000PLC123882 and having registered office at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai – 400 703 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Dr. Velumani Arokiaswamy	00002804	28/01/2000
2	Mr. Sundararaju Arokiaswamy	00003260	28/01/2000
3	Mr. Gopal Shivram Hegde	00157676	21/08/2014
4	Mr. Vishwas Madhav Kulkarni	06953750	21/08/2014
5	Dr. Neetin Shivajirao Desai	02622364	20/09/2014
6	Mr. Narayanasamy Palanisamy	06972368	20/09/2014
7	Ms. Amruta Velumani	06534120	22/02/2016
8	Dr. Indumati Gopinathan	06779331	12/08/2017

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate 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.

Place: Chennai
Date: 15.05.2019

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

Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of

Thyrocare Technologies Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 1March 2019.

2. This report contains details of compliance of conditions of Corporate Governance by Thyrocare Technologies Limited ('the Company') for the year ended 31 March 2019 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.

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

3. The compliance with the conditions of Corporate Governance contained in the Listing Regulations is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

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

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2019.

6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

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

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2019.

9. 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.

Restriction on use

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

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

Rajesh Mehra
Partner
Membership No: 103145
UDIN:19103145AAAABK9260

Mumbai
18 May 2019

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

Thyrocare Technologies Limited (hereafter referred to as Thyrocare or the Company) is one of the leading pan-India diagnostic chains. It conducts an array of medical diagnostic tests and profiles of tests centred on early detection and management of disorders and diseases. As of March 31, 2019, the Company's offerings included 617 tests and 130 profiles of tests to detect several disorders, including that for thyroid, growth, metabolism, auto-immunity, diabetes, anaemia, cardiovascular, infertility and various infectious diseases. The Company administers 51 profiles of tests under its reputed "Aarogyam" brand, which offers patients a suite of wellness and preventive health care tests. The Company primarily operates its testing services through a fully-automated Centralised Processing Laboratory (the "CPL") and has expanded its operations to include a network of Regional Processing Laboratories (the "RPLs").

The Company believes that it has developed a platform of affordable diagnostic services and that it is well-positioned to further develop its services and enhance test offerings.

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

The Company collects samples through a pan-India network of authorised service providers (ASPs) comprising Thyrocare Service Providers (TSPs), Thyrocare Aggregators (TAGs) and Online Clients (OLCs). These ASPs sources samples from local hospitals, laboratories, diagnostic centres, nursing homes, clinics and doctors that avail Thyrocare's diagnostic services. As of March 31, 2019, the Company had a network of 6342 authorised service providers, including 578 Aggregators, 529 Thyrocare Service Providers and 5235 Online Cleints spread across 555 cities and 32 states and 2 union territories. The Company's wide spread network of ASPs has enabled it to expand the reach of the CPL and RPLs, thereby providing access to a larger customer base.

The Company has a fully owned subsidiary Nueclear Healthcare Limited (NHL) which operates a growing network of molecular imaging centres, primarily focused on early and effective cancer monitoring. Each of NHL's imaging centres use PET-CT scanners to assist in cancer diagnosis, staging, monitoring of treatment, and efficacy and evaluation of disease recurrence. It currently has 14 operating PET-CT scanners across 12 imaging centers. Two are in Navi Mumbai, two in New Delhi, and one each in Hyderabad, Surat, Vadodara, Raipur, Jaipur, Mumbai, Aurangabad, Nashik, Bangalore and Coimbatore. NHL also owns and operates a medical cyclotron unit in Navi Mumbai, which produces the radioactive bio-marker FDG required for PET-CT scanning.

With this, Thyrocare believes that it has developed a platform of affordable diagnostic services and is well-positioned to further develop its services and enhance test offerings

Thyrocare's key competitive strengths include:

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

Industry structure and developments

The Indian healthcare industry pegged at USD 125 billion in the financial year (FY) 2014-15, which is increased to USD 171 billion in FY 2016-17. India's healthcare market is expected to be among the top three globally, in terms of incremental growth by FY2019-20. Though India's diagnostic market is small when compared to that in developed countries, it is amongst the fastest-growing segment. The industry is dominated by small and regional unorganised diagnostic laboratories, that control more than 70% of the total diagnostic market. Due to significant latent demand emerging on the back of improving economic conditions in the country and a rapidly emerging urban population, a significant chunk of unorganised players are getting converted to organised. Despite this, the lack of any significant entry barriers, leads to many unorganised players consistently entering the space, resulting in no significant shift in the share of organised players.

According to industry estimates, the diagnostic market is anticipated to grow at 16-17%, with the general expectation of organised chains delivering stronger growth. In India's healthcare industry, diagnostic services play the role of an information intermediary, providing useful information for the accurate diagnosis and treatment of patients' diseases.

India's diagnostic industry is classified into pathology testing and imaging diagnostic services. Pathology testing or invitro diagnosis involves sample (blood, urine, stool, etc.) collection and analysing them using laboratory equipment and technology to arrive at useful clinical information for assisting in the treatment of patients' diseases. The pathology testing segment includes biochemistry, immunology, hematology, urine analysis, molecular diagnosis and microbiology. Imaging diagnosis or radiology involves imaging procedures such as X-rays and ultrasounds as well as complex tests such as CT scans, MRIs and highly specialised PET-CT scans. These tests help mark anatomical or physiological changes inside a patient's body, and thus assist doctors to diagnose patient's disease.

According to the Research Reports, the Indian healthcare diagnostic industry is expected to grow at a CAGR of 16.9% during FY2014-15 to FY2019-20 and reach a valuation of USD 273 billion. The growth will be largely driven by an increase in healthcare spending by an aging population, rising income levels, rising awareness for preventive testing, advanced healthcare diagnostic tests offerings and healthcare measures introduced by the stable government at the Centre. The Government-sponsored schemes like Ayushman Bharat which caters to the poorest income population will likely bring more patients under the ambit of health cover.

Strategy

The Company's strategic objective is to have sustainable and productive growth by maintaining the profit margins, without compromising on the quality and the cost of the delivery of its services. In order to achieve this, a robust business strategy has been conceptualised:

Grow wellness offerings and expand product offering

The Company will continue to focus on growing the wellness and preventive offerings and expanding test offerings through aggressive price rationalisation. With strong growth opportunity in the industry, the Company being the leaders in preventive care diagnostic test offerings with 'Aarogyam' brand is well-positioned to leverage its expertise and brand. It is dedicating significant marketing efforts on preventive diagnostic and wellness offerings.

The Company also intends to expand its diagnostic test offerings through the acquisition of new technologies, including both instruments and processes. Its recent entry in Tuberculosis testing through dedicated arm – Focus TB

– is already garnering volumes in its present market. The Company intends to expand its footprints in other parts of the country by replicating the laboratory model. It has already secured licenses to launch Non-Invasive Prenatal Test (NIPT) and Next Generation Sequencing (NGS) technologies in April, 2018. These newly launched technologies are expected to grow with rising awareness generated about the offerings in the coming years.

Grow network of RPLs and ASPs

The Company intends to strengthen and grow its coverage across India through widening network of RPLs and ASPs. With this, it plans to simultaneously increase its customer base, generate higher volume of samples for processing, improve turnaround time and optimise logistic costs. This will be important in sustaining future growth.

The focus will be on having a targeted expansion approach open RPLs by rationally selecting locations in proximity to rail or road networks and in markets having the potential to generate high volumes.

The Company further intends to leverage the expanded network of RPLs and ASPs to bolster brand visibility and accessibility of services. While Thyrocare has a well-spread presence covering all states, it is now targeting uncovered client base by penetrating deeper into the regions by offering on door services to smaller clinics, dispensaries, laboratories and hospitals.

Stabilise and develop subsidiary business

NHL currently has twelve imaging centres operating fourteen PET-CT scanners. Its backward integration into cyclotron will provide greater flexibility, reliability and cost-effectiveness to expand operations. NHL's current focus is to enhance the number of PET-CT scans per centre to attain break-even for a newly started centre with more matured centres to fund the deployment of additional centres.

Expand service platform by developing new channels that can leverage the strength of the Company's brand and network

The Company plans to increase the breadth of its testing and services platform through new channels that can leverage its brand, multi-lab (regional processing) model and pan-India network of service providers.

These new channels include Online clients (OLCs), BTECHs (Blood collection technician), Blood collection technician online clients (BOLCs) and Last mile executives (LMEs) that ensures offerings are delivered to patients in the most cost-effective and timely manner. The Company will continue to expand its presence deeper by directly serving sample giving clients.

Human Resource

The Human Resources (HR) function at Thyrocare focuses on hiring fresh talents, nurturing them to realise their potential and bestowing right culture and capabilities amongst them. The Company meticulously handles its HR function to ensure employee learns during the tenure, understands organisational needs and reports periodically on self-development. The Company encourages employee learning and development to achieve the dual goal of operational perfection and personnel enhancement. This is achieved by making skillset and knowledge enhancement as the focus of training activities. Thyrocare has set an excellent learning platform for each fresher.

The HR function not only hire resources as employees but also ensures to source, train and develop them as blood collection technicians, last-mile executives and over the long run induce them to be aggregators or online clients. In FY2018-19, the Company added more than 300 employees to capture newer geographies and penetrate further to provide affordable diagnostic services to its patients.

The Company has set up thorough employment recruitment and screening processes. Over the last year, it received 9,045 applications from prospective employees, interviewed 5,870 applicants, and extended employment offers to 2,625 applicants. The Company has added 254 (net) employees this year, taking the total strength to 1,300 from 1,047 at the end of the previous year.

As Thyrocare since inception ensured to recruit fresh talent, learning and training are an inevitable part of the career development. The Company has separate training process learning modules for staff that are organised through internal as well as external faculties. During the fiscal 2018-19, the Company provided a total 51,973 man-hour of training to its employees. It also encouraged employees to pursue higher studies and qualification courses by funding their education fees.

The Company grants share-based benefits to eligible employees with a view to attracting and retaining talent and motivating employees to excel in their performance. It ensures the participation of the employees as owners to articulate the growth.

Financial Performance

The Company's standalone/consolidated financial statements for the year ended 31 March 2019 have been prepared in accordance with the Indian Accounting Standards as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (hereinafter referred to as the 'Ind AS') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 18 May 2019.

I. Standalone Financial Performance

The management discussion and analysis given below relate to the audited standalone financial statements of Thyrocare Technologies Limited. The discussion should be read in conjunction with the financial statements and related notes to the financial statements for the year ended March 31, 2019.

Summary

Income from operations of Thyrocare aggregated to ₹ 370.28 crore in FY2018-19 as compared to ₹ 331.79 crore in FY2017-18, registering a growth of 12%.

Normalised Earnings before interest, tax, depreciation and amortisation (EBITDA) of Thyrocare aggregated to ₹

154.28 crore in FY2018-19 as compared to ₹ 141.01 crore in FY2017-18, registering a growth of 9%.

Profit after tax and after exceptional items (PAT) of Thyrocare aggregated to ₹ 95.23 crore in FY2018-19 as compared to ₹ 96.03 crore in FY2017-18.

Total Assets of Thyrocare after netting off current liabilities aggregated to ₹ 455.78 crore in FY2018-19 as compared to ₹ 453.87 crore in FY2017-18.

Dividend

Thyrocare has determined that as a matter of policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, may be distributed among the shareholders as a dividend for the financial year concerned. The Board of Directors has recommended payment of a final dividend of ₹ 20 (Rupees Twenty only) per equity share of the face value of ₹ 10 each for the FY2018-19.

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

In crore of INR

	Fiscal 2019			Fiscal 2018	
		% of Income	% growth compared to Fiscal 2018		% of Income
Income from Operations	**370.28**	**100.00**	**11.60**	**331.79**	**100.00**
Expenses					
Cost of Materials consumed/ traded	105.32	28.44	15.93	90.85	27.38
Employee benefits expense	40.51	10.94	24.68	32.49	9.79
Other expenses	76.78	20.74	9.91	69.86	21.06
Total Expenses	**222.61**	**60.12**	**15.22**	**193.20**	**58.23**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**147.67**	**39.88**	**6.54**	**138.60**	**41.77**
Other income (net) excluding dividend & income from current investments	9.51	2.57	(43.22)	16.75	5.05
Dividend & income from current investments	4.15	1.12	(39.68)	6.88	2.07
Depreciation and amortization expense	14.47	3.91	19.78	12.08	3.64
Profit before exceptional item and tax	**146.86**	**39.66**	**(2.19)**	**150.15**	**45.25**
Exceptional Items	-	0.00		(2.19)	-0.66
Profit before tax (PBT)	**146.86**	**39.66**	**(0.74)**	**147.96**	**44.59**
Tax expense	51.63	13.94	(0.58)	51.93	15.65
Profit for the year (PAT)	**95.23**	**25.72**	**(0.83)**	**96.03**	**28.94**

Income from operations

Income from operations increased from ₹ 331.79 crore in Fiscal 2018 to ₹ 370.28 crore in Fiscal 2019, registering a growth of 12% (16% in Fiscal 2018).

The Company in May, 2018 rationalised the prices of key preventive care profiles to ensure sustainable growth in coming years. This led to a slower topline growth despite the volume growing by 15% and a number of investigations

performed by 20%. Of the total revenues for the Fiscal 2019, on a standalone basis, approximately 53% (Fiscal 2018: 51%) were revenue from preventive care profiles. Revenue from B2C channel constitutes about 22% of the total revenue, thus the Company continued to thrust on B2B channel for sustainable growth.

Expenses

Cost of material consumed

In crore of INR

	Fiscal 2019	% of reven. from diagn. services	% growth compared to Fiscal 2018	Fiscal 2018	% of reven. from diagn. services
Cost of materials consumed					
Opening stock	16.43			13.35	
Add: Purchases	102.08			91.15	
	118.51			**104.50**	
Less: Closing stock	15.26			16.43	
Cost of material consumed [A]	**103.25**	**28.05**	**17.24**	**88.07**	**26.77**
Material consumed comprises:					
Reagents/ Diagnostics material	94.71	25.73		79.68	24.22
Consumables	8.54	2.32		8.39	2.55
	103.25	**30.20**		**88.07**	**26.77**

Cost of material consumed increased from ₹ 88.07 crore in Fiscal 2018 to ₹ 103.25 crore in Fiscal 2019. It includes the cost of reagents, diagnostic materials and other consumables instrumental to processing sample. The cost of material consumed to revenue from diagnostic services increased to 28.05% (26.77% in Fiscal 2018). This increase was due to impact of price reduction on the topline and adjustment of discounts on purchases against the cost of the assets acquired during the current fiscal.

Cost of material traded

In crore of INR

	Fiscal 2019	% of reven. from sale	% growth compared to Fiscal 2017	Fiscal 2018	% of reven. from sale
Purchase of stock-in-trade					
Glucose strips/ Gluco meter	2.33			2.41	
	2.33			**2.41**	
Changes in inventories of stock-in-trade **Inventories at the end of the year:** Glucose strips/ Gluco meter	0.30	95.83	-25.54	0.04	97.89
	0.30			**0.04**	
Inventories at the beginning of the year: Glucose strips/ Gluco meter	0.04			0.41	
	0.04			**0.41**	
Net Change	(0.26)			0.37	
Cost material traded (B)	**2.07**			**2.78**	

Cost of material traded remained flat at ₹ 2.07 crore in Fiscal 2019 as compared to ₹ 2.78 crore in Fiscal 2018. Its proportion to revenue from sale was about 96% (99% in Fiscal 2018). Cost of material traded includes the sale of glucometers and strips.

Cost of Materials consumed/ traded

In crore of INR	Fiscal 2019			Fiscal 2018	
		% of reven. from sale	% growth compared to Fiscal 2017		% of Income
Cost of Materials consumed/ traded [A]+[B]	105.32	28.44	15.93	90.85	27.38

The overall cost of material consumed/ traded has increased from ₹ 90.85 crore in Fiscal 2018 to ₹ 105.32 crore in Fiscal 2019. Its proportion to income from operations was at 28.44% (27.38% in Fiscal 2018). The increase in the cost of material consumed/ traded by about 1%, as % of revenue from operations, is mainly on account of the impact of price reduction on the topline and adjustment of discounts on purchases against the cost of the assets acquired during the current fiscal.

Employee benefits expense

In crore of INR

	Fiscal 2019		Fiscal 2018	
		% of Income		% of Income
Salaries, wages and bonus	31.70	8.56	25.25	7.61
Contributions to provident and other funds	3.26	0.88	2.44	0.74
Employees stock compensation expense	1.93	0.52	1.71	0.52
Gratuity	0.44	0.12	0.51	0.15
Compensated absences	1.62	0.44	1.38	0.42
Staff welfare expenses	1.56	0.42	1.20	0.36
	40.51	**10.94**	**32.49**	**9.79**

Total employee benefits expenses were ₹ 40.51 crore in Fiscal 2019, increased from ₹ 32.49 crore in Fiscal 2018. Its proportion to income from operations were 10.94% in Fiscal 2019 (9.79% in Fiscal 2018). Increase in manpower costs by 24.68% was led by the Company hiring more than 300 employees during the current fiscal to concentrate on B2B business.

Other expenses

In crore of INR

	Fiscal 2019		Fiscal 2018	
		% of Income		% of Income
Service charges	15.06	4.07	14.13	4.26
Rent	12.07	3.26	11.36	3.42
Sales incentive	12.28	3.32	9.52	2.87
Business promotion	5.71	1.54	5.09	1.53
Advertisement expenses	4.91	1.33	4.93	1.49
Power and fuel and water	5.70	1.54	4.83	1.46
Printing and stationery	2.83	0.76	3.16	0.95
Postage and courier	3.29	0.89	2.92	0.88
Others	14.46	3.91	13.52	4.07

Other expenses as a percentage of revenue decreased marginally from 21.06% in fiscal 2018 to 20.74% in fiscal 2019.

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

Despite rationalisation of prices, increase in the cost of material consumed and increase in the headcounts, the Company managed to maintain its EBITDA margin (normalised). In Fiscal 2019, normalised EBITDA was ₹ 154.28 crore as compared to ₹ 141.01 crore in Fiscal 2018. Its proportion to income from operations remained constant at 42%.

Other income (net)

In crore of INR

	Fiscal 2019		Fiscal 2018	
		% of Income		% of Income
Net gain on investments	4.15	1.12	6.88	2.07
Technical assistance/ trade mark assignment fees	1.02	0.28	0.62	0.19
Interest income	3.47	0.94	1.11	0.33
Others	5.02	1.36	15.02	4.53
	13.66	**3.69**	**23.63**	**7.12**

Depreciation and amortization

Depreciation and amortisation increased from ₹ 12.08 crore in Fiscal 2018 (3.64% of income from operations) to ₹ 14.47 crore in Fiscal 2019 (3.91% of income from operations). Addition to new assets in the last fiscal year was mainly attributed for purchases of equipment for introductions of newer tests and technologies.

Profit before tax (PBT)

In Fiscal 2019, PBT was ₹ 146.86 crore (₹ 147.96 crore in Fiscal 2018) and its proportion to income from operations at 39.66% (44.59% in Fiscal 2018). The decline is on account of inclusion of additional profit of ₹ 7.88 crore in the previous year's PBT from the water testing division which has now been transferred.

Tax expense

Tax expense decreased to ₹ 51.63 crore in Fiscal 2019 from ₹ 51.93 crore in Fiscal 2018. The tax rate in case of the company has increased due to enhancement of surcharge and cess payable on taxes.

Profit for the year (PAT)

The net profit in Fiscal 2019 was ₹ 95.23 crore (25.72% of income from operations) as compared to ₹ 96.03 crore (28.94% of income from operations) in Fiscal 2018.

FINANCIAL POSITION – STANDALONE

Share capital

In crore of INR

		31 March 2019		31 March 2018	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	1,00,000	100.00	1,00,000	100.00
(b)	Issued, subscribed and paid-up				
	Equity shares of ₹ 10 each with equal voting rights	52,799	52.80	53,724	53.72
Total		**52,799**	**52.80**	**53,724**	**53.72**

The Company has a single class of equity shares of par value ₹ 10/- each. The authorised share capital stood at ₹ 100.00 crore, divided into 10 crore equity shares of ₹ 10/- each. The issued, subscribed and paid-up capital stood at ₹ 52.80 crore as at March 31, 2019. During the current fiscal, the Company has issued equity shares to eligible employees on conversion of stock options granted to employees. The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid-up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

The Company has issued share options plan for its employees, the details of the options granted as at March 31, 2019, are provided under the notes to the Standalone Financial Statement in the Annual Report.

Reserves and surplus

Reserves and surplus as at March 31, 2019 were ₹ 402.98 crore (₹ 400.16 crore as at March 31, 2018).

Capital reserve

Capital reserve as at March 31, 2019, remained constant at previous year's figure at ₹ 30.25 crore. It represents the premium received in business combinations and the shareholder's contribution for consideration other than cash.

Securities premium account

Securities premium as at March 31, 2019, stood at ₹ 65.08 crore (₹ 127.22 crore as at March 31, 2018) after adjusting transfer of accumulated balance in stock option premium on exercise of stock options and adjustment towards equity shares bought back at premium. Securities premium represents the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised.

The balance of share option outstanding account as at March 31, 2019, was ₹ 3.88 crore (₹ 2.81 crore as at March 31, 2018), after adjusting transfer of accumulated balance in stock option premium post exercise of stock options.

General reserve

General reserve as at March 31, 2019, were ₹ 9.17 crore, which was the same as per the previous year.

Capital redemption reserve

The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid-up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018. As per the provisions of the Companies Act, 2013, the Capital redemption reserve is used to record the reduction of the Company's share capital on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2019, was ₹ 293.64 crore (₹ 230.71 crore as at March 31, 2018) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In crore of INR

	Financial liabilities		Provisions		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial liabilities						
Trade/Security deposits received Security deposits received from related	6.70	7.02	-	-	6.70	1.02
Parties	1.06	0.98	-	-	1.06	0.98
Others	-	0.01	-	-	-	0.01
	7.76	**8.01**	**-**	**-**	**7.76**	**8.01**
Other than financial liabilities						
Provision for employee benefits:						
Provision for compensated absences	-	-	4.98	3.84	9.94	3.84
Provision for gratuity			1.55	1.30	1.55	1.30
Total non-current liabilities	**7.76**	**8.01**	**6.49**	**5.14**	**14.25**	**13.15**

Total non-current liabilities increased to ₹ 14.25 crore as at March 31, 2019 (₹ 13.15 crore as at March 31, 2018). The increase was mainly on account of increase in provision for gratuity and leave encashment due to employees.

Current liabilities

	Trade payables		Financial liabilities		Provisions		Others		Total	
In crore of INR	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial liabilities										
Trade payables	5.37	5.69	-	-	-	-	-	-	5.37	5.69
Security deposits received	-	-	0.33	0.63	-	-	-	-	0.33	0.63
Employees dues	-	-	3.19	2.29			-	-	3.19	2.29
Unclaimed dividend	-	-	0.03	0.03			-	-	0.03	0.03
Creditors for capital goods	-	-	1.26	0.15			-	-	1.26	0.15
	5.37	5.69	4.81	3.10	-	-	-	-	10.18	8.79
Other than financial liabilities										
Provision for employee benefits:										
Provision for bonus	-	-	-	-	0.75	0.58	-	-	0.75	0.58
Provision for compensated absences	-	-	-	-	0.61	0.45	-	-	0.61	0.45
Provision for gratuity	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Provision for refundable staff security deposits	-	-	-	-	-	0.01	-	-	-	0.01
Current tax liabilities (net)	-	-	-	-	-	-	1.01	5.06	1.01	5.06
Contract liabilities	-	-	-	-	-	-	4.54	2.64	4.54	2.64
Statutory dues	-	-	-	-	-	-	0.71	0.78	0.71	0.78
	-	**-**	**-**	**-**	**1.38**	**1.06**	**6.26**	**8.48**	**7.64**	**9.54**
Total current liabilities	**5.37**	**5.69**	**4.81**	**3.10**	**1.38**	**1.06**	**6.26**	**8.48**	**17.82**	**18.33**

Total current liabilities decreased marginally to ₹ 17.82 crore as at March 31, 2019 (₹ 18.33 crore as at March 31, 2018).

The increase was mainly on account of –

- Increase in expenses/ dues outstanding and payable as at the end of the financial year
- Increase in the advances received from customers against which services will be provided in the next fiscal
- Increase in provision for bonus, gratuity and leave encashment due to employees

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

The additions to gross block in Fiscal 2019 were:

- Freehold Land and Buildings/ Premises – ₹ Nil (₹ 10.06 crore in Fiscal 2018)
- Plant and equipment ₹ 12.29 crore (₹ 12.43 crore in Fiscal 2018)
- Furniture and fixtures ₹ 4.64 crore (₹ 2.84 crore in Fiscal 2018)
- Vehicles ₹ 0.19 crore (₹ 0.25 crore in Fiscal 2018)
- Office equipment ₹ 1.60 crore (₹ 1.01 crore in Fiscal 2018)
- Computer, printer and scanner ₹ 1.03 crore (₹ 0.74 crore in Fiscal 2018)

The capital work in progress on account of tangible assets was ₹ 1.28 crore as at March 31, 2019 (₹ Nil as at March 31, 2018).

A portion of the leasehold land and building was reclassified as an investment property.

Intangible assets and intangible assets under development

The additions to gross block in Fiscal 2019 were:

- Trademark – ₹ Nil (₹ 0.52 crore in Fiscal 2018)
- Computer softwares – ₹ 0.30 crore (₹ Nil in Fiscal 2018)

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

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

Investment in associate

The Company has acquired 30% stake in Equinox Labs Private Limited ('Equinox'), during the previous year, vide the terms of the Share Subscription and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 31 January 2018 respectively. The stake was acquired by partially subscribing to 214,592 equity shares in cash and partially by subscribing to 214,593 equity shares for consideration other than cash at a total purchase consideration of ₹ 20 crore. The equity shareholding in Equinox is disclosed under Investment in associate as at 31 March 2019.

Non-current assets

	Investments		Loans		Others		Total	
In crore of INR	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial assets								
Investment in subsidiary	194.67	194.67	-	-	-	-	194.67	194.67
Loans to subsidiary	-	-	39	24.5	-	-	39	24.5
Security deposits	-	-	2.04	1.45	-	-	2.04	1.45
	194.67	**194.67**	**41.04**	**25.95**	**-**	**-**	**235.71**	**220.62**
Other than financial assets								
Deferred tax assets	-	-	-	-	1.62	0.41	1.62	0.41
Other tax assets	-	-	-	-	7.11	2.57	7.11	2.57
Capital advances	-	-	-	-	0.13	-	0.13	-
Prepaid expenses	-	-	-	-	0.25	0.23	0.25	0.23
Balance with government authorities	-	-	-	-	1.48	0.52	1.48	0.52
	-	**-**	**-**	**-**	**10.59**	**3.73**	**10.59**	**3.73**
Total non-current assets	194.67	194.67	41.04	25.95	10.59	3.73	246.3	224.35

Total non-current assets increased to ₹ 246.30 crore as at March 31, 2019 (₹ 224.35 crore as at March 31, 2018). The increase was mainly on account of –

- Additional unsecured loans granted to the subsidiary to support its business activities
- Additional security deposits paid to authorities on starting of the regional operations

Current assets

In crore of INR	Investments		Inventories		Trade receivables		Loans		Cash and bank balance		Others		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial assets Investments in Mutual Funds (Quoted) measured at FVTPL	74.64	100.10	-	-	-	-	-	-	-	-	-	-	74.64	100.10
Inventories	-	-	15.56	16.47	-	-	-	-	-	-	-	-	15.56	16.47
Trade receivables	-	-	-	-	11.06	9.21	-	-	-	-	-	-	11.06	9.21
Cash and bank balance	-	-	-	-	-	-	-	-	4.36	7.24	-	-	4.36	7.24
Other bank balances	-	-	-	-	-	-	-	-	4.69	2.04	-	-	4.69	2.04
Security deposits	-	-	-	-	-	-	0.04	0.02	-	-	-	-	0.04	0.02
Loans and advances to employees	-	-	-	-	-	-	0.03	-	-	-	-	-	0.03	-
Interest accrued on deposits	-	-	-	-	-	-	-	-	-	-	0.21	0.07	0.21	0.07
	74.64	100.10	15.56	16.47	11.06	9.21	0.07	0.02	9.05	9.28	0.21	0.07	110.59	135.15
Other than financial assets Advances for supply of goods and services	-	-	-	-	-	-	-	-	-	-	0.58	1.32	0.58	1.32
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	0.84	1.58	0.84	1.58
	-	-	-	-	-	-	-	-	-	-	1.42	2.90	1.42	2.90
Total current assets	**74.64**	**100.10**	**15.56**	**16.47**	**11.06**	**9.21**	**0.07**	**0.02**	**9.05**	**9.28**	**1.63**	**2.97**	**112.01**	**138.05**

Inventories

Inventories and its percentage of income from operations stood at ₹ 15.56 crore and 4.20% respectively as at March 31, 2019, compared to ₹16.47 crore and 4.96% respectively as at March 31, 2018. Inventories comprise reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable and its percentage of income from operations were at ₹ 11.06 crore and 2.99% respectively as at March 31, 2019, compared to ₹ 9.21 crore and 2.78% respectively as at March 31, 2018. Trade receivable includes recoverable from related parties of ₹ 3.18 crore as at March 31, 2019 (₹ 0.68 crore as at March 31, 2018).

Cash and bank balances

Cash and bank balances were ₹ 9.05 crore as at March 31, 2019 (₹ 9.28 crore as at March 31, 2018).

CASH FLOW – STANDALONE

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

Summary of cash flow statement is given below -

In crore of INR	Fiscal 2019	Fiscal 2018
Net cash flows from / (used in) : Operating activities	96.50	111.52
Investing activities	(3.24)	(48.26)
Financing activities	(96.14)	(64.73)
Net (Decrease)/ Increase in Cash and cash equiv.	(2.88)	(1.47)

Cash flow from operating activities -

In crore of INR	Fiscal 2019	Fiscal 2018
Operating profit before working capital changes	155.78	148.34
Adjustment for increase in working capital	2.19	11.17
Net income tax paid	(61.47)	(47.99)
Net cash flows from operating activities	96.50	111.52

In Fiscal 2019, Thyrocare generated net cash flows of ₹ 96.50 crore (₹ 111.52 crore in Fiscal 2018) from operating activities. While the operating profit before working capital changes increased to ₹ 155.78 crore in Fiscal 2019 (₹ 147.34 crore in Fiscal 2018), the decline in operating cash flows is attributable to:

- Decrease in cash flow from working capital to ₹ 2.19 crore in Fiscal 2019 (₹ 11.17 crore in Fiscal 2018)
- Increase in taxes paid to ₹ 61.47 crore in Fiscal 2019 (₹ 47.99 crore in Fiscal 2018) Cash flows from investing activities

In crore of INR	Fiscal 2019	Fiscal 2018
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(20.36)	(25.08)
Proceeds from sale of property, plant and equipment	1.34	0.02
Purchase of equity shares in associates	-	(10.00)
Current investments (net)	28.17	6.61
Loans to subsidiary	(14.50)	(24.50)
Dividend received	1.44	3.63
Bank deposits	(2.65)	(0.13)
Interest received	3.32	1.19
Net cash (used in) investing activities	(3.24)	(48.26)

In Fiscal 2019, cash used in investing activities was ₹ 3.24 crore (₹ 48.26 crore in Fiscal 2018). During Fiscal 2019, cash used in investing activities was primarily attributable to:

- Purchase of Property, plant and equipment (net) ₹ 20.36 crore in Fiscal 2019 (₹ 25.08 crore in Fiscal 2018)
- Additional loans to subsidiary of ₹ 14.50 crore (₹ 24.50 crore in Fiscal 2018)
- Liquidation of current investment of ₹ 28.17 crore (₹ 6.61 crore in Fiscal 2018)
- Dividend received of ₹ 1.44 crore (₹ 3.63 crore in Fiscal 2018)

Cash flows from financing activities

In crore of INR	Fiscal 2019	Fiscal 2018
Proceeds from issue of equity shares	0.04	-
Equity shares bought back	(63.00)	-
Buyback of share/ share issue expenses	(0.78)	-
Dividend paid on equity shares	(26.87)	(53.72)
Tax paid on dividend	(5.53)	(11.01)
Net cash (used in) financing activities	(96.14)	(64.73)

In Fiscal 2019, the Company used cash of ₹ 96.14 crore (₹ 64.73 in Fiscal 2018) towards investing activities. The cash was used for a dividend payment of ₹ 32.40 crore including dividend tax (₹ 64.73 crore in Fiscal 2018) and towards buyback of equity shares amounting to ₹ 63.00 crore.

II. Consolidated Financial Performance

The Consolidated Financial Statements relate to Thyrocare Technologies Limited ('the Company') and its subsidiary company, Nueclear Healthcare Limited ('the Subsidiary), in it has 100% equity holding as on 31 March 2019 (100%: 31 March 2018) (hereinafter referred to as the Group).

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

Summary

Income from operations of Group aggregated to ₹ 402.91 crore in Fiscal 2019 as compared to ₹ 356.32 crore in Fiscal 2018, registering a growth of 13%.

Normalised Earnings before interest, tax, depreciation and amortisation (EBITDA) of Group aggregated to ₹ 160.37 crore in Fiscal 2019 as compared to ₹ 146.72 crore in Fiscal 2018, registering a growth of 9%.

Profit after tax and after exceptional items (PAT) of Group aggregated to ₹ 85.14 crore in Fiscal 2019 as compared to ₹ 93.28 crore in Fiscal 2018.

Total Assets of Group after net off of liabilities aggregated to ₹ 435.12 crore in Fiscal 2019 as compared to ₹ 443.29 crore in Fiscal 2018.

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

In crore of INR

	Fiscal 2019	% of Income	% growth compared to Fiscal 2018	Fiscal 2018	% of Income
Income from Operations	402.91	100.00	13.08	356.32	100.00
Expenses					
Cost of Materials consumed/ traded	110.53	27.43	16.37	94.98	26.66
Employee benefits expense	43.35	10.76	22.67	35.34	9.92
Other expenses	95.41	23.68	16.74	81.73	22.94
Total Expenses	249.29	61.87	17.56	212.05	59.51
Earnings before interest, tax, depreciation and amortisation (EBITDA)	153.62	38.13	6.48	144.27	40.49
Other income (net) excluding dividend & income from current investments	5.80	1.44	(64.09)	16.15	4.53
Dividend & income from current investments	4.15	1.03	(39.50)	6.86	1.93
Depreciation and amortisation expense	26.17	6.50	30.20	20.10	5.64
Profit before exceptional item and tax	137.40	34.10	(6.64)	147.18	41.31
Exceptional Items	- 0.66	- 0.16	-	(2.19)	-
Share of profit in associate entity				-	-
Profit before tax (PBT)	138.06	34.27	(4.78)	144.99	40.69
Tax expense	52.92	13.13	2.34	51.71	14.51
Profit for the year (PAT)	85.14	21.13	(8.73)	93.28	26.18

Income from operations

Income from operations increased from ₹ 356.32 crore in Fiscal 2018 to ₹ 402.91 crore in Fiscal 2019, registering a growth of 13%.

The slower growth has been driven by rationalisation in the prices of key preventive care profiles in May, 2018 to ensure sustainable growth in coming years. This impacted the topline growth despite growth in the volumes of pathology by 15% and number of investigations performed by 20%. Of the total revenues for the Fiscal 2019, on a consolidated basis in pathology, approximately 53% (Fiscal 2018: 51%) were revenue from preventive care profiles. Revenue from B2C channel constituted about 22% of the total revenue, thus the Group continued to thrust on B2B channel for sustainable growth.

The revenue from imaging business in Fiscal 2019 grew at a rapid pace of 33% as compared to the pathology business which grew by 12%. This was mainly on account of newly added PET CT centres ramping up operations and gaining market control in the respective regions.

Expenses

Cost of material consumed

In crore of INR

	Fiscal 2019			Fiscal 2018	
		% of income from operations	% growth compared to Fiscal 2018		% of income from operations
Cost of materials consumed					
Opening stock	17.01			14.09	
Add: Purchases	109.23			95.12	
	126.24			**109.21**	
Less: Closing stock	17.78			17.01	
Cost of material consumed [A]	108.46	26.92	17.64	92.20	25.88
Material consumed comprises:					
Reagents/ Diagnostics material	94.71	23.51		79.68	22.36
Radio pharmaceuticals	1.46	0.36		0.85	0.24
Consumables	12.29	3.05		11.67	3.28
	108.46	**26.92**		**92.20**	**25.88**

Cost of material consumed increased from ₹ 92.20 crore in Fiscal 2018 to ₹ 108.46 crore in Fiscal 2019 and its proportion to revenue from operations was 26.92% (25.88% in Fiscal 2018). Cost of material consumed includes the cost of reagents, radio pharmaceuticals, diagnostic materials and other consumables instrumental to processing sample or manufacturing of radioactivity.

Cost of material traded

In crore of INR	Fiscal 2019	% of income from operations	% growth compared to Fiscal 2018	Fiscal 2018	% of income from operations
Purchase of stock-in-trade	2.33			2.41	
Glucose strips/ Gluco meter	2.33			2.41	
Changes in inventories of stock-in-trade	0.30	7.28	-25.54	0.04	9.77
Inventories at the end of the year:					
Glucose strips/ Gluco meter					
	0.30			**0.04**	
Inventories at the beginning of the year:	0.04			0.41	
Glucose strips/ Gluco meter					
	0.04			**0.41**	
Net change	(0.26)			0.37	
Cost of material traded [B]	**2.07**			**2.78**	

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

Cost of Materials consumed/ traded

In crore of INR	Fiscal 2019	% of income from operations	% growth compared to Fiscal 2018	Fiscal 2018	% of income from operations
Cost of Materials consumed/ traded [A]+[B]	110.53	27.43	16.37	94.98	26.66

The overall Cost of material consumed/ traded has increased from ₹ 94.98 crore in Fiscal 2018 to ₹ 110.53 crore in Fiscal 2019. Its proportion to income from operations was 27.43% (26.66% in Fiscal 2018).

Employee benefits expense

In crore of INR

	Fiscal 2019	% of Income	Fiscal 2018	% of Income
Salaries, wages and bonus	34.28	8.51	27.81	7.80
Contributions to provident and other funds	3.45	0.86	2.61	0.73
Employees stock compensation expense	1.93	0.48	1.71	0.48
Gratuity	0.45	0.11	0.53	0.15
Compensated absences	1.67	0.41	1.47	0.41
Staff welfare expenses	1.57	0.39	1.21	0.34
	43.35	**10.76**	**35.34**	**9.92**

Total employee benefits expenses were ₹ 43.35 crore in Fiscal 2019, increased from ₹ 35.34 crore in Fiscal 2018. Its proportion to income from operations was at 10.76% in Fiscal 2019 (9.92% in Fiscal 2018).

Other expenses

In crore of INR

	Fiscal 2019	% of Income	Fiscal 2018	% of Income
Service charges	15.06	3.74	14.13	3.97
Rent	13.05	3.24	13.42	3.77
Sales incentive	12.61	3.13	9.59	2.69
Legal and professional fees	11.30	2.80	7.20	2.02
Power and fuel and water	7.77	1.93	6.68	1.87
Advertisement expenses	5.66	1.40	5.19	1.46
Business promotion	5.71	1.42	5.09	1.43
Postage and courier	4.16	1.03	3.46	0.97
Printing and stationery	3.20	0.79	3.37	0.95
Repairs and maintenance - Machinery	3.98	0.99	2.21	0.62
Others	12.30	3.05	10.95	3.07

Other expenses as percentage of revenue increased from 3.22% in Fiscal 2018 to 3.18% in Fiscal 2019.

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

In Fiscal 2019, EBITDA and its proportion to income from operations were at ₹ 160.37 crore and 40%, respectively, as compared to ₹ 146.72 crore and 41% respectively in Fiscal 2018. Despite rationalisation of prices, increase in the cost of material consumed and increase in the headcount, the Group managed to maintain its EBITDA margin (normalised).

Other income (net)

In crore of INR

	Fiscal 2019	% of Income	Fiscal 2018	% of Income
Net gain on investments	4.15	1.03	6.86	1.93
Technical assistance/ trade mark assignment fees	1.02	0.25	0.62	0.17
Interest income	0.60	0.15	0.50	0.14
Others	4.18	1.04	15.02	4.22
	9.95	**2.47**	**23.00**	**6.45**

The other income was at ₹ 9.95 crore for the Fiscal 2019 (₹ 23 crore in Fiscal 2018). The decline was on account of the Group, pursuant to the business transfer agreement, transferring the water testing division on 31 January 2018 on a slump sale basis and discontinuing its operations. As a result, the PBT of Fiscal 2018 included profit aggregating to ₹ 7.88 crore from the water division. The cost of acquisition of the plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block and the accumulated depreciation thereon.

Depreciation and amortisation

Depreciation and amortisation and its proportion to income from operations increased from ₹ 20.10 crore and 5.64% respectively in Fiscal 2018 to ₹ 26.17 crore and 6.50% respectively in Fiscal 2019. The increase in depreciation and amortisation is mainly on account of additions to plant and equipment and radiology assets during the Fiscal 2019.

Profit before tax (PBT)

In Fiscal 2019, PBT was ₹ 137.40 crore (₹ 147.18 crore in Fiscal 2018). The PBT of Fiscal 2018 was higher due to profit on disposal of business undertaking credited to profit and loss.

Tax expense

Tax expense increased to ₹ 52.92 crore in Fiscal 2019 from ₹ 51.71 crore in Fiscal 2018.

Profit for the year (PAT)

The net profit in Fiscal 2019 was ₹ 85.14 crore (21.13% of income from operations) as compared to ₹ 93.28 crore in Fiscal 2018.

FINANCIAL POSITION – CONSOLIDATED

Share capital

In crore of INR

		31 March 2019		31 March 2018	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised				
	Equity shares of ₹ 10 each with equal voting rights	1,00,000	100.00	1,00,000	100.00
(b)	Issued, subscribed and paid-up Equity shares of ₹ 10 each with equal voting rights	52,799	52.80	53,724	53.72
	Less : Issued, subscribed and paid- up share capital for Equity shares of ₹ 10 each with equal voting rights held by Employees Stock Option Trust consolidated on transition to Ind AS	(3.05)	(0.01)	(3.05)	(0.00)*
Total		**52,796**	**52.79**	**53,720**	**53.72**

The Group has a single class of equity shares of the par value of ₹ 10/- each. The authorised share capital of the Group stood at ₹ 100 crore, divided into 10 crore equity shares of ₹ 10/- each. The issued, subscribed and paid-up capital stood at ₹ 52.79 crore as at March 31, 2019.

The Group has also issued shares on exercising of options by employees. During the Fiscal 2019,it bought back 9,58,900 equity shares aggregating to ₹ 63 crore being 1.78% of the total paid-up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

Reserves and surplus

Reserves and surplus as at March 31, 2019, were at ₹ 382.33 crore (₹ 389.57 crore as at March 31, 2018).

Capital reserve

Capital reserve represents the premium received in business combinations and to record the shareholder's contribution for consideration other than cash. Capital reserve as at March 31, 2019, were at to ₹ 31.71 crore.

Securities premium account

Securities premium represent the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013. Securities premium as at March 31, 2019, amounted to ₹ 65.08 crore.

Share option outstanding account

The Group has established various equity-settled share-based payment plans for certain categories of employees. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised.

The balance as at March 31, 2019, was ₹ 3.89 crore (₹ 2.80 core as at March 31, 2018), after adjusting transfer of accumulated balance in stock option premium post exercise of stock options.

General reserve

General reserve is used to record the transfer from retained earnings of the Group. It is utilised in accordance with the provisions of the Companies Act, 2013. General reserve as at March 31, 2019, were ₹ 9.17 crores, which was the same as the previous year.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2019, was ₹ 271.52 crore (₹ 218.65 crore as at March 31, 2018) after appropriation towards dividend on equity shares and tax on dividend.

Non-current liabilities

In crore of INR	Borrowings		Loans		Provisions		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial liabilities								
Unsecured loans from related party	2.50	-					2.50	-
Trade/Security deposits received	-	-	6.70	6.95	-	-	6.70	6.95
Security deposits received from other than related parties	-	-	3.09	3.12	-	-	3.09	3.12
Others	-	-	-	0.01	-	-	-	0.01
	2.50	**-**	**9.79**	**10.08**	**-**	**-**	**12.29**	**10.08**
Other than financial liabilities								
Provision for employee benefits:								
Provision for compensated absence	-	-	-	-	5.13	3.99	5.13	3.99
Provision for gratuity	-	-	-	-	1.59	1.34	1.59	1.34
	-	**-**	**-**	**-**	**6.72**	**5.33**	**6.72**	**5.33**
Total non-current liabilities	**2.50**	**-**	**9.79**	**10.08**	**6.72**	**5.33**	**19.01**	**15.41**

Total non-current liabilities increased to ₹ 19.01 crore as at March 31, 2019 (₹ 15.41 crore as at March 31, 2018). The increase was mainly on account of increase in provision for gratuity and leave encashment due to employees, additional loans taken from a related party.

Current liabilities

In crore of INR	Trade payables		Provisions Others		Provisions		Others		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial liabilities										
Trade payables	7.51	6.59	-	-	-	-	-	-	7.51	6.59
Security deposits received	-	-	0.27	0.55	-	-	-	-	0.27	0.55
Employees dues	-	-	3.48	2.56	-	-	-	-	3.48	2.56
Unclaimed dividend	-	-	0.03	0.03	-	-	-	-	0.03	0.03
Creditors for capital goods	-	-	1.26	0.15	-	-	-	-	1.26	0.15
	7.51	**6.59**	**5.04**	**3.29**	**-**	**-**	**-**	**-**	**12.55**	**9.88**
Other than financial liabilities										
Provision for employee benefits:	-	-	-	-						
Provision for bonus	-	-	-	-	0.81	0.63	-	-	0.81	0.63
Provision for compensated absence	-	-	-	-	0.64	0.48	-	-	0.64	0.48
Provision for gratuity	-	-	-	-	0.02	0.02	-	-	0.02	0.02
Provision for refundable staff security deposits	-	-	-	-	-	0.01	-	-	-	0.01
Current tax liabilities (net)	-	-	-	-	-	-	1.01	5.06	1.01	5.06
Advances received from customer	-	-	-	-	-	-	4.56	3.21	4.56	3.21
Statutory dues	-	-	-	-	-	-	1.00	1.01	1.00	1.01
	-	**-**	**-**	**-**	**1.47**	**1.14**	**6.57**	**9.28**	**8.04**	**10.42**
Total current liabilities	**7.51**	**6.59**	**5.04**	**3.29**	**1.47**	**1.14**	**6.57**	**9.28**	**20.59**	**20.30**

Total current liabilities increased to ₹ 20.59 crore as at March 31, 2019 (₹ 20.30 crore as at March 31, 2018). The increase was mainly on account of –

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

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

The additions to gross block in Fiscal 2019 were:

- Freehold Land and Buildings/ Premises – ₹ Nil (₹ 13.92 crore in Fiscal 2018)
- Plant and equipment ₹ 29.66 crore (₹ 35.76 crore in Fiscal 2018)
- Furniture and fixtures ₹ 6.18 crore (₹ 2.84 crore in Fiscal 2018)
- Vehicles ₹ 0.19 crore (₹ 0.25 crore in Fiscal 2018)
- Office equipment ₹ 2.17 crore (₹ 1.02 crore in Fiscal 2018)
- Computer, printer and scanner ₹ 2.26 crore (₹ 0.74 crore in Fiscal 2018)

The capital work in progress on account of tangible assets was ₹ 1.47 crore as at March 31, 2019 (₹ Nil as at March 31, 2018).

During the year ended 31 March 2019, the Company has reclassified certain leasehold land and building premises to assets held for sale. Efforts to sell the said assets have started and the sake is expected to be completed by 31 March 2019.

Intangible assets and intangible assets under development

The additions to gross block in Fiscal 2019 were:

- Computer softwares – ₹ 0.30 crore (₹ Nil in Fiscal 2018)

  During the previous year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - “Whaters” in favour of the company (subsequently disposed off with the water testing business), for a token money of ₹ 1. The fair value of the trademark on the date of assignment of the trademark in favour of the Group was capitalised by crediting the fair value to capital reserves as shareholder’s contribution.

Investment in associate

The Group had acquired 30% stake in Equinox Laboratories Private Limited (Equinox) vide the terms of the Share Subscription and Shareholder’s agreement and Business Transfer agreement executed on 15 December 2017 and 3 January 2018 respectively, partially by subscribing to 214,592 equity shares in cash and partially by subscribing to 214,593 equity shares for consideration other than cash.

The Group had recognised profit amounting to ₹ 0.66 crore in the current year, towards its share in the profits of the associate.

As such, no additional disclosure in relation to financial information of the associate has been disclosed.

Non-current assets

In crore of INR	Loans		Others		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial assets						
Security deposits	4.19	3.31	-	-	4.19	3.31
	4.19	**3.31**	**-**	**-**	**4.19**	**3.31**
Other than financial assets						
Deferred tax assets	-	-	5.14	5.23	5.14	5.23
Other tax assets	-	-	7.97	4.21	7.97	4.21
Capital advances	-	-	1.13	2.00	1.13	2.00
Prepaid expenses	-	-	0.24	0.23	0.24	0.23
Balance with government authorities	-	-	1.48	0.52	1.48	0.52
Advances for supply of goods	-	-	2.12	2.35	2.12	2.35
	-	**-**	**18.08**	**14.54**	**18.08**	**14.54**
Total non-current assets	**4.19**	**3.31**	**18.08**	**14.54**	**22.27**	**17.85**

Total non-current assets increased to ₹ 22.27 crore as at March 31, 2019 (₹ 17.85 crore as at March 31, 2018). The increase was mainly on account of –

- Additional security deposits paid to authorities on commencing regional operations
- Taxes paid on profits for the current year

Current assets

In crore of INR	Investments		Inventories		Trade receivables		Cash and bank balance		Others		Total	
	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018	As at 31.03.2019	As at 31.03.2018
Financial assets Investments in Mutual Funds (Quoted) measured at FVTPL	74.64	100.10	-	-	-	-	-	-	-	-	74.64	100.10
Inventories			18.08	17.05							18.08	17.05
Trade receivables	-	-	-	-	12.16	9.84					12.16	9.84
Cash and bank balance	-	-	-	-	-	-	4.91	9.82	-	-	4.91	9.82
Other bank balances	-	-	-	-	-	-	4.69	2.04	-	-	4.69	2.04
Security deposits	-	-	-	-	-	-	-	-	0.07	0.02	0.07	0.02
Other receivables	-	-	-	-	-	-	-	-	0.02	-	0.02	-
Interest accrued on deposits	-	-	-	-	-	-	-	-	0.21	0.07	0.21	0.07
	74.64	100.10	18.08	17.05	12.16	9.84	9.60	11.86	0.30	0.09	114.78	138.94
Other than financial assets Advances for supply of goods and services	-	-	-	-	-	-	-	-	1.59	1.85	1.59	1.85
Prepaid expenses	-	-	-	-	-	-	-	-	0.89	0.61	0.89	0.61
	-	-	-	-	-	-	-	-	2.48	2.46	2.48	2.46
Total current assets	74.64	100.10	18.08	17.05	12.16	9.84	9.60	11.86	2.78	2.55	117.26	141.40

Inventories

Inventories as at March 31, 2019, stood at ₹ 18.08 crore (₹ 17.05 crore as at March 31, 2018). Its proportion to income from operations were at 4.49% as at March 31, 2019, compared to 4.79% as at March 31, 2018. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 3.02% as at March 31, 2019 compared to 2.76% as at March 31, 2018. Trade receivable includes recoverable from related parties of ₹ 3.18 crore as at March 31, 2019 (₹ 0.68 crore as at March 31, 2018).

CASH FLOW – CONSOLIDATED

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

Summary of cash flow statement is given below

In crore of INR	Fiscal 2019	Fiscal 2018
Net cash flows from / (used in) : Operating activities	100.31	107.03
Investing activities	(11.59)	(43.22)
Financing activities	(93.63)	(63.87)
Net (Decrease)/ Increase in Cash and cash equiv.	(4.91)	(0.06)

Cash flow from operating activities

In crore of INR	Fiscal 2019	Fiscal 2018
Operating profit before working capital changes	161.50	153.77
Adjustment for increase in working capital	(0.59)	2.17
Net income tax paid	(60.60)	(48.91)
Net cash flows from operating activities	100.31	107.03

In Fiscal 2019, Group generated net cash flows of ₹ 100.31 crore (₹ 107.03 crore in Fiscal 2018) from operating activities. While the operating profit before working capital changes increased to ₹ 161.50 crore in Fiscal 2019 (₹ 153.77 crore in Fiscal 2018), the decline in cash flows is attributable to:

- Increase in taxes paid to ₹ 60.60 crore in Fiscal 2019 (₹ 48.91 crore in Fiscal 2018)

Cash flows from investing activities

In crore of INR	Fiscal 2019	Fiscal 2018
Property, plant and equipment, additions to capital work in progress and capital advances (net)	(40.25)	(43.65)
Proceeds from sale of property, plant and equipment	1.34	0.02
Purchase of equity shares in associates	-	(10.00)
Current investments (net)	28.18	6.62
Dividend received	1.44	3.63
Bank deposits	(2.65)	(0.13)
Interest received/ paid (net)	0.35	0.29
Net cash (used in) investing activities	(11.59)	(43.22)

In Fiscal 2019, cash used in investing activities was ₹ 11.59 crore (₹ 43.22 crore in Fiscal 2018). During Fiscal 2019, cash used in investing activities was primarily attributable to:

- Purchase of plant and equipment particularly for radiology business
- Liquidation of current investment of ₹ 28.18 crore (₹ 6.62 crore in Fiscal 2018) to fund the buyback of equity shares
- Dividend received ₹ 1.44 crore (₹ 3.63 crore in Fiscal 2018)

Cash flows from financing activities

In crore of INR	Fiscal 2019	Fiscal 2018
Proceeds from issue of equity shares	0.04	-
Equity shares bought back	(63.00)	-
Buyback of share/ share issue expenses	(0.78)	-
Unsecured loans from related party	2.50	-
Dividend paid on equity shares	(26.86)	(53.72)
Tax paid on dividend	(5.52)	(10.15)
Interest paid	(0.01)	-
Net cash (used in) financing activities	(93.63)	(63.87)

The payment of dividend in Fiscal 2019 was ₹ 32.38 crore including dividend tax (₹ 63.88 crore in Fiscal 2018) and apart the Group has paid ₹ 63.00 crore towards buyback of equity shares of Thyrocare.

III. Segment performance

The Group has identified diagnostic testing and imaging services as its primary business segment. Revenue and expenses directly attributable to segments are reported under each reportable primary segment. The following table presents a summary of revenue by business segments.

In crore of INR	Segment revenue (% aggregate revenue)				
	Fiscal 2019	Fiscal 2018	Fiscal 2019	Fiscal 2018	% Growth
Diagnostic Testing Services	368.11	328.95	91.36	92.32	12
Imaging Services	32.64	24.52	8.10	6.88	33
Others	2.16	2.85	0.54	0.80	-24
	402.91	**356.32**	**100.00**	**100.00**	**13**

In Fiscal 2019, diagnostic testing services contributed the largest share to revenue (91.36%). Revenues from this segment grew by 12% in Fiscal 2019. Imaging services contributed to 8.10% of the revenues and grew by an impressive 33% primarily due to an increase in the number of scans and an increase in the number of centres.

IV. Related Party Transaction

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

V. Key financial ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirement 2018) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios :

Particulars	Standalone		Consolidated	
	Fiscal 2019	Fiscal 2018	Fiscal 2019	Fiscal 2018
Revenue growth (%)	11.6	11.5	13.1	17.1
EBIDTA margin (%)	39.9	41.8	38.1	40.5
Net profit margin (%)	25.7	28.94	21.13	26.18
Price / Earnings (times)	NA	NA	33.3	34.6
Basic EPS (₹)	17.8	17.9	16.0	17.4
Liquid cash as a % of revenue from operations	22.6	33.0	20.9	33.7
Return on net worth	20.9	21.2	19.6	21.08
Return on capital employed (ROCE) $	122.8	133.0	62.90	73.46
Market capitalisattion to revenue from operations (₹)	NA	NA	7.0	9.1

$ RoCE = Profit before exceptional items and tax / (Tangible assets/ Investment property & assests held for sale + Capital work-in-progress + Inventories + Trade receivables + Short term financial assets + Other current assets – Current liabilities)

Liquid cash as a percent of total revenue from operations has decreased by more than 25% as compared to the immediately previous financial year. This decline was on account of the Company buying back 9,58,900 equity shares being 1.78% of the total paid-up equity share capital for an aggregate amount of ₹ 63 crore at an average price of ₹ 656.90 per equity share.

8. Outlook, risks and concerns

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

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

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

9. Internal control systems and their adequacy

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

BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

Section A: General Information about the Company	
1. Corporate Identity Number (CIN) of the Company	L85110MH2000PLC123882
2. Name of the Company	Thyrocare Technologies Limited
3. Registered Address	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400703.
4. Website	www.thyrocare.com
5. E-mail id	investor_relations@thyrocare.com
6. Financial Year reported	2018-19
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Independent Diagnostic Laboratories - NIC Code: 86095
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	(i) Diagnostic Services. (ii) Sale of Glucose Strips, Glucometer, vials & kits
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International Locations (Provide details of major 5)	None
(b) Number of National Locations	The Company has a Central Processing Laboratory at Navi Mumbai and nine Regional Processing Laboratories in New Delhi, Coimbatore, Hyderabad, Kolkata, Bhopal, Bangaluru, Mumbai, Patna and Chennai
10. Markets served by the Company – Local/State/National/ International	National

Section B: Financial Details of the Company	
1. Paid up Capital (INR)	52.80 Crores.
2. Total Turnover (INR)	383.94 Crores.
3. Total profit after taxes (INR)	95.33 Crores.
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.05%
5. List of activities in which expenditure in 4 above has been incurred:-	i) Financial support to needy children by way of scholarship, free lunch, etc. ii) Contribution towards relief on the eve of Natural Calamities. iii) Eradicating hunger, poverty and malnutrition, among senior citizens in rural areas. iv) Donation of useful books for the libraries in Aided Schools. v) Gifting of safety helmets to Police personnel.

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

SECTION D: BR Information		
1. Details of Director/Directors responsible for BR		
(a) Details of the Directors responsible for implementation of the BR policy / policies		
1. DIN Number	00002804	00003260
2. Name	Dr. A. Velumani	Mr. A. Sundararaju
3. Designation	Chairman, Managing Director & CEO	Executive Director & CFO
(b) Details of the BR head		
No. Particulars	Details	
1 DIN Number	00002804	
2 Name	Dr. A. Velumani	
3 Designation	Chairman, Managing Director & CEO	
4 Telephone number	022-2762 2762	
5 e-mail id	ceo@thyrocare.com	

2. Principle-wise (as per NVGs) BR Policy/policies

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the wellbeing of all employees

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

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

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

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

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why? (Tick up to 2 options)		
No.	**Questions**	
1	The company has not understood the Principles.	Not applicable
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specfied principles.	
3	The company does not have financial or manpower resources available for the task.	
4	It is planned to be done within next 6 months	
5	It is planned to be done within the next 1 year	
6	Any other reason (please specify)	
3.	**Governance related to BR**	
	(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. - Within 3 months, 3-6 months, Annually, More than 1 year.	Annually
	(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewving this report? How frequently it is published?	The Company is publishing Business Responsibility Report, as part of the Annual Report. Since the Annual Report will be uploaded in the Company's website, the BR can also be viewed at the said website.

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

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle		
Thyrocare believes that for a diagnostic service oriented company like it, sustainability means providing dependable results at affordable cost. With this in view, Thyrocare established India's first fully automated and IT-enabled laboratory that today ensures error-free processing of over 51,383 specimens on an average every day, collected from all over India and sent by service providers using an innovative air-cargo system, and conducting over 2,83,030 clinical investigations on an average per night, and giving results within a turnaround time of four hours. By employing the latest technologies, and fully computerising testing process, Thyrocare is able to remain at par with global standards in terms of quality and service delivery. By handling huge volumes, Thyrocare is able to provide its services at the lowest possible cost, unmatched by any other service provider.		
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	The Company focuses on preventive Clinical Biochemistry based Diagnostic Services, and has introduced groups of tests packaged under the brandname "Aarogyam', and various other tests, all of which have been designed keeping its social responsibility in view - at lowest possible rates, affordable even to the common man. The three most popular tests are mentioned below: (a) Aarogyam Profile (b) Thyroid Profile (c) Diabetic Profile
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material, etc.) per unit of product (Optional):	Not applicable
	(a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?	
	(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3.	Does the company have procedures in place for sustainable sourcing (including transportation)?	The Company has in place adequate procedures through long-term contracts for sustainable sourcing of inputs required for its operations.
	(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	Reagents and diagnostic materials are the major inputs for us. By tying up mostly with the same vendors who have also supplied / leased the laboratory equipment / instruments, we ensure that almost 100% of these materials are sourced sustainably.
4.	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Considering factors like cost, quality, timely delivery and commercial obligations, the reagents and diagnostic consumables are procured mostly from those companies who have sold/leased major equipment to us. However, we procure other goods and services from the local business communities surrounding the place of work.
	(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	We encourage individuals and other entities to become our Service Providers and Direct Selling Agents, and thereby help them join us in the progress of the Company.
5.	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	The bio-medical wastes produced in the laboratory are handed over to the State Pollution Control Board for recycling or safe disposal. The Company has formulated Standard Operating Procedures for waste management, to ensure proper separation, handling, storage and transportation of bio-medical wastes.

Principle 3: Businesses should promote the wellbeing of all employees	
Thyrocare is alive to the fact that Human Resources are the most valued assets of any organisation, and hence every organisation has to take all possible measures for the well-being of the employees, so as to keep their morale and motivation high. With this in view, Thyrocare has structured many welfare measures and is also taking necessary steps for enhancement of their skills and abilities on a continuous basis. Thyrocare organises recreational events like New Year celebrations and Get-togethers and periodical contests to enable the employees to exhibit their abilities. Thyrocare is also providing other regular facilities like heavily subsidised canteen, free transportation from the workspot to the nearest railway station, etc. Thyrocare allotted shares equivalent to about 0.067% of its then paid up capital to the eligible employees at the face value of ₹ 10/- (which got multiplied 4 times subsequent to a Bonus Issue) whereas the current market price is about 45 times of the offer price. Thyrocare has also introduced another liberal Employees Stock Option Scheme whereby shares equivalent to about 1% of the Company's paid up capital would be offered, over a period of ten years at the rate of 0.10% every year, to all the eligible employees at face value , to inculcate into them a deep sense of belonging to the organisation, besides giving them an opportunity of sharing the benefit of the Company's growth. Under this scheme, Thyrocare has already granted options to the eligible employees in the past five years.	
1. Please indicate the Total number of employees. (as on 31-03-2019)	1189
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.	0
3. Please indicate the Number of permanent women employees.	344
4. Please indicate the Number of permanent employees with disabilities	1
5. Do you have an employee association that is recognized by management.	There is no employee association recognized by the Management.
6. What percentage of your permanent employees is members of this recognized employee association?	N.A.
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.	Nil

No. Category No of complaints filed during the financial year		**No. Category No of complaints filed during the financial year**	**No of complaints as on end of the financial year**
1	Child labour/forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8.	What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?	The Company believes in constant upgradation of skills of the employees and hence conducts periodical training sessions to improve their work-abilities. Standard Operating Procedures have been formulated for safety measures to be taken on a continuous basis.
(a)	Permanent Employees	100%
(b)	Permanent Women Employees	100%
(c)	Casual/Temporary/Contractual Employees	N.A.
(d)	Employees with Disabilities	100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	
The modern concept of any business is to take care of welfare of not only the shareholders, but all the stake-holders as a whole. True to this concept, Thyrocare takes care to structure its business policies in such a way that they are beneficial to all the stake-holders – investors, employees, customers, vendors, business associates, and to the society at large, and particularly the weaker sections of the society. The Company's pricing policy is based on the principle of taking the company's services within the reach of common man.	
1. Has the company mapped its internal and external stakeholders? Yes/No	Yes.
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?	Yes.
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders? If so, provide details thereof, in about 50 words or so.	The Company is implementing welfare measures for that part of the society which is disadvantaged, vulnerable and marginalised.

Principle 5: Businesses should respect and promote human rights	
Thyrocare is conscious of the fact that it is the responsibility of every business enterprise to respect human rights, to avoid infringing on the human rights of others, and should remedial measures in the event of any such infringement. Therefore, Thyrocare takes efforts to ensure that their own activities or business relationships do not cause any negative human rights impact.	
1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The policy on human rights covers the Company and its subsidiary.

	Shareholder related			Employee related			Customer related		
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	Received	Resolved	Pending	Received	Resolved	Pending	Received	Resolved	Pending
	3	3	0	0	0	0	5841	5841	0
	The Company has setup an investor grievance mechanism to respond to investor grievances in a timely and appropriate manner. The investor grievances and action taken are also reviewed at the Board level by the Stakeholders Relationship Committee.								
	Employees' grievances, if any, are resolved through internal review mechanism by Senior Management. There is also a vigil mechanism in place to report serious grievances and inappropriate action by any other employee/executive/director. A Committee has also been constituted to look into complaints of sexual harassment, if any.								
	The Company has also established robust customer care system, which tracks customer complaints and responds to them in the minimum time possible and take appropriate remedial measures.								

Principle 6: Business should respect, protect, and make efforts to restore the environment.	
Thyrocare is fully aware that protecting the environment around us – air, water, soil, and the entire ecosystem – is of vital importance for our well being; damages to the environment are actually damages to the Nature and will ultimately endangers the very existence of life itself in the long run. Therefore, Thyrocare is taking all possible efforts to prevent any kind of pollution and adhering to the best procedures to protect the environment. Apart from complying with the statutory regulations, Thyrocare has structured Standard Operating Procedures to ensure that the Company's activities do not create any negative impacts on the environment.	
1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others.	The Company's policy on Environment, Health and Safety and Standard Operating Procedures are applicable to the Company and its subsidiary.
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warmning, etc. Yes / No. If yes, please give hyperlink for webpage, etc.	No.
3. Does the company identify and assess potential environmental risks? Y/N	Yes.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in abhout 50 words or so. Also, if yes, whether any environmental compliance report is filed?	No.
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewal energy, etc. Yes / No. If Yes, please give hyperlink for web page, etc.	The Company has already installed solar panels, and has taken steps to install additional solar plants. This would ensure that about 12 to 15% of total power consumption comes from renewable source.
6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?	Yes. All emissions/waste generated are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.
7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	The Company has not received any Show Cause Notice or Legal Notices from CPC / SPCB during the financial year.

Principle 7: Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Though collaborating with similar businesses and representing to the Government for redressal of common grievances is recognised as an acceptable business practice, it is the policy of Thyrocare that any engagement with the Government should be for the welfare of the public at large, and should not be with the intention of advancing the interests or promoting the welfare of a select few.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:	The Company is not a member of any trade association or chamber.
2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes /No; If yes, specify the broad areas (Drop box - Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)	Not applicable.

Principle 8: Business should support inclusive growth and equitable development

Thyrocare believes that real growth and development can be achieved only when equal opportunities are made available to every member of the society and there is equitable development; a lopsided growth will ultimately lead to social unrest and result in negation of the benefits already achieved. Therefore, Thyrocare formulates its policies in such a way that the benefits of its services are easily available to everyone. Thyrocare has also structured its CSR policies on the principle of empowering and enabling the community as a whole to participate in the march towards growth and development.

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.	The Company's CSR Policies are aimed at supporting inclusive growth and equitable development. The Company implemented an Employees Share Purchase Scheme through which shares were allotted to all the eligible employees, in 2014. In addition, the Company has also introduced an Employees Stock Option Scheme for issuing shares equivalent to 1% of the paid-up equity capital over a period of ten years.
2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO / government structures / any other organisation?	Under the Company's CSR project, appropriate assistance is extended to other entities for programmes designed to achieve inclusive growth and equitable development.
3. Have you done any impact assessment of your initiative?	A regular assessment of the impact of the initiative is being done.
4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.	The Company has spent about ₹1.003 Crores during the financial year 2018-19 towards community development projects, as part of its CSR activities. This expenditure is incurred towards:

	Giving financial assistance (i) to the needy children by way of scholarship, free lunch, etc. (ii) to the senior citizen suffering from hunger, poverty and malnutrition (iii) to the children studying in aided schools through distribution of useful books to their school libraries (iv) to the police personnel by distributing safety helmets, and (v) to the people who were seriously affected by floods in Kerala and Cyclone in Tamil Nadu by contributing to Disaster Relief Funds.
5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Adoption of such initiatives is ensured through periodical contacts with the entities through whom such initiatives are implemented.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

Thyrocare has always considered the customer as the most important person in its business and its avowed Mission is to ensure that the right value is given in right time to the right patient at the least cost. High productivity, lean operations, able administration and volume-enabled savings have made Thyrocare the most affordable Clinical Chemistry Laboratory in the world.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.	We are processing over 51,383 blood samples for conducting more than 2,83,000 investigations every day, from customers living across the breadth and length of the country. The customers complaints we receive constitute hardly 0.03% of the total number of tests done. There is a dedicated team to look into the complaints, and redress them appropriately. The Company has formulated a Standard Operating Procedure for dealing and redressing the complaints.
2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)	Not applicable to us.
3. Is there any case filed by any stakeholder against the company regarding unfair trade practics, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	Nil
4. Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company has not carried out any consumer survey, but has a system of getting feedback from the consumers, based on which appropriate actions are taken to improve the services and resolve the consumer grievances.

INDEPENDENT AUDITOR'S REPORT

To the Members of Thyrocare Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Thyrocare Technologies Limited ("the Company") which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and of its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of investment in subsidiary (See note 7 to the standalone financial statements):

The Risk:

The Company's investment in its subsidiary, Nueclear Healthcare Limited ('NHL') amounted to ₹ 194.67 crore as at 31 March 2019. Management has carried out an impairment assessment and determined recoverable amount as the fair value less cost of disposal as this was higher than the value in use. The value in use was determined based on the business plan, using the discounted cash flow (DCF) model by taking assistance of an independent valuer. Management determined fair value less cost of disposal based on an undertaking from a promoter.

We identified this as a KAM considering:

- there is a risk that the investment in the subsidiary may not be recovered.
- the impairment testing involves complexity and significant judgement in evaluating underlying assumptions for estimating recoverable amount. The Discounted Cash Flow ("DCF") model is based on key assumptions such as probability of achieving future revenues, estimating growth rates and terminal value, as well as using an appropriate weightedaverage cost of capital (discount rate).

Our response:

In response to this area of focus, we performed the following procedures, amongst others:

— obtained an understanding of management's impairment assessment process and their determination of recoverable amount;

— assessed the value in use which included assessment of historical accuracy of management's assumptions and forecasts and review of documentation supporting key judgements;

— performed sensitivity analysis around the key assumptions, to ascertain the extent to which adverse changes, both individually or in aggregate, could impact the analysis;

— discussed management's strategic and operational plans for the foreseeable future; and

— sighted the undertaking provided by a promoter of the Company to make good any loss in the value of the investment to the extent of its cost to the Company.

Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's

report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 35 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date: 18 May 2019

Annexure A to the Independent Auditor's report on the standalone financial statements of Thyrocare Technologies Limited for the year ended 31 March 2019

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

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

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

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties, as disclosed in Note 4A to the standalone financial statements, are held in the name of the Company.

(ii) The inventory, except goods-in-transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

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

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

(b) According to the information and explanation given to us, the schedule of repayment of principal and interest has been stipulated and the repayments have been regular in accordance with the terms of the loan.

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

(iv) The Company has not granted any loans or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under section 186.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder.

(vi) We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess, professional tax and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods and service tax, duty of customs, cess, professional tax and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, service tax, goods and service tax, duty of customs, duty of excise which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned in Appendix I to this report.

(viii) According to the information and explanations given to us, the Company has not taken any loans or borrowings from any financial institution, bank or Government nor has it issued any debentures. Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.

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

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

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

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

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

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

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.

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

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

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date: 18 May 2019

Appendix I

Name of the Statute	Nature of dues	Amount Demanded ₹ in crores	Amount Paid ₹ in crores	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	14.04	1.00	2008-09 and 2009-10	Income tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	22.81	1.00	2010-11 and 2011-12	Income tax Appellate Tribunal

Annexure B to the Independent Auditor's report on the standalone financial statements of Thyrocare Technologies Limited for the year ended 31 March 2019

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Thyrocare Technologies Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

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

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date: 18 May 2019

Balance Sheet

as at March 31, 2019

Currency: In crore of INR

	Note	31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	4	106.55	101.30
Capital-work-in progress	4	1.28	-
Investment property	4	1.22	1.27
Other intangible assets	5	0.49	0.39
Investment in associate	6	20.00	20.00
Financial assets			
Investments	7A	194.67	194.67
Loans	8A	41.04	25.95
Deferred tax assets	9	1.62	0.41
Non-current tax assets	10	7.11	2.57
Other non-current assets	11	1.86	0.75
Total non-current assets		**375.84**	**347.31**
Current assets			
Inventories	12	15.56	16.47
Financial assets			
Investments	7B	74.64	100.10
Trade receivables	13	11.06	9.21
Cash and cash equivalents	14	4.36	7.24
Other bank balances	14	4.69	2.04
Loans	8B	0.07	0.02
Other financial assets	15	0.21	0.07
Other current assets	16	1.42	2.90
Total current assets		**112.01**	**138.05**
Total assets		**487.85**	**485.36**
Equity and liabilities			
Equity			
Equity share capital	17	52.80	53.72
Other equity	18	402.98	400.16
Equity attributable to owners of the Company		455.78	453.87
Liabilities			
Non-current liabilities			
Other financial liabilities	19A	7.76	8.01
Provisions	20A	6.49	5.14
Total non-current liabilities		**14.25**	**13.15**
Current liabilities			
Financial liabilities			
Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		0.08	0.06
- total outstanding dues of creditors other than micro enterprises and small enterprises		5.29	5.63
Other financial liabilities	19B	4.81	3.10
Current tax liabilities (net)	22	1.01	5.06
Provisions	20B	1.38	1.06
Other current liabilities	23	5.25	3.42
Total current liabilities		**17.82**	**18.33**
Total liabilities			
Total equity and liabilities		**487.85**	**485.36**
Significant accounting policies	2-3		
Notes to the Standalone Financial Statements	1-37		

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

As per our report of even date

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

Statement of Profit and Loss

for the year ended 31st March 2019

Currency: In crore of INR

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from operations	24	370.28	331.79
Other income	25	13.66	23.63
Total income		383.94	355.42
Expenses			
Cost of materials consumed	26a.	103.25	88.07
Purchases of stock-in-trade	26b.	2.33	2.41
Changes in inventories of stock-in-trade	26c.	(0.26)	0.37
Employee benefits expense	27	40.51	32.49
Finance cost		0.47	0.40
Depreciation and amortisation expense	4,5	14.47	12.08
Other expenses	28	76.31	69.46
Total expenses		**237.08**	**205.27**
Profit before exceptional items and income tax		146.86	150.15
Exceptional items	37f.	(0.00)	(2.19)
Profit after exceptional items and before income tax		**146.86**	**147.96**
Tax expense:	29A.		
Current tax		52.90	52.37
Deferred tax		(1.27)	(0.44)
		51.63	**51.93**
Profit for the year		95.23	96.03
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		0.16	0.26
Income tax effect	29B.	(0.06)	(0.09)
Other comprehensive income for the year, net of income tax		0.10	0.17
Total comprehensive income for the year		**95.33**	**96.20**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	30(i)	**17.84**	**17.91**
(b) Diluted earnings per share (INR)	30(ii)	**17.80**	**17.85**
Significant accounting policies	2-3		
Notes to the Standalone Financial Statements	1-37		

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

As per our report of even date

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

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

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

Standalone Statement of Changes in Equity

for the year ended 31 March 2019

Currency: In crore of INR

a. Equity share capital

	Note	
Balance as at the 1 April 2017		53.72
Changes in equity share capital during 2017-18	17	-
Balance as at the 31 March 2018		53.72
Changes in equity share capital during 2018-19	17	(0.92)
Balance as at the 31 March 2019		52.80

b. Other equity

	Note	Reserves and surplus						Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2017		27.54	123.29	5.03	9.17	-	199.24	364.27
Total comprehensive income for the year ended 31 March 2018								
Profit or loss		-	-	-	-	-	96.03	96.03
Other comprehensive income (net of tax)		-	-	-	-	-	0.17	0.17
Total comprehensive income		-	-	-	-	-	96.20	96.20
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Transfer of trademark by shareholder at no cost	18(a)	0.52	-	-	-	-	-	0.52
Capital contribution by reimbursement of expenses	18(a)	2.19	-	-	-	-	-	2.19
Transfer on exercise of stock option	18(b)	-	3.93	-	-	-	-	3.93
Employee compensation expense for the year	18(c)	-	-	1.71	-	-	-	1.71
Transfer to securities premium account on exercise of stock option	18(c)	-	-	(3.93)	-	-	-	(3.93)
Final/ Interim dividend on equity shares	18(f)	-	-	-	-	-	(53.72)	(53.72)
Dividend distribution tax	18(f)	-	-	-	-	-	(11.01)	(11.01)
Total contributions by and distributions to owners		2.71	3.93	(2.22)	-	-	(64.73)	(60.31)
Balance as at the 31 March 2018		**30.25**	**127.22**	**2.81**	**9.17**	**-**	**230.71**	**400.16**
Balance as at 1 April 2018		30.25	127.22	2.81	9.17	-	230.71	400.16
Total comprehensive income for the year ended 31 March 2019								
Profit or loss		-	-	-	-	-	95.23	95.23
Other comprehensive income (net of tax)		-	-	-	-	-	0.10	0.10
Total comprehensive income		-	-	-	-		95.33	95.33
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Transfer on exercise of stock option	18(b)	-	0.86	-	-	-	-	0.86
Adjusted on shares bought back	18(b)	-	(63.00)	-	-	-	-	(63.00)
Employee compensation expense for the year	18(c)	-	-	1.93	-	-	-	1.93
Transfer to securities premium account on exercise of stock option	18(c)	-	-	(0.86)	-	-	-	(0.86)
Equity shares bought back	18(e)	-	-	-	-	0.96	-	0.96
Final/ Interim dividend on equity shares	18(f)	-	-	-	-	-	(26.87)	(26.87)
Dividend distribution tax	18(f)	-	-	-	-	-	(5.53)	(5.53)
Total contributions by and distributions to owners		**-**	**(62.14)**	**1.07**	**-**	**0.96**	**(32.40)**	**(92.51)**
Balance as at the 31 March 2019		30.25	65.08	3.88	9.17	0.96	293.64	402.98

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

As per our report of even date

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

Standalone Statement of Cash Flows

for the year ended 31st March 2019

Currency: In crore of INR

		Note	Year ended 31 March 2019	Year ended 31 March 2018
A.	**Cash flows from operating activities**			
	Net profit before tax		146.86	147.96
	Adjustments for:			
	Depreciation and amortisation	4,5	14.47	12.08
	Exceptional items	37f.	-	2.19
	Net (gain) on investments	25	(4.15)	(6.88)
	Loss/ (Profit) on sale of property, plant and equipment	25,28	(1.04)	0.02
	Unrealised gain on foreign exchange fluctuation	28	(0.01)	-
	Profit on disposal of business undertaking	25	-	(7.88)
	Provision for doubtful receivables	28	0.47	-
	Financial assets mandatorily measured at FVTPL - net change in fair value - others	28	(0.06)	0.25
	Employee stock compensation expense	27	1.93	1.71
	Buyback of share / share issue expenses	28	0.78	-
	Interest income	25	(3.47)	(1.11)
			8.92	**0.38**
	Operating profit before working capital changes		155.78	148.34
	Decrease/ (Increase) in Inventories	12	0.91	(2.72)
	(Increase) in Trade receivables	13	(2.32)	(3.38)
	(Increase) in Loans and advances	8	(0.58)	14.24
	(Increase)/ Decrease in Other assets	11,15,16	0.51	1.41
	(Decrease)/ Increase in Trade payables	21	(0.33)	0.11
	Increase in Other liabilities	19,23	2.17	0.34
	Increase in Provisions	20	**1.83**	**1.17**
			2.19	11.17
	Cash generated from operations		157.97	159.51
	Net income tax paid		(61.47)	(47.99)
	Net cash flows from operating activities (A)		96.50	111.52
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work in progress and capital advances	4,5	(20.36)	(25.08)
	Proceeds from sale of property, plant and equipment	4	1.34	0.02
	Purchase of equity shares in associates	6	-	(10.00)
	Purchase of current investments	7	(112.50)	(91.30)
	Proceeds from sale of current investments	7	140.67	97.91
	Loans to subsidiary	8A	(14.50)	(24.50)
	Dividend received	25	1.44	3.63
	Bank deposits (having original maturity of more than 3 months)	14	(2.65)	(0.13)
	Interest received	15,25	3.32	1.19
	Net cash (used in) investing activities (B)		**(3.24)**	**(48.26)**

		Note	Year ended 31 March 2019	Year ended 31 March 2018
C.	**Cash flows from financing activities**			
	Proceeds from issue of equity shares	17	0.04	-
	Equity shares bought back	17	(63.00)	-
	Buyback of share/ share issue expenses	28	(0.78)	-
	Dividend paid on equity shares	18(f)	(26.87)	(53.72)
	Tax paid on dividend	18(f)	(5.53)	(11.01)
	Net cash (used in) financing activities (C)		**(96.14)**	**(64.73)**
	Net (Decrease)/ Increase in Cash and cash equivalents (A+B+C)		**(2.88)**	**(1.47)**
	Cash and cash equivalents at the beginning of the year		7.24	8.71
	Cash and cash equivalents at the end of the year		4.36	7.24
1	The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7 (IndAS-7), "Statement of Cash Flows".			
2	Reconciliation of cash and cash equivalents with the balance sheet :			
	Particulars		31 March 2019	31 March 2018
	Cash and cash equivalents (refer note 14)		4.36	7.24
	Balance as per statement of cash flows		4.36	7.24

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

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

for the year ended 31 March 2019

1. Reporting entity

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

2. Basis of preparation

A. Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 (hereinafter referred to as the 'Ind AS') and other relevant provisions of the Act .

The standalone financial statements were authorized for issue by the Company's Board of Directors on 18 May 2019.The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

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

C. Basis of measurement

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

Items	Measurement basis
Certain financial assets	Fair value
Employee shared-based payments	Fair value
Liabilities for employee benefit obligations	Present value of defined benefit obligations

D. Use of estimates and judgments

In preparing these standalone financial statements, Management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

JudgmentsInformation about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes :Note 3(l) and Note 35 – leases : whether an arrangement contains a lease and lease classification; andNote 37 (f) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are contribution.

Assumptions and estimation uncertaintiesInformation about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes :Note 3(d), 3(e), 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life;Note 29 - determining the provision for income taxes;Note 31 - measurement of defined benefit obligations : key actuarial assumptions;Note 33 - Fair value measurement of financial instruments; andNote 35 - recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company, in some cases, makes use of valuation certificates obtained from third party professionals for determining significant fair value measurement.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the Company's Audit Committee.Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

Further information about the assumptions made in measuring fair values is included in the following notes :- Note 4C – investment property;- Note 32 – share-based payment arrangements; and- Note 33 – financial instruments.

3. Significant accounting policies

a. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.AssetsAn asset is classified as current when it satisfies any of the following creteria :(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;(ii) it is expected to be realised within twelve months from the reporting date;(iii) it is held primarily for the purposes of being traded; or(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.All other assets are classified as non current.

LiabilitiesA liability is classified as current when it satisfies any of the following criteria :(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;(ii) it is due to be settled within twelve months from the reporting date;(iii) it is held primarily for the purposes of being traded; or(iv) the Company does not have an unconditional right to defer settlement of liability for atlease twelve months from the reporting date.All other liabilities are classified as non-current.

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

b. Foreign currency

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

c. Financial instruments

i. Recognition and initial measurement

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

ii. **Classification and subsequent measurement**

Financial assets

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

- amortised cost;- Fair value through other comprehensive income (FVTOCI); or - Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is classified as subsequently measured at fair value through Other Comprehensive Income if both the following conditions are met:- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstandingAll financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

Financial assets: Subsequent measurement and gains and losses

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

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

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. **Derecognition**

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

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

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

iv. Offsetting

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

d. Property, plant and equipment

i. Recognition and measurement

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

ii. Subsequent expenditure

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

iii. Depreciation

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

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

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

iv. Reclassification to investment property

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

e. **Other intangible assets**

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

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss. The estimated useful lives are as follows: - Softwares - 5 yearsAmortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. **Investment property**

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

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

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

g. **Inventories**

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

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

h. **Impairment**

i. **Impairment of financial instruments**

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

Evidence that a financial asset is credit- impaired includes default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of the borrower or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

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

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

Write-off The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

ii. Impairment of non-financial assets

The Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

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

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

i. Employee benefits

i. Short-term employee benefits

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

ii. Share-based payment transactions

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

iii. Defined contribution plans

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

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI.When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

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

vi. Termination benefits

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

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

k. Revenue from operations

The Company has initially applied Ind AS 115 ‘Revenue from contracts with customers’ from 1 April 2018. Due to the transition methods chosen by the Company in applying this standard, comparative information throughout these financial statements has not been restated to reflect requirements of the new standard.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time requires judgement.

The Company has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date initial application (i.e. 1 April 2018). Accordingly, the information presented for the comparative period 31 March 2018 has not been restated – i.e. it is presented, as previously reported under Ind AS 18 'Revenue'. Additionally, the disclosure requirements in Ind AS 115 have not generally been applied to comparative information.

Revenue includes only the gross inflows of economic benefits. It is measured based on the consideration specified in the contracts with customers. Amounts collected on behalf of third parties such as goods and services taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue.

The adoption of Ind AS 115 has not had a significant effect on the Company's accounting policies related to revenue

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

l. Leases [read with Note 3(r)]

i. Determining whether an arrangement contains a lease

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

ii. Assets held under leases

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

iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

m. Recognition of rental income, dividend income, interest income or expense

Rental income from investment property is recognised as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :- the gross carrying amount of the financial asset; or- the amortised cost of the financial liability.

n. **Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. **Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable, respectively, that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

o. **Discontinued operations**

A discontinued operation is a component of the Company's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

p. **Events after reporting date**

Where events occuring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q. **Operating segments**

In accordance with Indian Accounting Standard 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company.

r. **Recent accounting pronouncements**

Standards issued but not yet effectiveIn March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 Leases and certain other amendments to the Indian Accounting Standards. These amendments are applicable to the Company from 1 April 2019. The Company will be adopting the relevant amendments from their effective date.

a) **Ind AS 116 Leases**

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. The Company has assessed the estimated impact that initial application of Ind AS 116 will have on its standalone financial statements, as described below. The actual impact of adopting the standard on 1 April 2019 may change because the new accounting policies are subject to change until the Company presents its first financial statements that include the date of initial application.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. Intermediate lessor shall classify the sublease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. It replaces existing leases guidance, Ind AS 17, Leases.

i. **Leases in which the Company is a lessee**

The Company will recognise new assets and liabilities for its operating leases of imaging centers and offices (see Note below). The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.On the date of transition to Ind AS 116, there were no leases that were classified as finance lease as per Ind AS 17.Based on the information currently available, the Company estimates that it will recognise additional lease liabilities of INR 12.71 crore and equivalent right-of-use assets as at 1 April 2019.

ii. **Transition**

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

b) **Other standards/amendments**

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements:

- Appendix C to Ind AS 12, Income taxes (corresponding to IFRIC 23 Uncertainty over Income Tax Treatments) - Amendments to Ind AS 103, Business Combinations- Amendments to Ind AS 109, Financial Instruments- Amendments to Ind AS 111, Joint Arrangements- Amendments to Ind AS 19, Employee Benefits- Amendments to Ind AS 23, Borrowing Costs- Amendments to Ind AS 28, Investments to Associates and Joint Ventures.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

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

See accounting policies in Notes 3(d) and 3(f)

		Gross Block				Accumulated depreciation				Net Block		
		Balance as at1 April 2018Balance as at1 April 2017 (deemed cost)	Addition	Disposal	Balance as at31 March 2019Balance as at31 March 2018	Balance as at1 April 2018Balance as at1 April 2017	Depreciation/ amortisation expense for the year	On Disposals	Balance as at31 March 2019Balance as at31 March 2018	Balance as at31 March 2019Balance as at31 March 2018	Balance as at31 March 2018Balance as at31 March 2017
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
A	**Property, plant and equipment**										
	Leasehold Land	**15.60**	**-**	**-**	**15.60**	**0.48**	**0.24**	**-**	**0.72**	**14.88**	**15.12**
		15.60	-	-	15.60	0.24	0.24	-	0.48	15.12	15.36
	Freehold Land	**4.38**	**-**	**-**	**4.38**	**-**	**-**	**-**	**-**	**4.38**	**4.38**
		-	4.38	-	4.38	-	-	-	-	4.38	-
	Buildings/ Premises	**44.56**	**-**	**(0.32)**	**44.24**	**3.82**	**1.99**	**(0.04)**	**5.77**	**38.47**	**40.74**
		38.88	5.68	-	44.56	1.90	1.92	-	3.82	40.74	36.98
	Plant and Equipment	**44.45**	**12.29**	**-**	**56.74**	**12.33**	**8.22**	**-**	**20.55**	**36.19**	**32.12**
		34.18	12.43	(2.16)	44.45	6.03	7.02	(0.72)	12.33	32.12	28.15
	Furniture and Fixtures	**9.35**	**4.64**	**-**	**13.99**	**3.15**	**1.94**	**-**	**5.09**	**8.90**	**6.20**
		6.54	2.84	(0.03)	9.35	1.72	1.44	(0.01)	3.15	6.20	4.82
	Vehicles	**0.66**	**0.19**	**(0.17)**	**0.68**	**0.20**	**0.21**	**(0.17)**	**0.24**	**0.44**	**0.46**
		0.56	0.25	(0.15)	0.66	0.19	0.14	(0.13)	0.20	0.46	0.37
	Office equipment	**2.78**	**1.60**	**-**	**4.38**	**1.29**	**0.76**	**-**	**2.05**	**2.33**	**1.49**
		1.78	1.01	(0.01)	2.78	0.78	0.52	(0.01)	1.29	1.49	1.00
	Computers, printers and scanners	**1.71**	**1.03**	**-**	**2.74**	**0.92**	**0.86**	**-**	**1.78**	**0.96**	**0.79**
		0.97	0.74	-	1.71	0.43	0.49	-	0.92	0.79	0.54
	Total	**123.49**	**19.75**	**(0.49)**	**142.75**	**22.19**	**14.22**	**(0.21)**	**36.20**	**106.55**	**101.30**
		98.51	27.33	(2.35)	123.49	11.29	11.77	(0.87)	22.19	101.30	87.22
B	**Capital-work-in progress**									1.28	-
										-	-
C	**Investment property**	1.39	-	-	1.39	0.12	0.05	-	0.17	1.22	1.27
		1.39	-	-	1.39	0.06	0.06	-	0.12	1.27	1.33

Figures in italic pertains to previous year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

Notes

i. Investment Property - Disclosure pursuant to Ind AS 40 'Investment Property'

Amount recognised in Statement of profit and loss for investment property

	31 March 2019	31 March 2018	31 March 2017
Rental income derived from investment property	0.73	0.69	6.43
Direct operating expenses arising from investment property that generated rental income	0.04	0.04	0.41
Profit arising from investment properties before depreciation and indirect expenses	0.69	0.65	6.02
Depreciation	0.05	0.06	0.59
Profit/ (loss) arising from investment properties before indirect expenses	0.64	0.59	5.43

Measurement of fair values

- The Company has sub-let part of the leasehold land and constructed building thereon, to its subsidiary for business operations after getting an approval from the lessor. Since the premises is constructed on leasehold plot of land, the sub-let part of the premises is not saleable independently. The fair value of the investment property would be difficult to determine reliably. The premises is constructed on industrial leasehold plot of land and there are very few recent transactions. In case of the observed recent transaction for transfer of plot prices, the variations in the prices indicate that the transfer price is not indicative of market prices. Also, the alternative reliable measurement of fair value are not available due to the regulatory restrictions as to usage, transfer, leasing and subletting of the property within the jurisdiction. The fair value of the investment property on the basis of then observed transfer prices for the properties within the same jurisdiction, ranges from INR 2.55 crore to 3.00 crore.

ii. Transfer of business undertaking

The Company, pursuant to the business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block (INR 2.67 crore) and the accumulated depreciation thereon (INR 1.23 crore). The profit aggregating to INR 7.89 crore has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss was INR 0.29 crore for the year ended 31 March 2018.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

5 Other intangible assets
See accounting policy in Note 3(e)

	Gross Block				Accumulated depreciation			Net Block		
	Balance as at 1 April 2018Balance as at 1 April 2017(deemed cost)	Addition	Disposal	Balance as at 31 March 2019Balance as at 31 March 2018	Balance as at 1 April 2018Balance as at 1 April 2017	Depreciation/ amortisation expense for the year	Disposal	Balance as at 31 March 2019Balance as at 31 March 2018	Balance as at 31 March 2019Balance as at 31 March 2018	Balance as at 31 March 2018Balance as at 31 March 2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Computer software	0.98	0.30	-	1.28	0.59	0.20	-	0.79	0.49	0.39
	0.98	*-*	*-*	*0.98*	*0.34*	*0.25*	*-*	*0.59*	*0.39*	*0.64*
Trademark *	-	-	-	-	-	-	-	-	-	-
	-	*0.52*	*(0.52)*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Total intangible assets	**0.98**	**0.30**	**-**	**1.28**	**0.59**	**0.20**	**-**	**0.79**	**0.49**	**0.39**
	0.98	*0.52*	*(0.52)*	*0.98*	*0.34*	*0.25*	*-*	*0.59*	*0.39*	*0.64*

Figures in italic pertains to previous year.

* During the previous year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" in favour of the Company [subsequently disposed off with the water testing business], for a token money of INR 1. The fair value of the trademark on the date of assignment was capitalised by crediting the fair value to capital reserves as shareholder's contribution.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

6 Investment in associate

	31 March 2019	31 March 2018
Interest in associates		
Equity shares (unquoted)429,185 (31 March 2018 : 429,185) equity shares of Equinox Labs Private Limited	20.00	20.00
Nil (31 March 2018 : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	1.61	1.61
Less : Provision for other than temporary diminution in the value of investments	(1.61)	(1.61)
	20.00	**20.00**

Note

Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed subsequent to 31 March 2019.

7 Investments

		31 March 2019	31 March 2018
A	**Non-current investments**		
	Unquoted equity shares		
	Equity shares at cost		
	Investment in subsidiary		
	11,111,000 (31 March 2018 : 11,111,000) equity shares of INR 10 each of Nueclear Healthcare Limited	194.67	194.67
		194.67	194.67
	Aggregate amount of unquoted investments	194.67	194.67
	Aggregate amount of impairment in value of investments (refer note)	-	-
	Note -The Company assessed the recoverable amount of its investment as at 31 March 2019, with the assistance of an independent valuer, in view of the accumulated business losses suffered since inception. The management has concluded that the carrying value of the investment in the subsidiary as on 31 March 2019 needs no impairment as Dr. A Velumani, promoter of the Company, at a Board Meeting held on 18 May 2019, has undertaken to make good any loss that the Company may incur in future on disposal of the subsidiary.		
B	**Current investments**		
	Investments in Mutual Funds (Quoted) measured at FVTPL	74.64	100.10
		74.64	100.10
	Aggregate amount of quoted investments - At cost	72.29	93.96
	Aggregate amount of quoted investments - At market value	74.64	100.10

8 Loans

(unsecured considered good unless otherwise stated)

		31 March 2019	31 March 2018
A	**Non-current loans and advances**		
	Loans to subsidiary (see Note 37(i))	39.00	24.50
	Security deposits		
	To parties other than related parties	2.04	1.45
		41.04	**25.95**
B	**Current loans and advances**		
	Security deposits		
	To parties other than related parties	0.04	0.02
	Loans and advances to employees	0.03	-
		0.07	**0.02**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

9 Recognised deferred tax assets and liabilities

See accounting policy in Note 3 (n)

	Deferred tax assets		Deferred tax (liabilities)		Net deferred tax assets/ (liabilities)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Property, plant and equipment/ Intangible assets/ Investment property	-	-	(0.56)	(0.22)	(0.56)	(0.22)
Investments at fair value through profit or loss	-	-	(1.17)	(2.12)	(1.17)	(2.12)
Provisions - employee benefits	3.01	2.16	-	-	3.01	2.16
Other items	0.34	0.59	-	-	0.34	0.59
Net deferred tax assets/ (liabilities)	3.35	2.75	(1.73)	(2.34)	1.62	0.41

B. Movement in temporary differences

	Balance as at 1 April 2017	Recognised in profit or loss during 2017-2018	Recognised in OCI during 2017-2018"	Balance as at 31 March 2018	Recognised in profit or loss during 2018-2019	Recognised in OCI during 2018-2019	Balance as at 31 March 2019
Property, plant and equipment/ Intangible assets/ Investment property	(0.53)	0.31	-	(0.22)	(0.34)		(0.56)
Investments at fair value through profit or loss	(1.60)	(0.52)	-	(2.12)	0.95		(1.17)
Provisions - employee benefits	1.84	0.41	(0.09)	2.16	0.91	(0.06)	3.01
Other items	0.35	0.24	-	0.59	(0.25)		0.34
	0.06	**0.44**	**(0.09)**	**0.41**	**1.27**	**(0.06)**	**1.62**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

10 Non-current tax assets

	31 March 2019	31 March 2018
See accounting policy in Note 3(n)		
Advance income tax (net of provision for tax)	7.11	2.57
	7.11	**2.57**

11 Other non-current assets

	31 March 2019	31 March 2018
Capital advances	0.13	-
Prepaid expenses	0.25	0.23
Balance with government authorities	1.48	0.52
	1.86	**0.75**

12 Inventories

	31 March 2019	31 March 2018
See accounting policy in Note 3(g)		
Reagents, diagnostic material and consumables	15.26	16.43
Stock-in-trade - Glucose strips/ Gluco meter	0.30	0.04
	15.56	16.47

13 Trade receivables

	31 March 2019	31 March 2018
Trade receivables - Non-current		
Credit impaired	0.77	0.95
Less : Provision for bad and doubtful debts	(0.77)	(0.65)
	-	0.30
Trade receivables - Current		
Secured, considered good	2.75	2.56
Unsecured, considered good	8.31	6.35
	11.06	**8.91**
	11.06	**9.21**
Trade receivables from related parties (refer Note 36)	3.18	0.68

14 Cash and bank balances

	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	-	0.00*
Balances with banks		
in current accounts	4.36	7.24
	4.36	7.24
Other bank balances		
in deposit accounts (with original maturi ty period exceeding 3 months but maturing within 12 months from reporting date)	4.69	2.04
	9.05	9.28
* amount less than ₹ 1 Lakh		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

15 Other financial assets - Current

	31 March 2019	31 March 2018
Interest accrued on deposits	0.21	0.07
	0.21	**0.07**

16 Other current assets

	31 March 2019	31 March 2018
Advances for supply of goods and services	0.58	1.32
Prepaid expenses	0.84	1.58
	1.42	**2.90**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

17 Share capital

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a) Authorised				
Equity shares of ₹ 10 each with equal voting rights	1,00,000	100.00	1,00,000	100.00
(b) Issued, subscribed and paid-up				
Equity shares of ₹ 10 each with equal voting rights	52,799	52.80	53,724	53.72
Total	52,799	52.80	53,724	53.72

All issued shares are fully paid-up

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

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
Equity shares				
At the commencement of the year	53,724	53.72	53,724	53.72
Shares issued on exercise of employee stock options	33.97	0.04	-	-
Shares bought back	(958.90)	(0.96)	-	-
At the end of the year	**52,799**	**52.80**	**53,724**	**53.72**
Issued and subscribed share capital	52,799	52.80	53,724	53.72

The Company has also issued share options plan for its employees. (see Note 32)

Rights, preferences and restrictions attached to equity sharesThe Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/ its share of the paid-up equity share capital of the Company.On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Employee stock option planTerms attached to stock options plan to employees are described in Note 32 regarding share-based payments.

Equity shares bought backThe Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

Particulars of shareholders holding more than 5% shares of a class of shares

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -				
Dr A Velumani	14,809	28.05%	14,809	27.57%
Thyrocare Publications LLP (formerly known as ""Thyrocare Publications Private Limited"")	6,535	12.38%	6,535	12.16%
Thyrocare Properties and Infrastructue Private Limited	5,218	9.88%	5,218	9.17%

Shares reserved for issue under options

	31 March 2019		31 March 2018	
	Number of shares	Amount	Number of shares	Amount
a. Under Employees Stock Option Scheme, 2018 - at an exercise price of INR 10 per share (see Note 32)	40,452	0.04	-	-
b. Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 32)	47,610	0.05	47,610	0.05
c. Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 32)	42,100	0.04	42,100	0.04
d. Under Employees Stock Option Scheme, 2015 - at an exercise price of INR 10 per share (see Note 32)	-	-	34,714	0.04

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

a. Below is a summary of the equity shares alloted by the Company pursuant to various ESOP plans for consideration other than cash (except for the face value of shares that has been recovered in case:

	31 March 2019	31 March 2018
Number of shares alloted pursuant to ESOP schemes	33,973	33,650

b. During the year ended 31 March 2015, the Company allotted 37,383,507 equity shares of INR 10 each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of INR 37.08 crore and capital redemption reserve of INR 0.30 crore.

c. During the year ended 31 March 2016 and 31 March 2015, the Company allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

18 Other equity

	31 March 2019	31 March 2018
(a) Capital reserve		
At the commencement of the year	30.25	27.54
Transfer of trademark by shareholder at no cost (see Note 37(h))	-	0.52
Capital contribution by reimbursement of expenses (see Note 37(f))	-	2.19
At the end of the year	**30.25**	**30.25**
(b) Securities premium		
At the commencement of the year	127.22	123.29
Transfer on exercise of stock option	0.86	3.93
Adjusted on shares bought back	(63.00)	
At the end of the year	**65.08**	**127.22**
(c) Share options outstanding		
At the commencement of the year	2.81	5.03
Employee compensation expense for the year	1.93	1.71
Transfer to securities premium account on exercise of stock option	(0.86)	(3.93)
At the end of the year	**3.88**	**2.81**
(d) General reserve		
At the commencement and end of the year	9.17	9.17
(e) Capital redemption reserve		
At the commencement of the year	-	-
Equity shares bought back	0.96	-
At the end of the year	0.96	-
(f) Retained earnings		
At the commencement of the year	230.71	199.24
Profit for the year including other comprehensive income	95.33	96.20
Appropriation		
Final/ Interim dividend on equity shares	(26.87)	(53.72)
Dividend distribution tax	(5.53)	(11.01)
At the end of the year	293.64	230.71
	402.98	**400.16**

Capital reserve Capital reserve represents the premium received in business combinations and the shareholder's contribution for consideration other than cash. (see Note 37(f) and (h))."

Securities premium Securities premium represents the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised. (See Note 32 for further details on these plans).

General reserveGeneral reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

Capital redemption reserve The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018 and as per the provisions of the Companies Act, 2013, the Capital redemption reserve is used to record the reduction of the share capital of the Company on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013."

Dividends The following dividends were declared and paid by the Company during the year :

	31 March 2019	31 March 2018
Interim dividend **INR Nil per equity share (31 March 2018 : INR 5/- per equity share)**	-	26.86
Final dividend of previous financial yea INR 5/- per equity share (31 March 2017 : INR 5/- per equity share)	26.87	26.86
Dividend distribution tax on dividend to equity shareholders	5.53	11.01

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends attract dividend distribution tax when declared or paid.

	31 March 2019	31 March 2018
INR 20 per equity share (31 March 2018 : INR 5 per equity share)	105.60	26.87

19 Other financial liabilities

		31 March 2019	31 March 2018
A	**Non-current**		
	Trade/Security deposits received	6.70	7.02
	Security deposits received		
	from related parties (refer Note 36)	1.06	0.98
	Others	0.00*	0.01
		7.76	**8.01**

* amount less than ₹ 1 Lakh

		31 March 2019	31 March 2018
B	**Current**		
	Security deposits received		
	from related parties (refer Note 36)	0.08	-
	from parties other than related parties	0.25	0.63
	Employees dues	3.19	2.29
	Unclaimed dividend	0.03	0.03
	Creditors for capital goods	1.26	0.15
		4.81	**3.10**

Investor Education and Protection Fund ('IEPF') - As at 31 March 2019 (31 March 2018 : INR Nil) there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

20 Provisions
See accounting policy in Note 3(i)

	31 March 2019	31 March 2018
A Non-current provisions		
Long-term provisions		
Provision for employee benefits:		
Provision for compensated absences	4.94	3.84
Provision for gratuity (refer note 31)	1.55	1.30
	6.49	**5.14**

	31 March 2019	31 March 2018
B Current provisions		
Short-term provisions		
Provision for employee benefits:		
Provision for bonus	0.75	0.58
Provision for compensated absences	0.61	0.45
Provision for gratuity (refer note 31)	0.02	0.02
Others		
Provision for refundable staff security deposits	-	0.01
	1.38	**1.06**

21 Trade payables

	31 March 2019	31 March 2018
Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (refer note 37(a))	0.08	0.06
- total outstanding dues of creditors other than micro enterprises and small enterprises	5.29	5.63
	5.37	**5.69**

22 Current tax liabilities (net)

	31 March 2019	31 March 2018
Provision for current tax (net of advance tax and tax deducted at source)	1.01	5.06
	1.01	**5.06**

23 Other current liabilities

	31 March 2019	31 March 2018
Contract liabilities	4.54	2.64
Statutory dues *	0.71	0.78
	5.25	**3.42**

* Statutory dues include goods and service tax, tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

		Year ended 31 March 2019	Year ended 31 March 2018
24	**Revenue from operations**		
	See accounting policy in Note 3(k)		
	Sale of products (See Note (i) below)	2.16	2.84
	Sale of services (See Note (ii) below)	365.26	323.48
		367.42	**326.32**
	Other operating revenue	2.86	5.47
	Total	**370.28**	**331.79**
	Note:		
	(i) Sale of products comprises :		
	Traded goods		
	Glucose strips/ Gluco meter	2.16	2.84
	Total	**2.16**	**2.84**
	* The Goods and Service Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of traded goods are excluding GST.		
	(ii) Sale of services comprises :		
	Diagnostic Services	354.44	313.03
	Sale of consumables for providing diagnostic services	10.82	10.45
	Total	**365.26**	**323.48**

		Year ended 31 March 2019	Year ended 31 March 2018
25	**Other income**		
	Interest income (see Note (i) below)	3.47	1.11
	Net gain on investments	4.15	6.88
	Technical assistance/ trade mark assignment fees	1.02	0.62
	Profit on disposal of business undertaking	-	7.88
	Rental income from property subleases	0.86	0.69
	Financial assets at FVTPL - net change in fair value :		
	Mandatorily measured at FVTPL - others	0.06	0.06
	Others (see Note (ii) below)	4.10	6.39
		13.66	**23.63**
	Note:		
	(i) Interest income comprises:		
	Interest from banks on deposits	0.20	0.13
	Interest on deposit for electricity	0.03	0.06
	Interest on loans	3.24	0.92
	Total - Interest income	3.47	1.11
	(ii) Others comprises:		
	Net gain on sale of property, plant and equipment	1.04	-
	Miscellaneous income	3.06	6.39
	Total - Others	**4.10**	**6.39**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

			Year ended 31 March 2019	Year ended 31 March 2018
26	a.	**Cost of materials consumed**		
		Opening stock	16.43	13.35
		Add: Purchases	102.08	91.15
			118.51	**104.50**
		Less: Closing stock	15.26	16.43
		Cost of material consumed	103.25	88.07
		Material consumed comprises:		
		Reagents/ Diagnostics material	94.71	79.68
		Consumables - laboratory	7.01	7.00
		Consumables - processing	1.53	1.39
			103.25	**88.07**
26	b.	**Purchases of stock-in-trade**		
		Glucose strips/ Gluco meter	2.33	2.41
			2.33	**2.41**
26	c.	**Changes in inventories of stock-in-trade**		
		Inventories at the end of the year:		
		Glucose strips/ Gluco meter	0.30	0.04
			0.30	**0.04**
		Inventories at the beginning of the year:		
		Glucose strips/ Gluco meter	0.04	0.41
			0.04	**0.41**
		Net change	(0.26)	0.37

		Year ended 31 March 2019	Year ended 31 March 2018
27	**Employee benefits expense**		
	Salaries, wages and bonus	31.70	25.25
	Contributions to provident and other funds	3.26	2.44
	Employees stock compensation expense	1.93	1.71
	Gratuity	0.44	0.51
	Compensated absences	1.62	1.38
	Staff welfare expenses	1.56	1.20
		40.51	**32.49**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

as at 31 March 2019

		Year ended 31 March 2019	Year ended 31 March 2018
28	Other expenses		
	Outlab processing	1.70	1.80
	Power and fuel and water	5.70	4.83
	Rent	12.07	11.36
	Repairs and maintenance - Buildings	1.77	1.11
	Repairs and maintenance - Machinery	2.29	1.65
	Repairs and maintenance - Others	0.05	0.04
	Insurance	0.07	0.09
	Rates and taxes	2.01	1.04
	Communication	0.99	0.77
	Service charges	15.06	14.13
	Postage and courier	3.29	2.92
	Printing and stationery	2.83	3.16
	Sales incentive	12.28	9.52
	Advertisement expenses	4.91	4.93
	Business promotion	5.71	5.09
	Legal and professional fees	0.97	1.49
	Payments to auditors (See Note (i) below)	0.45	0.44
	Financial assets mandatorily measured at FVTPL - net change in fair value [See Note 34]	-	0.25
	Net loss on sale of property, plant and equipment	-	0.02
	Loss on foreign exchange fluctuation (net)	0.03	0.68
	Provision for doubtful debts	0.47	-
	Corporate social responsibility (See Note (ii) below)	1.00	2.02
	Buyback of share/share issue expenses	0.78	-
	Miscellaneous expenses	1.88	2.12
		76.31	**69.46**
	Notes:		
	(i) Payments to the auditors comprises *		
	Statutory audit and limited review fees	0.39	0.39
	Tax audit fees	0.02	0.02
	Fees for certification	0.01	-
	Reimbursement of out of pocket expenses	0.03	0.03
		0.45	**0.44**
	* Payment to auditors is inclusive of GST/ service tax, as applicable		
	(ii) Details of corporate social responsibility expenditure		
	(a) Amount required to be spent by the Company during the year	2.32	1.82
	(b) Amount spent during the year (in cash)		
	- construction / acquisition of any asset	-	-
	- on purpose other than above	1.00	2.01
		1.00	**2.01**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

			Year ended 31 March 2019	Year ended 31 March 2018
29	**Income tax**			
	See accounting policy in Note 3(n)			
	A.	Amount recognised in profit or loss		
		Current tax		
		Current period (a)	52.90	52.37
		Changes in estimates related to prior years (b)	-	-
		Deferred tax (c)		
		Attirbutable to -		
		Origination and reversal of temporary differences	(1.27)	(0.44)
			(1.27)	**(0.44)**
		Tax expense (a)+(b)+(c)	51.63	51.93
	B.	Amount recognised in other comprehensive income		
		Re-measurement gains/ (losses) on defined benefit plans	0.06	0.09
		Tax expense in other comprehensive income	0.06	0.09
	C.	Reconciliation of effective tax rate		
		Profit before tax	146.86	150.15
		Tax using the Company's domestic tax rate	51.32	51.93
		Effect of :		
		Income which is taxed at special rates	-	(0.66)
		Non-deductible expenses (net)	2.58	1.57
		Tax exempt income	(0.50)	(1.26)
		Tax on income not credited to profit and loss	-	0.94
		Others	(1.77)	(0.59)
		Tax expense as per statement of profit and loss	51.63	51.93

			Year ended 31 March 2019	Year ended 31 March 2018
30	**Earnings per share**			
	(i)	**Basic**		
		Net profit for the year attributable to equity shareholders	95.23	96.03
		Weighted average number of equity shares outstanding during the year	5,33,87,162	5,37,23,533
		Face value per share ₹	10	10
		Earnings per share - Basic (₹)	17.84	17.91
	(ii)	**Diluted**		
		Net profit for the year attributable to equity shareholders	95.23	96.03
		Weighted average number of equity shares for Basic EPS	5,33,87,162	5,37,23,533
		Add: Equity shares reserved for issuance on ESOP	1,18,224	1,73,445
		Weighted average number of equity shares - for diluted EPS	5,35,05,386	5,38,96,978
		Face value per share ₹	10	10
		Earnings per share - Diluted (₹)	17.80	17.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

31 Employee benefits

A. Defined contribution plans

The Company makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised INR 2.40 crore (31 March 2018 : INR 1.80 crore) for Provident Fund contributions, INR 0.85 crore (31 March 2018 : INR 0.64 crore) for ESIC contributions and INR 0.01 crore for Maharashtra Labour Welfare Fund (31 March 2018 : INR 0.01 crore) in the Statement of Profit and Loss during the year (See note 27). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Company offers the following employee benefit schemes to its employees :

Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

		31 March 2019	31 March 2018
a.	**Components of employer expense**		
i.	Expenses recognised in profit or loss		
	Current service cost	0.34	0.30
	Interest cost	0.10	0.08
	Past service cost	-	0.13
	Total expense recognised in the Statement of Profit and Loss	**0.44**	**0.51**
ii.	Expenses recognised in other comprehensive income		
	Actuarial (gain) loss on defined benefit obligations	(0.16)	(0.26)
	Total expense recognised in other comprehensive income	**(0.16)**	**(0.26)**
b.	**Net asset / (liability) recognised in the Balance Sheet**		
	Present value of unfunded obligation	(1.57)	(1.32)
	Net asset / (liability) recognised in the Balance Sheet	(1.57)	(1.32)
	Net asset/ (liability) is bifurcated as follows :		
	Current	(0.02)	(0.02)
	Non Current	(1.55)	(1.30)
	Net asset / (liability) recognised in the Balance Sheet	(1.57)	(1.32)
c.	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO at beginning of the period	1.32	1.12
	Current service cost	0.34	0.30
	Interest cost	0.10	0.08
	Actuarial (gains) / losses	(0.16)	(0.26)
	Past service cost	-	0.13
	Benefits paid	(0.03)	(0.05)
	Present value of DBO at the end of the year	1.57	1.32
d.	**Actuarial assumptions**		
	Discount rate	7.76%	7.78%
	Salary escalation	10%	10%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

		31 March 2019	31 March 2018
	Rate of employee turnover	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.02	0.02
	2nd following year	0.02	0.02
	3rd following year	0.04	0.02
	4th following year	0.03	0.04
	5th following year	0.06	0.03
	Sum of years 6 to 10	0.37	0.21
	Sum of years 11 and above	7.53	6.43
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions		
	Delta effect of +1% change in rate of discounting	(0.24)	(0.20)
	Delta effect of -1% change in rate of discounting	0.31	0.26
	Delta effect of +1% change in rate of salary increase	0.28	0.23
	Delta effect of -1% change in rate of salary increase	(0.23)	(0.19)
	Delta effect of +1% change in rate of employee turnover	(0.06)	(0.05)
	Delta effect of -1% change in rate of employee turnover	0.07	0.06

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

32 Share-based payments

A. Description of share-based payment arrangements

During the year, the Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2018" (ESOS2018) vide authorisation of shareholders in the annual general meeting held on 1 September 2018. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on the date of sanction of the scheme, subject to their continuous service till the vesting period."

During the earlier years, the Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) vide authorisation of shareholders in their meetings held on 12 August 2017, 12 September 2016, 26 September 2015 and 20 September 2014 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, in respect of ESOS2014, the Company formed a trust, 'Thyrocare Employee Stock Option Trust' wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options-granted	Vesting Period	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2018	Saturday, September1, 2018	40,452	3 years	One year from vesting date	10	10
ESOS2017	Saturday, August12, 2017	50,516	3 years	One year from vesting date	10	10
ESOS2016	Monday, September12, 2016	50,537	3 years	One year from vesting date	10	10
ESOS2015	Saturday, September26, 2015	40,434	3 years	One year from vesting date	10	10
ESOS2014	Saturday, September20, 2014	134,600*	2.5 years	One year from vesting date	10	10

* Includes 100,950 bonus shares

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2019 No of Options	31 March 2018 No of Options
ESOS2018		
Outstanding at 1 April	-	-
Granted during the year	40,452	-
Forfeited during the year	2,798	-
Outstanding at 31 March	**37,654**	**-**
ESOS2017		
Outstanding at 1 April	47,610	-
Granted during the year	-	50,516
Forfeited during the year	4,290	2,906
Outstanding at 31 March	**43,320**	**47,610**
ESOS2016		
Outstanding at 1 April	42,100	46,719
Forfeited during the year	2,574	4,619
Outstanding at 31 March	**39,526**	**42,100**
ESOS2015		
Outstanding at 1 April	34,714	38,473
Forfeited during the year	741	3,759
Exercised during the year	33,973	-
Outstanding at 31 March	-	34,714
ESOS2014		
Outstanding at 1 April	-	1,34,600
Exercised during the year	-	1,33,381
Shares vested and not exercised during the year	-	1,219
Outstanding at 31 March	-	-

C. The key assumptions used to estimate the fair value of options granted during the years ended 31 March 2019 and 31 March 2018:

	31 March 2019	31 March 2018
Volatility	21.65%	14.11%
Expected life	3.50 years	1.5-2.5 years
Dividend Yield	1.50%	1.50%
Risk-free interest rate (based on government bonds)	7.85%	6.25% to 6.61%
Model Used	Black & Scholes	Black & Scholes

The expense arising from equity settled share based payment transaction amounting to INR 1.93 crore and INR 1.71 crore for the year ended 31 March 2019 and 31 March 2018 respectively have been recognised in the Statement of profit and loss.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

33 Financial instruments - Fair values and risk management

A. Classification of financial assets and liabilities

	Note	Carrying amount			
31 March 2019 31 March 2018		FVTPL	FVOCI	Amotised cost	Total carrying amount
Financial assets					
Investments (other than in subsidiary and associate)	7A,7B	74.64	-	-	74.64
		100.10	*-*	*-*	*100.10*
Loans	8A,8B	-	-	41.11	41.11
		-	*-*	*25.97*	*25.97*
Trade receivables	13	-	-	11.06	11.06
		-	*-*	*9.21*	*9.21*
Cash and cash equivalents	14	-	-	4.36	4.36
		-	*-*	*7.24*	*7.24*
Other bank balances	14	-	-	4.69	4.69
		-	*-*	*2.04*	*2.04*
Others	15	-	-	0.21	0.21
		-	*-*	*0.07*	*0.07*
		74.64	-	61.43	136.07
		100.10	-	44.53	144.63
Financial liabilities					
Other financial liabilities	19A,19B	-	-	12.57	12.57
		-	*-*	*11.11*	*11.11*
Trade payables	21	-	-	5.37	5.37
		-	*-*	*5.69*	*5.69*
		-	-	17.94	17.94
		-	*-*	*16.80*	*16.80*

Figures in italic pertains to previous year.

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The fair value of investment in mutual funds is included at the amount at which the instruments could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- The fair value of the quoted investments/units of mutual fund scheme are based on net asset value at the reporting date as published by the mutual fund.

The following table provides the fair value measurement hierarchy of the Company's financial instruments which are measured at fair value:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

	31 March 2019		31 March 2018	
	Total	Quoted prices in active markets	Total	Quoted prices in active markets
FVTPL financial assets				
Investment in Mutual funds (Refer Note 6)	74.64	74.64	100.10	100.10

C. **Financial risk management**

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (i));

- liquidity risk (see (C) (ii));

- market risk (see (C) (iii))."

i. **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate..

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment terms and conditions are offered. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the management."

The Company limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services.

In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether they are individuals or legal entities, their geographic locations, industry, trading history with the Company and existence of previous financial difficulties, if any.

The Company's exposure to credit risk for trade receivables by type of counter party was as follows -

	Carrying amount	
	31 March 2019	31 March 2018
Trade receivables (net of provisions for doubtful debts)		
Service providers and projects	7.88	6.49
Others	3.18	2.72
	11.06	**9.21**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

The Company's exposure to credit risk for trade receivables by geographic region was as follows -

	Carrying amount	
	31 March 2019	31 March 2018
Trade receivables (net of provisions for doubtful debts)		
India	7.88	8.53
Other regions	3.18	0.68
	11.06	**9.21**

Expected credit loss (ECL) assessment for individual customers as at 31 March 2018 and 31 March 2019

As per simplified approach the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date. At March 31, 2019, the ageing of trade receivables that were not impaired was as follows."

In crore of INR	Total		Related parties		Others	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
1-30 days past due	4.94	5.18	0.32	0.41	4.62	4.77
31-60 days past due	1.72	1.10	0.54	0.14	1.18	0.96
61-90 days past due	1.20	1.70	0.37	0.13	0.83	1.57
91-180 days past due	2.98	0.97	1.95	-	1.03	0.97
More than 180 days past due	0.22	0.26	-	-	0.22	0.26
	11.06	**9.21**	**3.18**	**0.68**	**7.88**	**8.53**

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The Company has an exposure of INR 39.00 crore as 31 March 2019 (31 March 2018 : INR 24.50 crore) for loan given to subsidiary. Such loan is classified as financial asset measured at amortised cost. The Company did not have any amounts that were past due but not impaired at 31 March 2019. The Company has no collateral in respect of this loan.

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies.

Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries, mutual funds and preference shares. These mutual funds, preference shares and counterparties have low credit risk."

Movement in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables is as follows :

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

	Carrying amount	
	31 March 2019	31 March 2018
Balance at 1 April	0.65	0.65
Amounts written off	(0.35)	-
Net remeasurement of loss allowance	0.47	-
Balance at 31 March	**0.77**	**0.65**

ii. **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities over the next twelve months. The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. "

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements."

	Carrying amount as on 31 March 2019 31 March 2018	Total	6 months of less	6-12 months	1-2 years
Non-derivative financial liabilities					
Trade payables	5.37	5.37	5.37	-	-
	5.69	5.69	5.69	-	-
Other Financial liabilities	12.57	12.57	12.57	-	-
	11.11	11.11	11.11	-	-

Figures in italics pertains to previous year.

iv. **Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Company. The functional currency for large number of transactions of the Company is INR and majority of the customers the Company dealt with operate from India only. The Company receives more than 98% of its revenue from the domestic operations only."

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

	INR	USD
Trade receivables	3.79	0.05
	1.33	*0.01*
Trade payables	0.37	0.01
	0.15	*-*
Net exposure in respect of recognized assets and liabilities	3.41	0.05
	1.18	***0.01***

* Trade receivables are gross of provision for doubtful debts

Figures in italics pertains to previous year.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in crore of INR	Profit or loss	
	Strengthening	Weakening
31 March 2019		
INR (10% movement)	0.34	-0.34
31 March 2018		
INR (10% movement)	0.12	-0.12

34 Operating leases

See accounting policies in Note 3(l) and Note 3(r)

A. Leases as lessee

The Company has taken a number of premises under operating leases. The leases typically run for a period of three to nine years, with an option to renew the lease after that period. Lease payments are renegotiated every three years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in specified local price indices. The lease for the land at central processing laboratory premises was transferred in the name of the Company about 10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Company, is capitalised in the books and amortised over the period of the lease. Further, part of the property on the said leased land, since no longer required for use by the Company has been sublet to it's subsidiary, after approval from the lessor. During the year, the Company has recovered sublease payments of INR 0.86 crore (31 March 2018 : INR 0.70 crore) in respect of this lease. The portion of the property thus sub-leased was recognised as investment property (see Note 3(f) and footnote to Note 4).

i. Future minimum lease payments At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows :

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

	31 March 2019	31 March 2018
Payable in less than one year	2.91	2.06
Payable between one and five years	7.75	6.31
Payable after more than five years	1.95	0.86
	12.61	**9.23**

ii. **Amounts recognized in profit or loss**

	31 March 2019	31 March 2018
Lease expenses – minimum lease payments	2.78	2.39
Sub-lease income	0.86	0.69

B. **Equipment placement arrangements**

The Company uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Company with option to purchase the equipment at the end of lease term at mutually negotiated price. These arrangements are not in the legal form of lease, but a portion of the cost paid to the vendors for reagents is classified as rent expenses as the same is considered to be towards the usage of the equipment. Of the cost incurred towards purchase of reagents, the Company has recognised INR 9.29 crore (31 March 2018 : INR 8.98 crore) as part of rent expense towards use of equipment and balance towards cost of reagents.

35 Contingent liabilities and commitments (to the extent not provided for)

		31 March 2019	31 March 2018
	Contingent liabilities		
	Claims against the Company not acknowledged as debts		
a.	Income tax demands - TDS matter	36.85	36.85
b.	Property tax demand	3.09	10.15
c.	Employees provident fund matter	0.52	0.52

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

	31 March 2019	31 March 2018
Commitments		
Commitments relating to long term arrangement with vendors (see note (i))	279.21	364.88

i. The Company has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are INR 279.21 crore (31 March 2018: INR 364.88 crore) of which annual commitment for next year is INR 98.93 crore (31 March 2018 : INR 85.67 crore) as per the terms of these arrangements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

36 Related parties

A. Details of related parties:

Description of relationship	Names of related parties
Subsidiary	Nueclear Healthcare Limited
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	"Thyrocare Gulf Laboratories WLL Sumathi Infra Project LLP Sumathi Construction Private Limited"
	Mahima Advertising LLP
	Thyrocare Properties & Infrastructure Private Limited
	Thyrocare Publications LLP
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	Anand Velumani (son of Dr A Velumani)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

B. Transactions with key management personnel

i. Key management personnel compensation

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Dr A Velumani	(0.00)*	(0.00)*	0.00	0.00
A Sundararaju	0.60	0.60	0.04	0.04
	0.60	**0.60**	**0.04**	**0.04**

* Amount less than ₹ 0.01 crore

As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel are not separately determined and hence not included in the above amounts.

ii. Transactions with key management personnel including directors

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Dividend paid				
Dr A Velumani	7.40	14.81	-	-
A Sundararaju	0.12	0.25	-	-
Amruta Velumani	0.38	0.75	-	-
Assignment of trademark (see note (ii) below)				
Dr A Velumani	-	0.00	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

C. Related party transaction other than those with key management personnel

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Transfer of Whaters division				
Equinox Labs Private Limited	-	10.00	-	-
Subscription paid for equity shares				
Equinox Labs Private Limited	-	10.00	-	-
Revenue from operations				
Thyrocare Gulf Laboratories WLL	3.85	1.93	1.80	0.90
Provision for other than temporary diminution in the value of long-term investments				
Thyrocare International Holding Company Ltd, Mauritius	-	-	-	1.62
Provision for doubtful trade receivables				
Thyrocare Gulf Laboratories WLL	-	-	0.65	0.65
Loans to subsidiary				
Nueclear Healthcare Limited	14.50	24.50	39.00	24.50
Interest received				
Nueclear Healthcare Limited	3.24	0.92	-	-
Reimbursement of expenses paid				
Nueclear Healthcare Limited	1.01	0.44	-	-
Thyrocare Gulf Laboratories WLL	0.12	0.18	-	-
Reimbursement of expenses received				
Nueclear Healthcare Limited	0.16	0.08	-	-
Sumathi Construction Private Limited	-	0.05	-	-
Technical assistance fees income				
" Thyrocare International Holding Company Limited, Mauritius"	-	0.21	-	-
Thyrocare Gulf Laboratories WLL	0.98	0.43	2.03	0.43
Dividend paid				
Anand Velumani	0.32	0.63	-	-
Dr A Velumani HUF	0.46	0.91	-	-
A Sundararaju HUF	1.21	2.42	-	-
Sumathi Infra Project LLP	0.79	1.58	-	-
Mahima Advertising LLP	0.63	1.26	-	-
Thyrocare Properties & Infrastructure Private Limited	2.61	5.22	-	-
Thyrocare Publications LLP	3.27	6.53	-	-
Amount recovered/ recoverable				
Nueclear Healthcare Limited	-	8.28	-	-
Investment in equity instruments				
Equinox Labs Private Limited	-	20.00	20.00	20.00
Nueclear Healthcare Limited	-	-	194.67	194.67

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

	Transactions during the year		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
" Thyrocare International Holding Company Limited, Mauritius"	-	-	-	1.62
Security deposit taken				
Nueclear Healthcare Limited	-	1.15	1.15	1.15
Security deposit given				
Nueclear Healthcare Limited	-	-	0.19	0.19

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel entities.

ii. The Company was providing for royalty based on the terms of the agreement for using the trademark. During the previous year, as Dr. A. Velumani has decided to transfer the assigned trademark to the Company, he has decided to waive the royalty payable to him for use of the trademark until the transfer takes effect.

Further during the previous year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has tranferred the rights in the trademark - ""Whaters"" in favour of the company [subsequently disposed off with the water testing business], for a token money of INR 1. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to capital reserves as shareholder's contribution."

iii. Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed subsequent to 31 March 2019.

37 Additional information to the financial statements

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

		31 March 2019	31 March 2018
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.08	0.06
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

		31 March 2019	31 March 2018
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

b. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders during the Financial Year 2016-2017.The equity shares of the Company got listed on NSE and BSE on 9 May 2016."

c. In accordance with Indian Accounting Standard 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company. The Company has presented segment information in the consolidated financial statement which are presented in the same annual report.

d. The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2018. The Company will undertake a study for transactions upto 31 March 2019 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2018 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

e. The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

f. Pursuant to the IPO, in the year ended 31 March 2017, Agalia Private Limited ('APL' or the selling shareholder) divested part of its share-holding in the Company. At the instance of APL, the Company entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 30.49 crore were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts. During year ended 31 March 2019, the Company has incurred advertising costs aggregating to ₹ 0.00* crore (31 March 2018 : ₹ 2.19 crore) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to Capital Reserves to the extent of reimbursement received from APL post IPO.

	31 March 2019	31 March 2018
Advertisement expenses	-	2.19
(debited to Profit and Loss Account under exceptional items)		
Reimbursement received towards the above from shareholder	-	2.19
(added to the Capital Reserves as shareholder's contribution under IndAS)		

g. On 18 May 2019, the Board of directors has recommended a final dividend of ₹ 20/- per equity share for the financial year ended 31 March 2019. Post approval of proposed dividend by shareholders in the ensuing Annual General Meeting, there will be cash outflow of ₹ 129.46 crore including dividend distribution tax.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
as at 31 March 2019

In crore of INR

Name of party	Relationship	Amount outstanding as at		Maximum balance outstanding during the year	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Nueclear Healthcare Limited	Wholly owned subsidiary company	39.00	24.50	39.00	24.50

The above loan was given to the subsidiary for its business activities at an interest rate at 9% p.a. (31 March 2018 : 9% p.a.).

Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows :

(i) Details of investments made are given in Note 6 and Note 7.

(ii) Details of the loans given by the Company is given in Note 8A.

(iii) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

As per our report of even date

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

INDEPENDENT AUDITOR'S REPORT

To the Members of Thyrocare Technologies Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Thyrocare Technologies Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries, Nuclear Healthcare Limited and Thyrocare Employees Stock Option Trust (Holding Company and its subsidiaries together referred to as "the Group") and its associate, Equinox Labs Private Limited, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditors on the separate financial statements of such associate as was audited by the other auditors and the unaudited financial statements of the Thyrocare Employees Stock Option Trust as certified by Management, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31 March 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of the carrying value of goodwill in the Group's consolidated financial statements (See note 3(e) to the consolidated financial statements):

The Risk:

The consolidated balance sheet of the Group includes goodwill amounting to ₹ 106.86 crore as at 31 March 2019 (31 March 2018: ₹ 106.86 crore) that has arisen as a result of a past acquisition of a subsidiary company in the Group, Nueclear Healthcare Limited ('NHL'). Management has carried out the annual impairment assessment of goodwill as per Ind AS 36 'Impairment of Assets' and determined recoverable amount with the assistance of an independent valuer as the fair value less cost of disposal as this was higher than the value in use. The value in use was determined based on the business plan, using the discounted cash flow (DCF) model. Management determined fair value less cost of disposal based on an undertaking from a promoter of the Company.

We identified this as a KAM considering:

- there is a risk that the goodwill balance may not be recovered.
- the impairment testing involves complexity and significant judgement in evaluating underlying assumptions for estimating recoverable amount. The Discounted Cash Flow ("DCF") model is based on key assumptions such as probability of achieving future revenues, estimating growth rates and terminal value, as well as using an appropriate weighted average cost of capital (discount rate).

Our response:

In response to this area of focus, we performed the following procedures, amongst others:

— obtained an understanding of management's impairment assessment process and their determination of recoverable amount;

— assessed the value in use which included assessment of historical accuracy of management's assumptions and forecasts and review of documentation supporting key judgements;

— performed sensitivity analysis around the key assumptions, to ascertain the extent to which adverse changes, both individually or in aggregate, could impact the analysis;

— discussed management's strategic and operational plans for the foreseeable future; and

— sighted the undertaking provided by a promoter of the Company in this regard.

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (company and subsidiaries) as well as associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) The consolidated financial statements include the Group's share of net profit (and other comprehensive income) of ₹ 0.66 crores for the year ended 31 March 2019 in respect of the associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate, is based solely on the audit report of the other auditors.

(b) The financial statements of one subsidiary, Thyrocare Employees Stock Option Trust ('the Trust'), whose financial statements include total assets of ₹ 0.00 crores * as at 31 March 2019, total revenues of ₹ Nil and net cash flows amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. These unaudited financial statements have been furnished to us and certified by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements of such associate as was audited by other auditors and unaudited financial statements of the Trust, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of a subsidiary and associate incorporated in India, none of the directors of the Group companies and its associate is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary and associate incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of a subsidiary and associate and unaudited financial statements of the Trust, as noted in the 'Other Matters' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group and its associate, refer Note 37 to the consolidated financial statements.

   ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2019.

   iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary and associate incorporated in India during the year ended 31 March 2019.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under Section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company, Nueclear Healthcare Limited, to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its aforesaid subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us. Further, in our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of such associate incorporated in India which was not audited by us, the provisions of Section 197 of the Act are not applicable in case of the Trust and the aforesaid associate company. Accordingly, reporting under Section 197(16) of the Act is not applicable in respect of the Trust and the aforesaid associate.

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

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date: 18 May 2019

Annexure B to the Independent Auditor's report on the consolidated financial statements of Thyrocare Technologies Limited for the year ended 31 March 2019

Report on the internal financial controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of Thyrocare Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiaries and its associate, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies and its associate company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the associate in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statementss

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to the associate, which is a company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

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

Rajesh Mehra
Partner
Membership No. 103145

Place: Mumbai
Date: 18 May 2019

Consolidated Balance sheet

as at March 31, 2019

Currency: In crore of INR

	Note	31 March 2019	31 March 2018
Assets			
Non-current assets			
Property, plant and equipment	4	185.78	190.18
Capital-work-in progress	4	1.47	-
Goodwill on consolidation	3(e)	106.86	106.86
Other intangible assets	5	1.66	1.71
Equity-accounted investees	6	20.66	20.00
Financial assets			
Loans	8	4.19	3.31
Deferred tax assets (net)	9	5.14	5.23
Non-current tax assets	10	7.97	4.21
Other non-current assets	11	4.97	5.10
Total non-current assets		**338.70**	**336.60**
Current assets			
Inventories	12	18.08	17.05
Financial assets			
Investments	7	74.64	100.10
Trade receivables	13	12.16	9.84
Cash and cash equivalents	14	4.91	9.82
Other bank balances	14	4.69	2.04
Loans	8	0.07	0.02
Other financial assets	15	0.23	0.07
Other current assets	16	2.48	3.46
Assets held for sale	4	18.76	-
Total current assets		**136.02**	**142.40**
Total assets		**474.72**	**479.00**
Equity and liabilities			
Equity			
Equity share capital	17	52.79	53.72
Other equity	18	382.33	389.57
Equity attributable to owners of the Company		435.12	443.29
Non-controlling interests		-	-
Total equity		**435.12**	**443.29**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	2.50	-
Other financial liabilities	20A	9.79	10.08
Provisions	21A	6.72	5.33
Total non-current liabilities		**19.01**	**15.41**
Current liabilities			
Financial liabilities			
Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		0.07	0.02
- total outstanding dues of creditors other than micro enterprises and small enterprises		7.44	6.57
Other financial liabilities	20B	5.04	3.29
Current tax liabilities (net)	23	1.01	5.06
Provisions	21B	1.47	1.14
Other current liabilities	24	5.56	4.22
Total current liabilities		**20.59**	**20.30**
Total equity and liabilities		**474.72**	**479.00**
Significant accounting policies	2-3		
Notes to the Standalone Financial Statements	1-39		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

Consolidated Statement of Profit and Loss

for the year ended 31st March 2019

Currency: In crore of INR

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Revenue from operations	25	402.91	356.32
Other income	26	9.95	23.00
Total income		412.86	379.32
Expenses			
Cost of materials consumed	27a.	108.46	92.20
Purchases of stock-in-trade	27b.	2.33	2.41
Changes in inventories of stock-in-trade	27c.	(0.26)	0.37
Employee benefits expense	28	43.35	35.34
Finance cost		0.61	0.44
Depreciation and amortisation expense	4,5	26.17	20.10
Other expenses	29	94.80	81.29
Total expenses		**275.46**	**232.15**
Profit before exceptional items, share of profit of associate and income tax		137.40	147.18
Exceptional items	39e.	-	(2.19)
Share of profit in associate entity	6	0.66	-
Profit after exceptional items, share of profit of associate and before income tax		**138.06**	**144.99**
Tax expense:	30		
Current tax		52.90	52.36
Deferred tax		0.02	(0.65)
		52.92	**51.71**
Profit for the year		85.14	93.28
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on defined benefit plans		0.18	0.26
Income tax effect	9	(0.07)	(0.09)
Other comprehensive income for the year, net of income tax		0.11	0.17
Total comprehensive income for the year		**85.25**	**93.45**
Earnings per share [Nominal value of ₹ 10 each]:			
(a) Basic earnings per share (INR)	31(i)	**15.95**	**17.39**
(b) Diluted earnings per share (INR)	31(ii)	**15.91**	**17.34**
Significant accounting policies	2-3		
Notes to the Consolidated Financial Statements	1-39		

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

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Mumbai
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Consolidated Statement of Changes in Equity

for the year ended 31 March 2019

Currency: In crore of INR

a. Equity share capital

	Note	
Balance as at 1 April 2017		53.69
Changes in equity share capital during 2017-18	17	0.03
Balance as at the 31 March 2018		53.72
Changes in equity share capital during 2018-19	17	(0.93)
Balance as at the 31 March 2019		52.79

b. Other equity

	Note	Reserves and surplus						Total
		Capital reserve	Securities premium	Share options outstanding	General reserve	Capital redemption reserve	Retained earnings	
Balance as at 1 April 2017		27.54	123.29	5.04	9.17	-	189.08	354.12
Total comprehensive income for the year ended 31 March 2018								
Profit or loss		-	-	-	-	-	93.28	93.28
Other comprehensive income (net of tax)		-	-	-	-	-	0.17	0.17
Total comprehensive income		-	-	-	-	-	93.45	93.45
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Transfer of trademark by shareholder at no cost	18(a)	1.98	-	-	-	-	-	1.98
Exercise of employee stock options	18(c)	-	3.93	(3.93)	-	-	-	-
Capital contribution by reimbursement of expenses	18(a)	2.19	-	-	-	-	-	2.19
Employee stock option compensation expense for the year	18(c)	-	-	1.71	-	-	-	1.71
Final/Interim dividend on equity shares	18(e)	-	-	-	-	-	(53.72)	(53.72)
Dividend distribution tax	18(e)	-	-	-	-	-	(10.15)	(10.15)
Total contributions by and distributions to owners		4.17	3.93	(2.22)	-	-	(63.87)	(57.99)
Balance as at the 31 March 2018		**31.71**	**127.22**	**2.82**	**9.17**	**-**	**218.66**	**389.58**
Balance as at 1 April 2018		31.71	127.22	2.82	9.17	-	218.66	389.57
Total comprehensive income for the year ended 31 March 2019								
Profit or loss		-	-	-	-	-	85.14	85.14
Other comprehensive income (net of tax)		-	-	-	-	-	0.11	0.11
Total comprehensive income		-	-	-	-	-	85.24	85.25
Transaction with owners recorded directly in equity								
Contributions by and distributions to owners								
Exercise of employee stock options	18(c)	-	0.86	(0.86)	-	-	-	-
Buyback of shares	18(b)	-	(63.00)	-	-	0.96	-	(62.04)
Employee stock option compensation expense for the year	18(c)	-	-	1.93	-	-	-	1.93
Final/Interim dividend on equity shares	18(e)	-	-	-	-	-	(26.86)	(26.86)
Dividend distribution tax	18(e)	-	-	-	-	-	(5.52)	(5.52)
Total contributions by and distributions to owners		**-**	**(62.14)**	**1.07**	**-**	**0.96**	**(32.38)**	**(92.49)**
Balance as at the 31 March 2019		31.71	65.08	3.89	9.17	0.96	271.53	382.33

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
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For and on behalf of the Board of Directors of Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

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Mumbai
18 May 2019

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Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

Consolidated Statement of Cash Flows

for the year ended 31st March 2019

Currency: In crore of INR

		Note	Year ended 31 March 2019	Year ended 31 March 2018
A.	**Cash flows from operating activities**			
	Net profit before tax		138.06	144.99
	Adjustments for:			
	Depreciation and amortisation	4,5	26.17	20.10
	Exceptional items	39d	-	2.19
	Net (gain) on investments	26	(4.15)	(6.86)
	(Profit)/ Loss on sale of property, plant and equipment	26,29	(1.04)	0.02
	Unrealised gain on foreign exchange fluctuation		(0.01)	-
	Share of profit in associate entity		(0.66)	-
	Profit on disposal of business undertaking	26	-	(7.88)
	Provision for other than temporary diminution in the value of long-term investments	29	-	0.31
	Provision for doubtful receivables	29	0.47	-
	Provision for claims	26	-	(0.69)
	Financial assets mandatorily measured at FVTPL - net change in fair value	26	(0.06)	(0.06)
	Buyback of share expenses	29	0.78	-
	Finance cost		0.61	0.44
	Employee stock compensation expense	28	1.93	1.71
	Interest income	26	(0.60)	(0.50)
			23.44	**8.78**
	Operating profit before working capital changes		161.50	153.77
	(Increase) in Inventories	12	(1.03)	(2.56)
	(Increase) in Trade receivables	13	(2.79)	(3.72)
	(Increase) / Decrease in Loans and advances	8	(0.87)	6.35
	Decrease / (Increase) in Other assets	11,15,16	0.21	(0.12)
	Increase / (Decrease) in Trade payables	22	0.91	(0.13)
	Increase in Other liabilities	20B,,24	1.09	1.08
	Increase in Provisions	21B	**1.90**	**1.27**
			(0.58)	2.17
	Cash generated from operations		160.91	155.94
	Net income tax paid		(60.60)	(48.91)
	Net cash flows from operating activities (A)		100.31	107.03
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, additions to capital work in progress and capital advances	4,5	(40.25)	(43.65)
	Proceeds from sale of property, plant and equipment	5	1.34	0.02
	Purchase of equity shares in associate	6	-	(10.00)
	Purchase of current investments	7	(112.50)	(91.30)
	Proceeds from sale of current investments	7	140.68	97.92
	Dividend received	26	1.44	3.63
	Bank deposits (having original maturity of more than 3 months)	14	(2.65)	(0.13)
	Interest received	15,26	0.35	0.29
	Net cash (used in) investing activities (B)		**(11.59)**	**(43.22)**
C.	**Cash flows from financing activities**			

Currency: In crore of INR

	Note	Year ended 31 March 2019	Year ended 31 March 2018
Proceeds from issue of equity shares	17	0.04	-
Equity shares bought back	17	(63.00)	-
Buyback of shares - share issue expenses	29	(0.78)	-
Unsecured loan taken from related party	19	2.50	-
Dividend paid on equity shares	18(f)	(26.86)	(53.72)
Tax paid on dividend	18(f)	(5.52)	(10.15)
Interest paid		(0.01)	-
Net cash (used in) financing activities (C)		**(93.63)**	**(63.87)**
Net (Decrease)/ Increase in Cash and cash equivalents (A+B+C)		**(4.91)**	**(0.06)**
Cash and cash equivalents at the beginning of the year		9.82	9.88
Cash and cash equivalents at the end of the year		4.91	9.82
1 The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard 7, "Statement of cash flows".			
2 Reconciliation of cash and cash equivalents with the balance sheet :			
Particulars		31 March 2019	31 March 2018
Cash and cash equivalents (refer note 14)		4.91	9.82
Balance as per statement of cash flows		4.91	9.82
3 Reconciliation of movement of liabilities to cash flows from financing activities as per Ind AS 7 is as follows :			
Particulars		31 March 2019	31 March 2018
Opening borrowings		-	-
Proceeds from long-term borrowings		2.50	-
Repayment during the year		-	-
Closing borrowings		2.50	-

The accompanying notes form an integral part of the Consolidated Financial Statements.

As per our report of even date

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

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Partner
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18 May 2019

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Mumbai
18 May 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 March 2019

1. Reporting entity

Thyrocare Technologies Limited (the "Company") alongwith its subsidiaries Nueclear Healthcare Limited and Thyrocare Employees Stock Option Trust [collectively referred to as the "Group"], is one of India's leading healthcare services providers in diagnostic segment. The consolidated financial statements includes financial statements of the Company, its Subsidiaries and its associate, Equinox Labs Private Limited. The Group has a centralised fully automated diagnostic testing laboratory, regional processing laboratories, a medical cyclotron facility and PET-CT facilities across the country. The Company has been been incorporated under the provisions of the Companies Act in India and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Companies subsidiaries and associate are also domiciled in India.

2. Basis of preparation

A. Statement of compliance

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

The consolidated financial statements were authorized for issue by the Company's Board of Directors on 18 May 2019.

B. Functional and presentation currency

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

C. Basis of measurement

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

Items	Measurement basis
Certain financial assets	Fair value
Employee shared-based payments	Fair value
Liabilities for employee benefit obligations	Present value of defined benefit obligations

D. Use of estimates and judgments

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

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

Judgments

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

Note 3(e) - Impairment testing for goodwill generated on consolidation.

Note 25 – revenue recognition: whether the Group acts as a principal rather than as an agent in a transaction;

Note 36 – leases : whether an arrangement contains a lease and lease classification;

Note 39 (e) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are in the nature of a shareholder's contribution;

Assumptions and estimation uncertainties

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

Note 3(e) - Impairment testing for goodwill generated on consolidation;

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

Note 9 - recognition of deferred tax assets : availability of future taxable profit against which tax losses carried forward can be used;

Note 33 – measurement of defined benefit obligations : key actuarial assumptions;

Note 35 - fair value measurement of financial instruments; and

Note 37 – recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources.

E. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company, in some cases, makes use of valuation certificates obtained from third party professionals for determining significant fair value measurement.

The group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the group assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

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

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

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

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

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

- Note 4C – investment property;

- Note 34 – share-based payment arrangements; and

- Note 35 – financial instruments.

F. Principles of consolidation and equity accounting

i. Business combinations

"As part of its transition to Ind AS, the Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after 1 April 2016. In respect of business combinations, goodwill represents the amount recognised under the Group's previously accounting framework under indian GAAP."

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of acounting is used for business combination by the group.

The Group assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member in the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that member's financial statements in preparing the consolidated financial statements to ensure confirmity with the Group's accounting policies.

Consolidation procedure :

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.

(iii) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group.

iii. Non-controlling interests (NCI)

"NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions."

iv. Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

v. Equity accounted investees

"The Group's interests in equity accounted investees comprise interests in an associate. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associate is accounted for using the equity method. This is initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases."

vi. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3. Significant accounting policies

a. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

b. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

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

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

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

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

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non current.

Liabilities

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

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

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

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

(iv) the group does not have an unconditions right to defer settlement of liability for atlease twelve months from the reporting date.

All other liabilities are classified as non-current.

Operating Cycle

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

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

c. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities are translated at the exchange rate prevailing on the date of the transaction. Exchange differences are recognised in statement of profit or loss.

d. Financial instruments

i. Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

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

- amortised cost;

- FVOCI - equity investment; or

- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

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

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

-contingent events that would change the amount or timing of cash flows;

-terms that may adjust the contractual coupon rate, including variable interest rate features;

-prepayment and extension features; and

-terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest (Continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

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

Financial assets at amortised cost

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

Equity investments at FVOCI

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

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

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

iv. Offsetting

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

e. Goodwill on consolidation

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating units (CGUs) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

	As at 31 March 2019	As at 31 March 2018
Goodwill on consolidation		
Nueclear Healthcare Limited	106.86	106.86

The Group's goodwill on consolidation are tested for impairment annually or more frequently if there are indications that goodwill might be impaired.

"The recoverable amounts of the CGUs are determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the year. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market."

The Group prepares its cash flow forecasts based on the most recent financial budgets approved by management with projected revenue growth rates ranging from 20% to 25%. Growth rate used for extrapolation of cash flows beyond the period covered by the forecast is 0% to 2%.

"The rates used to discount the forecasted cash flows is 8% to 10%. Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount."

"The Group made an assessment of recoverable amount of the CGUs based on value-in-use calculations which uses cash flow projections based on financial budgets approved by management covering a five years period, as the Group believes this is to be most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows. Cash flows beyond the such period were extrapolated using estimate rates stated above. No impairment on goodwill was recognized during the current year or previous years."

Discount rates - Management estimates discount rates using pre-tax rates that reflects current market assessments of the risks specific to the CGU,taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the company and its operating segments and is derived from its weighted average cost of capital (WACC).

Growth rates - The growth rates are based on industry growth forecasts. Management determines the budgeted growth rates based on past performance and its expectations of market development. The weighted average growth rates used were consistent with industry reports.

f. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

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

iii. Subsequent expenditure

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

iv. Depreciation

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

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

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

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

v. **Reclassification to investment property**

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

e. **Other intangible assets**

Before transition to Ind AS, other intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. The intangible assets acquired by the Group, after transition to Ind AS are measured at fair value.

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

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

The estimated useful lives are as follows:

- Softwares - 5 years

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

h. **Inventories**

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

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

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

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

i. **Impairment**

i. **Impairment of financial instruments**

The Group recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost; and

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

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

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or being past due for 90 days or more;

- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

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

Write-off

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

ii. Impairment of non-financial assets

The Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are Companyed together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

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

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

j. Non-current assets, or disposal groups held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, and biological assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

k. Employee benefits

i. Short-term employee benefits

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

ii. Share-based payment transactions

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

iii. Defined contribution plans

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

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. **Defined benefit plans**

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

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

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. **Other long-term employee benefits**

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

vi. **Termination benefits**

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

l. **Provisions (other than for employee benefits)**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

m. **Revenue from operations**

The Group has initially applied Ind AS 115 'Revenue from contracts with customers' from 1 April 2018. Due to the transition methods chosen by the Group in applying this standard, comparative information throughout these financial statements has not been restated to reflect requirements of the new standard.

Ind AS 115 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces Ind AS 18 'Revenue' and Ind AS 11 'Construction Contracts'. Under Ind AS 115, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time requires judgement.

The Group has adopted Ind AS 115 using the cumulative effect method, with the effect of initially applying this standard recognised at the date initial application (i.e. 1 April 2018). Accordingly, the information presented for the comparative period 31 March 2018 has not been restated – i.e. it is presented, as previously reported under Ind AS 18 'Revenue'. Additionally, the disclosure requirements in Ind AS 115 have not generally been applied to comparative information.

Revenue includes only the gross inflows of economic benefits. It is measured based on the consideration specified in the contracts with customers. Amounts collected on behalf of third parties such as goods and services taxes are not economic benefits which flow to the entity and do not result in increases in equity. Therefore, they are excluded from revenue.

Revenue stream	Nature and timing of satisfying performance obligations, including signification payment terms	Revenue recognition under Ind AS 115 (applicable fro 1 April 2018)	Revenue recognition under Ind AS 18 (applicable before 1 April 2018)
Sale of Services	Customers obtain control of the service at the time of receipt of relevant test reports. Customers generally pay up from before availing diagnostic services of before undergoing scans and in case of tie-up customers, the credit period offered ranged from 15 days to 30 days. The Company generally does not have refund warranty obligations	Revenue from sale of testing services and imaging services is recognized at a point in tie one the testing samples are processed or requisitioned diagnostic tests or scan is performed respectively.	Revenue from sale of testing services is recognized once the testing samples are processed for requiitioned diagnostic tests or scan is performed respectively
Sale of goods	Customers obtains control of goods when the goods are delivered to the customer's premise of other agreed upon delivery point where the customer takes control of the goods. The Credit period offered ti customers generally ranged from 30 days to 90 days. The Company generally does not have refund warranty obligations.	Revenue is recognized at a point in time when the goods are delivered at the agreed point of delivery which generally is the premises of the customer.	Revenue was recognized when all significant risks and rewards of ownership in the goods were transferred to the customer and there is no continuing effective control over managerial involvement with the goods and the amount of revenue could be measured reliably and recovery o consideration was probable

The adoption of Ind AS 115 has not had a significant effect on the Group's accounting policies related to revenue.

Revenue from technical assistance and trade mark assignment is recognised once the Company's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trademark is recognised as an agreed percentage of the turnover of the respective entities, as per the terms of the respective agreements.

n. Leases

i. Determining whether an arrangement contains a lease

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

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

ii. **Assets held under leases**

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

iii. **Lease payments**

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

o. **Recognition of rental income, dividend income, interest income or expense**

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

"The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability."

p. **Income tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. **Current tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. **Deferred tax**

"Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:
- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill."

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

q. Discontinued operations

A discontinued operation is a component of the Group's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

r. Events after reporting date

Where events occuring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s. Recent accounting pronouncements

Standards issued but not yet effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019, notifying Ind AS 116 Leases and certain other amendments to the Indian Accounting Standards. These amendments are applicable to the Company from 1 April 2019. The Company will be adopting the relevant amendments from their effective date

a) Ind AS 116 Leases

The Group is required to adopt Ind AS 116, Leases from 1 April 2019. The Group has assessed the estimated impact that initial application of Ind AS 116 will have on its consolidated financial statements, as described below. The actual impacts of adopting the standard on 1 April 2019 may change because the new accounting policies are subject to change until the Group presents its first financial statements that include the date of initial application.

Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. Intermediate lessor shall classify the sublease by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. It replaces existing leases guidance, Ind AS 17, Leases.

i. Leases in which the Company is a lessee

The Group will recognise new assets and liabilities for its operating leases of regional processing laboratories, imaging centers and offices. The nature of expenses related to those leases will now change because the Group will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities.

Previously, the Group recognised operating lease expense on a straight-line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

On the date of transition to Ind AS 116, there were no leases that were classified as finance lease as per Ind AS 17."

Based on the information currently available, the Group estimates that it will recognise additional lease liabilities of INR 16.60 crore as at 1 April 2019. The Group does not expect the adoption of Ind AS 116 to impact its ability to comply with the revised maximum leverage threshold loan covenant.

ii. Transition

The Company plans to apply Ind AS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting Ind AS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply Ind AS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with Ind AS 17.

b) Other standards/amendments

The following amended standards and interpretations are not expected to have a significant impact on the Company's financial statements:

"- Appendix C to Ind AS 12, Income taxes

-Amendments to Ind AS 103, Business Combinations

-Amendments to Ind AS 109, Financial Instruments

- Amendments to Ind AS 111, Joint Arrangements

-Amendments to Ind AS 19, Employee Benefits

-Amendments to Ind AS 23, Borrowing Costs

-Amendments to Ind AS 28, Investments to Associates and Joint Ventures."

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

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

See accounting policies in Notes 3(d) and 3(f)

	Gross Block					Accumulated depreciation					Net Block		
	Balance as at1 April 2018Balance as at1 April 2017 (deemed cost)	Addition	Disposal	Reclassi-fication to assets held for sale**	Balance as at31 March 2019Balance as at31 March 2018	Balance as at1 April 2018Balance as at1 April 2017	Depreciation/ amortisation expense for the year	On Disposals	Transfer on reclassi-fication to assets held for sale**	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2018Balance as at 31 March 2017
	₹	₹	₹		₹	₹	₹	₹		₹	₹	₹
A Property, plant and equipment												
Leasehold Land	23.79		-	(4.44)	19.35	0.82	0.33	-	(0.18)	0.97	18.38	22.97
	23.79	-	-	-	23.79	0.42	0.40	-	-	0.82	22.97	23.37
Freehold Land	16.62	-	-	-	16.62	-	-	-	-	-	16.62	16.62
	2.70	13.92	-	-	16.62	-	-	-	-	-	16.62	2.70
Buildings/ Premises	76.83	-	(0.32)	(16.47)	60.04	6.90	2.70	(0.04)	(1.56)	8.00	52.04	69.93
	71.15	5.68	-	-	76.83	3.47	3.43	-	-	6.90	69.93	67.68
Plant and Equipment	92.33	29.66	-	-	121.99	21.93	17.65	-	-	39.58	82.41	70.40
	58.73	35.76	(2.16)	-	92.33	9.91	12.73	(0.71)	-	21.93	70.40	48.82
Furniture and Fixtures	11.49	6.18	-	-	17.67	4.12	2.33	-	-	6.45	11.22	7.37
	8.68	2.84	(0.03)		11.49	2.28	1.85	(0.01)	-	4.12	7.37	6.40
Vehicles	0.66	0.19	(0.17)	-	0.68	0.20	0.20	(0.17)	-	0.23	0.45	0.46
	0.56	0.25	(0.15)	-	0.66	0.19	0.14	(0.13)	-	0.20	0.46	0.37
Office equipment	3.25	2.17	-	-	5.42	1.63	0.87	-	-	2.50	2.92	1.62
	2.24	1.02	(0.01)	-	3.25	0.99	0.65	(0.01)	-	1.63	1.62	1.25
Computers printers and scanners	1.77	2.26	-	-	4.03	0.96	1.33	-	-	2.29	1.74	0.81
	1.03	0.74	-	-	1.77	0.46	0.50	-	-	0.96	0.81	0.57
Total	226.74	40.46	(0.49)	(20.91)	245.80	36.56	25.41	(0.21)	(1.74)	60.02	185.78	190.18
	168.88	60.21	(2.35)	-	226.74	17.72	19.70	(0.86)	-	36.56	190.18	151.16
B Capital-work-in progress											1.47	-
											-	-

Figures in italic pertains to previous year.

Note:

"Transfer of business undertaking

The Group, pursuant to business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block and the accumulated depreciation thereon. The profit aggregating to INR 7.89 crore has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss was INR 0.29 crore for the year ended 31 March 2018. "

	Gross Block					Accumulated depreciation				Net Block		
	Balance as at1 April 2018Balance as at1 April 2017 (deemed cost)	Addition	Disposal	Reclassi-fication to assets held for sale**	Balance as at31 March 2019Balance as at31 March 2018	Balance as at1 April 2018Balance as at1 April 2017	Depreciation/ amortisation expense for the year	On Disposals	Transfer on reclassi-fication to assets held for sale**	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2018Balance as at 31 March 2017
	₹	₹	₹		₹	₹	₹	₹		₹	₹	₹
C Assets held for sale												
Leasehold Land	-	-	-	4.44	4.44	-	0.04	-	0.18	0.22	4.22	-
	-	-	-	-	-	-	-	-	-	-	-	-
Buildings/ Premises	-	-	-	16.47	16.47	-	0.37	-	1.56	1.93	14.54	-
	-	-	-	-	-	-	-	-	-	-	-	-
Total assets held for sale	-	-	-	20.91	20.91	-	0.41	-	1.74	2.15	18.76	-
	-	-	-	-	-	-	-	-	-	-	-	-

Note

"** Assets held for sale

During the year ended 31 March 2019, the Company has reclassifed certain leasehold land and builing premises to assets held for sale. Efforts to sell the said assets have started and the sale is expected to be completed by 31 March 2020. "

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 March 2019

5 Other intangible assets

See accounting policy in Note 3(e)

	Gross Block					Accumulated depreciation				Net Block		
	Balance as at1 April 2018Balance as at1 April 2017 (deemed cost)	Addition	Disposal	Other adjust-ments	Balance as at31 March 2019Balance as at31 March 2018	Balance as at1 April 2018Balance as at1 April 2017	Depreciation/ amortisation expense for the year	Disposals	Other adjust-ments	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2019Balance as at 31 March 2018	Balance as at31 March 2018Balance as at 31 March 2017
	₹	₹	₹		₹	₹	₹	₹		₹	₹	₹
Computer software	0.98	0.30	-	-	1.28	0.58	0.20	-	-	0.78	0.50	0.40
	0.98	-	-	-	0.98	0.33	0.25	-	-	0.58	0.40	0.65
Trademark *	1.46	-	-	-	1.46	0.15	0.15	-	-	0.30	1.16	1.31
	-	1.98	0.52	-	1.46	-	0.15	-	-	0.15	1.31	-
Total intangible assets	2.44	0.30	-	-	2.74	0.73	0.35	-	-	1.08	1.66	1.71
	0.98	1.98	0.52	-	2.44	0.33	0.40	-	-	0.73	1.71	0.65

Figures in italic pertains to previous year.

* During the previous year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - “Whaters” in favour of the Company [subsequently disposed off with the water testing business], for a token money of INR 1. The fair value of the trademark on the date of assignment was capitalised by crediting the fair value to capital reserves as shareholder’s contribution.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

6 Equity accounted investees

	31 March 2019	31 March 2018
Interest in associates		
Equity shares (unquoted) 429,185 (31 March 2018 : 429,185) equity shares of Equinox Laboratories Private Limited	20.66	20.00
5,440 (31 March 2018) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	1.61	1.61
Less : Provision for other than temporary diminution in the value of investments [see Note 39(h)]	(1.61)	(1.61)
	20.66	**20.00**

Associates

Equinox Laboratories Private Limited (Equinox)

The Group had acquired 30% stake in Equinox Laboratories Private Limited (Equinox) vide the terms of the Share Subscirption and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 3 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash. Equinox is domiciled in India and engaged in the business of testing and analysis of food, water and air samples. The information for the year ended 31 March 2018 presented below in the table includes the results of Equinox for the period from 24 March 2018 to 31 March 2018.

	31 March 2019	31 March 2018
Ownership interest		
Carrying amount of assets and liabilities of the associate entity as per its standalone financial statements:		
Non-current assets	24.14	11.43
Current assets	6.86	13.70
Non-current liabilities	(6.01)	2.99
Current liabilities	(1.71)	1.06
Net assets (100%)	23.28	29.18
Group's share of net assets (based on carrying amount as per associate's financial statements)	**6.98**	**8.73**
Revenue	**14.76**	**4.25**
Profit	**2.21**	**0.08**
Other comprehensive income	**-**	**-**
Total comprehensive income	**2.21**	**0.08**
Group's share of Profit (30%) *	**0.66**	**-**
Group's share of OCI (30%)	**-**	**-**
Group's share of total comprehensive income	**0.66**	**-**

	31 March 2019	31 March 2018
Reconciliation of investments in associates		
Opening balance	20.00	-
Acquistion during the year	-	20.00
Share of (loss)/profit *	0.66	-
Share of other comprehensive income	-	-
Closing balance	**20.66**	**20.00**

"* The Group had not recognised the profit amounting to INR 0.001 crore in the previous year, since the management believes that this amount is insignificant/ immaterial to the Group."

Thyrocare International Holding Company, an associate, incorporated in Republic of Mauritius, was in the process of liquidation and the process of liquidation has been completed subsequent to 31 March 2019.

During the year ended 31 March 2019 and 31 March 2018, the Group did not receive any dividend from its associates.

The associate does not have any contingent liabilities and capital commitments as at 31 March 2019 and 31 March 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

7 Investments

	31 March 2019	31 March 2018
Current investments		
Investments in Mutual Funds (Quoted) measured at FVTPL	74.64	100.10
	74.64	100.10
Aggregate amount of quoted investments - At cost	72.29	93.96
Aggregate amount of quoted investments - At market value	74.64	100.10

8 Loans

(unsecured considered good unless otherwise stated)

	31 March 2019	31 March 2018
A Non-current loans and advances		
Security deposits		
To related parties	1.58	1.27
To parties other than related parties	2.61	2.04
	4.19	**3.31**
B Current loans and advances		
Security deposits		
To parties other than related parties	0.04	0.02
Loans and advances to employees	0.03	-
	0.07	**0.02**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

9 Recognised deferred tax assets and liabilities

A. Deferred tax assets and liabilities are attributable to the following :

	Deferred tax assets		Deferred tax (liabilities)		Net deferred tax assets/ (liabilities)	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Property, plant and equipment/ Intangible assets/ Investment property	-	-	(5.62)	(4.66)	(5.62)	(4.66)
Intangible assets	-	-	(0.14)	(0.28)	(0.14)	(0.28)
Investments at fair value through profit or loss	-	-	(1.17)	(2.03)	(1.17)	(2.03)
Provisions - employee benefits	3.03	2.12	-	-	3.03	2.12
Provisions - others	-	0.01	(0.02)	-	(0.02)	0.01
Other items	0.34	-	-	(0.31)	0.34	(0.31)
Tax losses carried forward	8.20	9.86	-	-	8.20	9.86
MAT entitlement carried forward	0.52	0.52	-	-	0.52	0.52
Net deferred tax (assets) liabilities	12.09	12.51	(6.95)	(7.28)	5.14	5.23

B. **Movement in temporary differences**

	Balance as at 1 April 2017	Recognised in profit or loss during 2017-2018	Recognised in OCI during 2017-2018"	Balance as at 31 March 2018	Recognised in profit or loss during 2018-2019	Recognised in OCI during 2018-2019	Balance as at 31 March 2019
Property, plant and equipment/ Intangible assets/ Investment property	(5.20)	0.54	-	(4.66)	(0.96)		(5.62)
Intangible assets	(0.14)	(0.14)	-	(0.28)	0.14		(0.14)
Investments at fair value through profit or loss	(1.60)	(0.43)	-	(2.03)	0.86		(1.17)
Provisions - employee benefits	2.07	0.14	(0.09)	2.12	0.98	(0.07)	3.03
Provisions - others	0.07	(0.06)	-	0.01	(0.03)		(0.02)
Other items	0.31	(0.62)	-	(0.31)	0.65		0.34
Tax losses carried forward	8.64	1.22	-	9.86	(1.66)		8.20
MAT entitlement carried forward	0.52	-	-	0.52	-		0.52
	4.67	**0.65**	**(0.09)**	**5.23**	**(0.02)**	**(0.07)**	**5.14**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

10 Non-current tax assets

	31 March 2019	31 March 2018
See accounting policy in Note 3(p)		
Advance income tax (net of provision for tax)	7.97	4.21
	7.97	**4.21**

11 Other non-current assets

	31 March 2019	31 March 2018
Capital advances	1.13	2.00
Prepaid expenses	0.24	0.23
Balance with government authorities	1.48	0.52
Advances for supply of goods	2.12	2.35
	4.97	**5.10**

12 Inventories

	31 March 2019	31 March 2018
See accounting policy in Note 3(h)		
Reagents, diagnostic material and consumables	17.78	17.01
Stock-in-trade (acquired for trading)	0.30	0.04
	18.08	17.05

13 Trade receivables

	31 March 2019	31 March 2018
Trade receivables - Non-current		
Credit impaired	0.77	0.30
Less : Provision for bad and doubtful debts	(0.77)	-
	-	0.30
Trade receivables - Current		
Secured, considered good	2.74	2.56
Unsecured, considered good	9.42	6.98
	12.16	**9.54**
	12.16	**9.84**
Trade receivables from related parties (refer Note 38)	3.18	0.68

14 Cash and bank balances

	31 March 2019	31 March 2018
Cash and cash equivalents		
Cash on hand	0.08	0.02
Balances with banks		
in current accounts	4.83	9.80
	4.91	9.82
Other bank balances		
in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date)	4.69	2.04
	9.60	11.86

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

15 Other financial assets - Current

	31 March 2019	31 March 2018
Other receivables	0.02	-
Interest accrued on deposits	0.21	0.07
	0.23	**0.07**

16 Other current assets

	31 March 2019	31 March 2018
Advances for supply of goods and services	1.59	1.85
Prepaid expenses	0.89	1.61
	2.48	**3.46**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

17 Share capital

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a) Authorised				
Equity shares of ₹ 10 each with equal voting rights	1,00,000	100.00	1,00,000	100.00
(b) Issued, subscribed and paid-up				
Equity shares of ₹ 10 each with equal voting rights	52,799	52.80	53,724	53.72
Less : Issued, subscribed and paid-up share capital for Equity shares of ₹ 10 each with equal voting rights held by Employees Stock Option Trust ('Trust')	(3.05)	-0.01	(3.05)	(0.00)*
Total	52,795.56	52.79	53,720.49	53.72

* amount less than ₹ 1 Lakh

All issued shares are fully paid-up

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

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
Equity shares				
At the commencement of the year	53,724	53.72	53,723.53	53.72
Shares issued on exercise of employee stock options	33.97	0.04	-	-
Shares bought back	(958.90)	(0.96)	-	-
Less: Equity shares held by Trust	(3.05)	(0.01)	(3.05)	(0.00)*
At the end of the year	**52,796**	**52.79**	**53,723.53**	**53.72**
Issued and subscribed share capital	52,795.56	52.79	53,723.53	53.72

The Group has also issued share options plan for its employees. (see Note 34)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

"**Employee stock option plan** Terms attached to stock options granted to employees are described in Note 34 regarding share-based payments."

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

"**Equity shares bought back** During the year ended 31 March 2019, the Company bought back 958,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018."

Particulars of shareholders holding more than 5% shares of a class of shares

	31 March 2019		31 March 2018	
	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -				
Dr A Velumani	14,809	28.05%	14,809	27.57%
Thyrocare Publications LLP (formerly known as "Thyrocare Publications Private Limited")	6,535	12.38%	6,535	12.16%
Thyrocare Properties & Infrastructue Private Limited	5,218	9.88%	5,218	9.71%

Shares reserved for issue under options

	31 March 2019		31 March 2018	
	Number of shares	Amount	Number of shares	Amount
a. Under Employees Stock Option Scheme, 2018 - at an exercise price of INR 10 per share (see Note 34)	40,452		-	-
b. Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 34)	47,610	0.04	47,610	0.05
c. Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 34)	42,100	0.05	42,100	0.04
d. Under Employees Stock Option Scheme, 2015 - at an exercise price of INR 10 per share (see Note 34)	-	0.04	34,714	0.03

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

a. Below is a summary of the equity shares alloted by the Company pursuant to various ESOP plans for consideration other than cash (except for the face value of shares that has been recovered in case:

	31 March 2019	31 March 2018
Number of shares alloted pursuant to ESOP schemes	33,973	33,650

b. During the year ended 31 March 2015, the Company allotted 37,383,507 equity shares of INR 10/- each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of INR 37.08 crore and capital redemption reserve of INR 0.30 crore.

c. During the years 31 March 2016 and 31 March 2015, the Company allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

18 Other equity

	31 March 2019	31 March 2018
(a) Capital reserve		
At the commencement and end of the year	31.71	27.54
Transfer of trademark by shareholder at no cost	-	1.98
Capital contribution by reimbursement of expenses	-	2.19
At the end of the year	**31.71**	**31.71**
(b) Securities premium		
At the commencement of the year	127.22	123.29
Transfer on exercise of stock option	0.86	3.93
Shares bought back	(63.00)	-
At the end of the year	**65.08**	**127.22**
(c) Share options outstanding		
At the commencement of the year	2.82	5.04
Employee compensation expense for the year	1.93	1.71
Transfer on exercise of stock option	(0.86)	(3.93)
At the end of the year	**3.89**	**2.82**
(d) General reserve		
At the commencement of the year	9.17	9.17
(e) Capital redemption reserve		
At the commencement of the year	-	-
Equity shares bought back	0.96	-
At the end of the year	0.96	-
(f) Retained earnings		
At the commencement of the year	218.65	189.07
Profit for the year including other comprehensive income	85.25	93.45
Appropriation		
Final/ Interim dividend on equity shares	(26.86)	(53.72)
Dividend distribution tax	(5.52)	(10.15)
At the end of the year	271.52	218.65
	382.33	**389.57**

Capital reserve Capital reserve represent the premium received in business combinations and to record the shareholder's contribution for consideration other than cash."

Securities premium Securities premium represent the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account The group has established various equity-settled share-based payment plans for certain categories of employees of the Group. The balance in the share option outstanding account represents the expenses recorded pursuant to the aforesaid schemes for which the options are not yet vested or exercised. (See Note 34 for further details on these plans).

General reserve General reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 201.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

Capital redemption reserve The Company bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018 and as per the provisions of the Companies Act, 2013, the Capital redemption reserve is used to record the reduction of the share capital of the Company on account of equity shares bought back out of the accumulated profits. It is created in accordance with the provisions of the Companies Act, 2013."

Dividends The following dividends were declared and paid by the Company during the year :

	31 March 2019	31 March 2018
Interim dividend **INR Nil per equity share (31 March 2018 : INR 5/- per equity share)**	-	26.86
Final dividend of previous financial yea INR 5/- per equity share (31 March 2017 : INR 5/- per equity share)	26.87	26.86
Dividend distribution tax on dividend to equity shareholders	5.53	5.47

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends would attract dividend distribution tax when declared or paid.

	31 March 2019	31 March 2018
INR 20 per equity share (31 March 2018 : INR 5 per equity share)	105.60	26.87

19 Borrowings

	31 March 2019	31 March 2018
Unsecured loan from related party (refer note 38)	2.50	-
	2.50	**-**

Note:
The loan from related party is unsecured and carries an interest rate of 9% p.a. The loan is repayable at the end of 5 years.

19 Other financial liabilities

	31 March 2019	31 March 2018
A **Non-current**		
Security deposits taken		
from parties other than related parties	9.79	10.07
Others	-	0.01
	9.79	**10.08**

* amount less than ₹ 1 Lakh

	31 March 2019	31 March 2018
B **Current**		
Security deposits received		
from parties other than related parties	0.27	0.55
Employees dues	3.48	2.56
Creditors for capital goods	1.26	0.15
Unclaimed dividend	0.03	0.03
	5.04	**3.29**

Investor Education and Protection Fund ('IEPF') - As at 31 March 2019 (31 March 2018 : INR Nil) there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

21 Provisions

See accounting policy in Note 3(k) and 3(l)

	31 March 2019	31 March 2018
A Non-current provisions		
Provision for employee benefits:		
Provision for compensated absences	5.13	3.99
Provision for gratuity (refer note 33)	1.59	1.34
Others		
Provision for claims		
Opening Balance	-	0.66
Less: Claim adjusted	-	(0.66)
	6.72	**5.33**

	31 March 2019	31 March 2018
B Current provisions		
Provision for employee benefits:		
Provision for bonus	0.81	0.63
Provision for compensated absences	0.64	0.48
Provision for gratuity (refer note 33)	0.02	0.02
Others		
Provision for refundable staff security deposits	-	0.01
	1.47	**1.14**

22 Trade payables

	31 March 2019	31 March 2018
Trade Payables		
-total outstanding dues of micro enterprises and small enterprises (See Note 39 (a))	0.07	0.02
-total outstanding dues of creditors other than micro enterprises and small enterprises	7.44	6.57
	7.51	**6.59**

23 Current tax liabilities (net)

	31 March 2019	31 March 2018
See accounting policy in Note 3(p)		
Provision for current tax (net of advance tax and tax deducted at source)	1.01	5.06
	1.01	**5.06**

24 Other current liabilities

	31 March 2019	31 March 2018
Contract liabilities	4.56	3.21
Statutory dues *	1.00	1.01
	5.56	**4.22**

* Statutory dues include goods and service tax, tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

			Year ended 31 March 2019	Year ended 31 March 2018
25	**Revenue from operations**			
	Sale of products (See Note (i) below)		4.48	4.27
	Sale of services (See Note (ii) below)		394.90	346.20
			399.38	**350.47**
	Other operating revenue		3.53	5.85
		Total	**402.91**	**356.32**
	Note:			
	(i)	Sale of products comprises :		
		Manufactured goods		
		Radioactive pharmaceutical (FDG)	2.16	1.43
		Traded goods		
		Glucose strips/ Gluco meter	2.32	2.84
		Total	**4.48**	**4.27**
	*	The Goods and Service Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of manufactured/ traded goods are excluding GST.		
	(ii)	Sale of services comprises :		
		Diagnostic Services	354.44	313.03
		Sale of consumables for providing diagnostic services	10.81	10.46
		Imaging Services	29.65	22.71
		Total	**394.90**	**346.20**

			Year ended 31 March 2019	Year ended 31 March 2018
26	**Other income**			
	Interest income (See Note (i) below)		0.60	0.50
	Net gain on investments		4.15	6.86
	Technical assistance/ trade mark assignment fees		1.02	0.62
	Profit on disposal of business undertaking		-	7.88
	Financial assets at FVTPL - net change in fair value :			
	Financial assets at FVTPL - net change in fair value :			
		Mandatorily measured at FVTPL - others	0.06	0.06
	Others (See Note (ii) below)		4.12	7.08
			9.95	**23.00**
	Note:			
	(i)	Interest income comprises:		
		Interest from banks on deposits	0.20	0.13
		Interest on income tax refund	0.10	-
		Interest on deposit for electricity	0.06	0.09
		Others	0.24	0.28
		Total - Interest income	0.60	0.50
	(ii)	Others comprises:		
		Net gain on sale of property, plant and equipment	1.04	-
		Excess provision written back	-	0.69
		Miscellaneous income	3.08	6.39
		Total - Others	**4.12**	**7.08**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

			Year ended 31 March 2019	Year ended 31 March 2018
27	a.	**Cost of materials consumed**		
		Opening stock	17.01	14.09
		Add: Purchases	109.23	95.12
			126.24	**109.21**
		Less: Closing stock	17.78	17.01
		Cost of material consumed	108.46	92.20
		Material consumed comprises:		
		Reagents/ Diagnostics material	94.71	79.68
		Radiopharmaceuticals	1.46	0.85
		Consumables - laboartory	7.01	7.00
		Consumables - processing	5.28	4.67
			108.46	**92.20**
27	b.	**Purchases of stock-in-trade**		
		Glucose strips/ Gluco meter	2.33	2.41
			2.33	**2.41**
27	c.	**Changes in inventories of stock-in-trade**		
		Inventories at the end of the year:		
		Glucose strips/ Gluco meter	0.30	0.04
			0.30	**0.04**
		Inventories at the beginning of the year:		
		Glucose strips/ Gluco meter	0.04	0.41
			0.04	**0.41**
		Net change	(0.26)	0.37

		Year ended 31 March 2019	Year ended 31 March 2018
28	**Employee benefits expense**		
	Salaries, wages and bonus	34.28	27.81
	Contributions to provident and other funds	3.45	2.61
	Employees stock compensation expense	1.93	1.71
	Gratuity	0.45	0.53
	Compensated absences	1.67	1.47
	Staff welfare expenses	1.57	1.21
		43.35	**35.34**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

		Year ended 31 March 2019	Year ended 31 March 2018
29	**Other expenses**		
	Outlab processing	1.70	1.80
	Power and fuel and water	7.77	6.68
	Rent	13.05	13.42
	Repairs and maintenance - Buildings	2.32	1.27
	Repairs and maintenance - Machinery	3.98	2.21
	Repairs and maintenance - Others	0.29	0.06
	Insurance	0.07	0.09
	Rates and taxes	2.36	1.34
	Communication	1.15	0.82
	Service charges	15.06	14.13
	Postage and courier	4.16	3.46
	Printing and stationery	3.20	3.37
	Sales incentive	12.61	9.59
	Advertisement expenses	5.66	5.19
	Business promotion	5.71	5.09
	Legal and professional fees	11.30	7.20
	Provision for other than temporary diminution in the value of long-term investments	-	0.31
	Net loss on sale of property, plant and equipment	-	0.02
	Loss on foreign exchange fluctuation (net)	0.03	0.68
	Provision for doubtful debts	0.47	-
	Corporate social responsibility	1.00	2.00
	Buyback of share expenses	0.78	-
	Miscellaneous expenses	2.13	2.56
		94.80	**81.29**

		Year ended 31 March 2019	Year ended 31 March 2018
30	**Income tax**		
	See accounting policy in Note 3(p)		
	A. Amount recognised in profit or loss		
	Current tax		
	Current period (a)	52.90	52.36
	Changes in estimates related to prior years (b)	-	-
	Deferred tax (c)		
	Attributable to -		
	Origination and reversal of temporary differences	0.02	(0.65)
	Tax expense (a)+(b)+(c)	**52.92**	**51.71**
	B. Amount recognised in other comprehensive income		
	Re-measurement gains/ (losses) on defined benefit plans	0.07	0.09
	Tax expense in other comprehensive income	0.07	0.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

C. Reconciliation of effective tax rate

	Year ended 31 March 2019		Year ended31 March 2018	
Profit before tax	137.40		144.99	
Tax using the Group's domestic tax rate	48.01	34.94%	50.18	34.61%
Effect of :				
Income which is taxed at special rates	-	0.0%	(0.66)	-0.5%
Non-deductible expenses (net)	7.17	5.2%	1.71	1.2%
Tax exempt income	(0.50)	-0.4%	(1.26)	-0.9%
Tax on income not credited to profit and loss account	-	0.0%	1.34	0.9%
Others	(1.77)	-1.3%	0.39	0.3%
Effective tax rate	52.91	38.5%	51.71	35.7%
	-	-		-
	52.91	38.5%	51.71	35.7%

			Year ended 31 March 2019	Year ended 31 March 2018
31	Earnings per share			
	(i)	Basic		
		Net profit for the year attributable to equity shareholders	85.14	93.28
		Weighted average number of equity shares outstanding during the year	53,387,162	53,723,533
		Face value per share ₹	10	10
		Earnings per share - Basic (₹)	15.95	17.39
	(ii)	Diluted		
		Net profit for the year attributable to equity shareholders	85.14	93.28
		Weighted average number of equity shares for Basic EPS	53,387,162	53,723,533
		Add: Equity shares reserved for issuance on ESOP	118,224	124424
		Weighted average number of equity shares - for diluted EPS	53,505,386	53,847,957
		Face value per share ₹	10	10
		Earnings per share - Diluted (₹)	15.91	17.34

32 Operating segments

A. Basis for segmentation

"An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance. The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's CEO reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments :"

Reportable segments	Operations
Diagnostic Testing Services	Diagnostic and testing services, selling of consumables used for collection and promotion of pathology segment
Imaging Services	Diagnostic and imaging services, selling of radio-pharmaceutical, selling of consumables for reporting
Others: Sale of testing equipment and consumables	Selling of glucometer and glucostrips under the brand name Sugarscan

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

B. Information about reportable segments

"Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis. The Group operates from its centralised laboratory, regional processing laboratories, medical cyclotron facility, PET-CT centres and corporate office in India and therefore does not have much of its operations in economic environments with different risks and returns, hence considering its operation from single geographical segment, the Company has not recognised geographical segment as its secondary segment for reporting."

	Reportable segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
Segment revenue	368.11	32.64	2.16	402.91
	328.95	24.52	2.85	356.32
Total segment revenue	**368.11**	**32.64**	**2.16**	**402.91**
	328.95	24.52	2.85	356.32
Segment profit (loss) before income tax	**135.59**	**(5.86)**	**0.08**	**129.81**
	137.47	0.06	0.07	137.60
Unallocable income net off other unallocable expenditure				7.70
				9.58
Profit before exceptional items and income tax				137.51
				147.18
Exceptional items				(0.00)
				(2.19)
Segment assets	**149.91**	**108.65**	**0.65**	**259.21**
	131.85	99.52	0.71	232.08
Unallocable assets				215.62
				246.92
Total assets				474.83
				479.00
Segment liabilities	**29.86**	**6.17**	**0.02**	**36.05**
	22.56	5.22	0.07	27.85
Unallocable liabilities				3.55
				7.84
Total liabilities				39.60
				35.69
Other information				
Capital expenditure (allocable)	**20.36**	**19.85**	**-**	**40.21**
	25.08	18.56	-	43.64

Note : Figures in italic relates to the previous year 31 March 2018

The testing and imaging services to patients and sale of pharmaceuticals to customers are primarily in India and hence information about geographical areas of the operations was not disclosed seperately by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

33 Employee benefits

A. Defined contribution plans

The Group makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised INR 2.55 crore (31 March 2018 : INR 1.93 crore) for Provident Fund contributions, INR 0.88 crore (31 March 2018 : INR 0.67 crore) for ESIC contributions and INR 0.02 crore for Maharashtra Labour Welfare Fund (31 March 2018 : INR 0.01 crore) in the Statement of Profit and Loss during the year (See note 28). The contributions payable to these plans by the Group are at rates specified in the rules of the schemes. The Group does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Group offers the following employee benefit schemes to its employees :

- Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

		31 March 2019	31 March 2018
a.	**Components of defined benefit plan expense**		
i.	Expenses recognised in profit or loss		
	Current service cost	0.35	0.31
	Interest cost	0.10	0.08
	Past service cost	-	0.13
	Total expense recognised in the Statement of Profit and Loss	**0.45**	**0.52**
ii.	Expenses recognised in other comprehensive income		
	Actuarial (gain) loss on defined benefit obligations	(0.18)	(0.26)
	Total expense recognised in other comprehensive income	**(0.18)**	**(0.26)**
b.	**Net asset / (liability) recognised in the Balance Sheet**		
	Present value of unfunded obligation	(1.61)	(1.36)
	Net asset / (liability) recognised in the Balance Sheet	(1.61)	(1.36)
	Net asset/ (liability) is bifurcated as follows :		
	Current	(0.02)	(0.02)
	Non Current	(1.59)	(1.34)
	Net asset / (liability) recognised in the Balance Sheet	(1.61)	(1.36)
c.	**Change in defined benefit obligations (DBO) during the year**		
	Present value of DBO at beginning of the period	1.36	1.15
	Current service cost	0.36	0.31
	Interest cost	0.10	0.08
	Actuarial (gains) / losses	(0.18)	(0.26)
	Past service cost	-	0.13
	Benefits paid	(0.03)	(0.05)
	Present value of DBO at the end of the year	1.61	1.36
d.	**Actuarial assumptions**		
	Discount rate	7.76%	7.78%
	Salary escalation	10%	10%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

		31 March 2019	31 March 2018
	Rate of employee turnover	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a..	Employees : For service 2 yrs & below 25% p.a., For service 3 yrs to 4 yrs 10% p.a. & thereafter 2% p.a. Directors : 1% p.a..
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.02	0.02
	2nd following year	0.03	0.02
	3rd following year	0.04	0.03
	4th following year	0.03	0.04
	5th following year	0.06	0.03
	Sum of years 6 to 10	0.38	0.22
	Sum of years 11 and above	7.77	6.67
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions		
	Delta effect of +1% change in rate of discounting	(0.25)	(0.21)
	Delta effect of -1% change in rate of discounting	0.32	0.27
	Delta effect of +1% change in rate of salary increase	0.28	0.24
	Delta effect of -1% change in rate of salary increase	(0.23)	(0.19)
	Delta effect of +1% change in rate of employee turnover	(0.06)	(0.05)
	Delta effect of -1% change in rate of employee turnover	0.07	0.06

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occuring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

There was not change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

32 Share-based payments

See accounting policy in Note 3(i)

A. Description of share-based payment arrangements

During the year ended 31 March 2019 , the Company has offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2018" (ESOS2018) vide authorisation of shareholders in the annual general meeting held on 11 August 2018. The options may be exercised either fully or partially in four equal instalments.

The employees were identified as those who had completed two years of service as on the date of sanction of the scheme, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017" (ESOS2017), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016" (ESOS2016), "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015) and "THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) vide authorisation of shareholders in their meetings held on 12 August 2017, 12 September 2016, 26 September 2015 and 20 September 2014 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, in respect of ESOS2014, the Company formed a trust, 'Thyrocare Employee Stock Option Trust' wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options-granted	Vesting Period	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2018	11-Aug-18	40,452	3 years	One year from vesting date	10	10
ESOS2017	12-Aug-17	50,516	3 years	One year from vesting date	10	10
ESOS2016	12-Sep-16	50,537	3 years	One year from vesting date	10	10
ESOS2015	26-Sep-15	40,434	3 years	One year from vesting date	10	10
ESOS2014	20-Sep-14	134,600*	2.5 years	One year from vesting date	10	10

* Includes 100,950 bonus shares

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2019 No of Options	31 March 2018 No of Options
ESOS2018		
Outstanding at 1 April	-	-
Granted during the year	40,452	-
Forfeited during the year	2,798	-
Outstanding at 31 March	**37,654**	**-**
ESOS2017		
Outstanding at 1 April	47,610	-
Granted during the year	-	50,516
Forfeited during the year	4,290	2,906
Outstanding at 31 March	**43,320**	**47,610**
ESOS2016		
Outstanding at 1 April	42,100	46,719
Forfeited during the year	2,574	4,619
Outstanding at 31 March	**39,526**	**42,100**
ESOS2015		
Outstanding at 1 April	34,714	38,473
Forfeited during the year	741	3,759
Exercised during the year	33,973	-
Outstanding at 31 March	-	34,714
ESOS2014		
Outstanding at 1 April	-	1,34,600
Exercised during the year	-	1,33,381
Shares vested and not exercised during the year	-	1,219
Outstanding at 31 March	-	-

C. The key assumptions used to estimate the fair value of options are:

	31 March 2019*	31 March 2018*
Volatility	21.65%	14.11%
Expected life	3.50 years	1.5-2.5 years
Dividend Yield	1.50%	1.50%
Risk-free interest rate (based on government bonds)	7.85%	6.25% to 6.61%
Model Used	Black & Scholes	Black & Scholes

* Key assumptions used to estimate the fair value of options granted under ESOS2018.

The expense arises from equity settled share based payment transaction amounting to INR 1.93 crore and INR 1.71 crore for the year ended 31 March 2019 and 31 March 2018 respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

36 Operating leases

See accounting policy in Note 3(n)

A. Leases as lessee

"The Group has taken on lease a number of premises under operating leases. The leases typically run for a period of three to nine years, with an option to renew the lease after that period. Some leases provide for escalation in rent payments at periodic intervals. The lease for the land at central processing laboratory premises was transferred in the name of the Company about 10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Group, is capitalised in the books and amortised over the period of the lease. "

i. Future minimum lease payments

"At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows:"

	31 March 2019*	31 March 2018*
Payable in less than one year	5.43	3.96
Payable between one and five years	10.20	9.06
Payable after more than five years	2.19	0.86
	17.82	**13.88**

ii. Amounts recognized in profit or loss

	31 March 2019*	31 March 2018*
Lease expenses – minimum lease payments	4.07	5.24
Sub-lease income	1.11	0.79

B. Equipment placement arrangements

The Group uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Group with option to purchase the equipment at the end of lease term at mutually negotiated price. These arrangements are not in the legal form of lease, but a portion of the cost paid to the vendors for reagents is classified as rent expenses as the same is considered to be towards the usage of the equipment. Of the cost incurred towards purchase of reagents, the Group has recognised INR 9.29 crore (31 March 2018 : INR 8.98 crore) as part of rent expense towards use of equipment and balance towards cost of reagents.

37 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2019*	31 March 2018*
Contingent liabilities		
Claims against the Company not acknowledged as debts		
a. Property tax demand	3.09	10.15
b. Income tax demands - TDS matter	36.85	36.85
c. Other income tax matters	0.34	2.76
d. Employees provident fund matter	0.52	0.52
f. Other matter	-	**0.07**

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

		Sunday, March 31, 2019	Saturday, March 31, 2018
Commitments			
a	Commitments relating to long term arrangement with vendors (see note (i))	279.21	364.88

i The Group has entered into Reagent Rental Arrangements for a year ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are ₹279.21 crore (31 March 2018: ₹ 364.88 crore) of which annual commitment for next year is ₹ 98.93 crore (31 March 2018 : ₹ 85.67 crore) as per the terms of these arrangements.

38 Related parties

Description of relationship	Names of related parties
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL Sumathi Construction Private Limited Pavilion Commercial Private Limited
	Sumathi Infra Project LLP
	Mahima Advertising LLP
	Thyrocare Publications LLP
	Thyrocare Properties & Infrastructure Private Limited
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Anand Velumani, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

B. Transactions with key management personnel

i. Key management personnel compensation

	Year ended	Year ended	Balance outstanding	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Dr A Velumani	(0.00)*	(0.00)*	0.00	0.00
A Sundararaju	0.60	0.60	0.04	0.35
	0.60	**0.60**	**0.04**	**0.35**

* Amount less than ₹ 1 lakh

As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial personnel are not included.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

ii. Transactions with key management personnel including directors

	Transaction value		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Dividend paid	7.40	14.81	-	-
Dr A Velumani	0.12	0.25	-	-
A Sundararaju	0.38	0.75	-	-
Amruta Velumani				
Assignment of trademark (see note (ii) below)	-	0.00	-	-
Dr A Velumani		**0.00**		

C. Related party transaction other than those with key management personnel

	Transaction value		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Rent Paid / payable				
Sumathi Construction Private Limited	1.40	2.24	-	-
Outlab processing charges paid / payable				
Equinox Labs Private Limited	0.07	0.02	0.03	0.02
Loan taken from				
Pavilion Commercial Private Limited	2.50	-	2.50	-
Interest paid				
Pavilion Commercial Private Limited	0.01	-		
Transfer of whaters division				
Equinox Labs Private Limited	-	10.00	-	-
Subscription paid for equity shares				
Equinox Labs Private Limited	-	10.00	-	-
Revenue from operations				
Thyrocare Gulf Laboratories WLL	3.85	1.93	1.80	0.90
Provision for other than temporary diminution in the value of long-term investments				
Thyrocare International Holding Company Limited, Mauritius	-	-	-	1.62
Provision for doubtful trade receivables				
Thyrocare Gulf Laboratories WLL	-	-	0.65	0.65
Reimbursement of expenses paid				
Thyrocare Gulf Laboratories WLL	0.12	0.18	-	-
Reimbursement of expenses received				
Sumathi Construction Private Limited	0.44	0.64	-	-
Technical assistance fees income				
"Thyrocare International Holding Company Limited, Mauritius"	-	0.21	-	-
Thyrocare Gulf Laboratories WLL	**0.98**	**0.43**	**2.03**	**0.43**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

	Transaction value		Balance outstanding	
	Year ended 31 March 2019	Year ended 31 March 2018	31 March 2019	31 March 2018
Dividend paid				
Anand Velumani	0.32	0.63	-	-
Dr A Velumani HUF	0.46	0.91	-	-
A Sundararaju HUF	1.21	2.42	-	-
Sumathi Infra Project LLP	0.79	1.58	-	-
Mahima Advertising LLP	0.63	1.26	-	-
Thyrocare Properties & Infrastructure Private Limited	2.61	5.22	-	-
Thyrocare Publications LLP	3.27	6.53	-	-
Investment in equity-accounted investees				
Equinox Labs Private Limited	-	20.00	20.66	20.00
"Thyrocare International Holding Company Limited, Mauritius"	-	-	-	1.62
Security deposits given/ (repaid)				
Sumathi Construction Private Limited	-	(0.15)	1.54	1.69

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Group during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel entities.

ii. "The Group was providing for royalty based on the terms of the agreement for using the trademark. During the year ended 31 March 2018, as Dr. A. Velumani has decided to transfer the assigned trademark to the Group, he has decided to waive the royalty payable to him for use of the trademark until the transfer takes effect. Further, during the previous year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - ""Whaters"" [subsequently disposed off with the water testing business] & ""Nueclear"" in favour of the holding company , for a token money of INR 1 each. The fair value of the trademark on the date of assignment of the trademark in favour of the company was capitalised by crediting the fair value to capital reserves as shareholder's contribution."

iii. Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed subsequent to 31 March 2019.

39 Additional information to the financial statements

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

		31 March 2019 No of Options	31 March 2018 No of Options
(i)	**the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year**	0.07	0.02
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	**the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.**	**-**	**-**

b. The Group completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders, during the Financial Year 2016-2017.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

c. The Group's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2018. Management believes that the Group's international transactions and domestic transactions with related parties post 31 March 2018 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

d. The Group bought back 9,58,900 equity shares for an aggregate amount of ₹ 63.00 crore being 1.78% of the total paid up equity share capital, at an average price of ₹ 656.90 per equity share. The equity shares bought back were extinguished on 12 October 2018 and 22 October 2018.

e. Pursuant to the IPO, in the year ended 31 March 2017, Agalia Private Limited ('APL' or the selling shareholder) divested part of its share-holding in the Company. At the instance of APL, the Company entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 30.49 crore were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts. During year ended 31 March 2019, the Company has incurred advertising costs aggregating to ₹ 0.01 crore (31 March 2018 : ₹ 2.19 crore) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to Capital Reserves to the extent of reimbursement received from APL post IPO.

	31 March 2019	31 March 2018
Advertisement expenses	-	2.19
(debited to statement of profit and loss under exceptional items)		
Reimbursement received towards the above from shareholder	-	2.19
(added to the capital reserves as shareholder's contribution under IndAS)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

f. On 18 May 2019, the Board of directors has recommended a final dividend of ₹ 20/- per equity share for the financial year ended 31 March 2019. Post approval of proposed dividend by shareholders in the ensuing Annual General Meeting, there will be cash outflow of ₹ 129.46 crore including dividend distribution tax.

g. During the previous year ended 31 March 2018, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" and "Nueclear" in favour of the Group ["Whater" trademark was subsequently disposed off with the water testing business], for no consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Group was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

h. "Capital Management

For the purpose of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Group, the primary objective when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The capital structure of the Group consists of equity attirbutable to the owners of the Company, comprising issued capital, resevers and accumulated profits as presented in the statement of changes in equity. Consequent to such capital sturcture, there are no external imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Group allocates its capital for distribution as dividend or reinvestment into business based on its long term financial plans."

i. Details of interests in subsidiaries and associates

Subsidiaries

The details of the Company's subsidiaries at March 31, 2019 is set below.
The country of incorporation is also the principal place of business.

Name of entity	Country of Incorporation	31 March 2019	31 March 2018
Nueclear Healthcare Limited	**India**	100%	100%

Associates

The details of the Company's associates at March 31, 2019 is set below.
The country of incorporation is also the principal place of business.

Name of entity	Country of Incorporation	Shareholding % As on	
		31 March 2019	31 March 2018
Equinox Labs Private Limited	**India**	30%	30%
Thyrocare International Holding Company	**Mauritius**	9.09%	9.09%

Thyrocare International Holding Company was in the process of liquidation and the process of liquidation has been completed subsequent to 31 March 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 March 2019

i. Additional information as required under para 2 of General Instruction for the preparation of Consolidated Financial Statements of Schedule III to the Companies Act, 2013.

Name of the enterprises	Net assets i.e total assets minus total liabilities		Share in profit or loss	
	As (%) of consolidated net assets	Amount (INR in crore)	As (%) of consolidated profit and loss	Amount (INR in crore)
Parent group				
Thyrocare Technologies Limited	104.75%	455.78	111.82%	95.33
Subsidiary				
Nueclear Healthcare Limited	15.66%	68.15	-11.62%	(9.90)
Eliminations	-20.41%	(88.80)	-0.20%	(0.17)
	100.00%	**435.12**	**100.00%**	**85.25**

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

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

Rajesh Mehra
Partner
Membership No: 103145
Mumbai
18 May 2019

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260
Mumbai
18 May 2019

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Company will be held at 3.00 P.M. on Saturday, August 24, 2019, at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400 705, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Stand-alone Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Board's Report and Auditors' Report thereon.

2. To receive, consider and adopt the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Auditors' Report thereon.

3. To declare a Dividend of ₹ 20/- (Rupees Twenty only) per share, for the Financial Year 2018-19.

4. To appoint a Director in place of Mr. A. Sundararaju (DIN: 00003260), who retires by rotation, and being eligible, offers himself for re-appointment.

Special Business:

5. **Appointment of Dr. Indumati Gopinathan (DIN: 06779331) as a Non-Executive Independent Director:**

   To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Rules framed thereunder, read with Schedule IV to the Act, as amended, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Dr. Indumati Gopinathan, (DIN: 06779331), who was earlier appointed as non-executive, Non- Independent Director of the Company, and who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment as such, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a period of five years with effect from 09-03-2019.

6. **Reappointment of Mr. Gopalkrishna Shivram Hegde (DIN: 00157676) as a Non-Executive Independent Director:**

   To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

   "**RESOLVED AS A SPECIAL RESOLUTION THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, read with Schedule IV to the Act, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Mr. Gopalkrishna Shivram Hegde (DIN: 00157676), whose current term as a Non-Executive Independent Director ends on 20th August 2019, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, to hold office for a second term of five years from 21-08-2019 to 20-08-2024."

7. **Reappointment of Mr. Vishwas Kulkarni (DIN: 06953750) as a Non-Executive Independent Director:**

   To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

   "**RESOLVED AS A SPECIAL RESOLUTION THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, read with Schedule IV to the Act, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Mr. Vishwas Kulkarni (DIN: 06953750), whose current term as a Non-Executive Independent Director ends on 20th August 2019, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, to hold office for a second term of five years from 21-08-2019 to 20-08-2024."

8. **Reappointment of Dr. Neetin Desai (DIN: 02622364) as a Non-Executive Independent Director:**

   To consider and if deemed fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"**RESOLVED AS A SPECIAL RESOLUTION THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder, read with Schedule IV to the Act, and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Dr. Neetin Desai (DIN: 02622364), whose current term as a Non-Executive Independent Director ends on 19th September 2019, be and is hereby re-appointed as a Non-Executive Independent Director of the Company, to hold office for a second term of five years from 20-09-2019 to 19-09-2024."

9. Ratification of Remuneration to the Cost Auditor for the Financial Year 2018-19:

To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

"**RESOLVED THAT** pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder, remuneration of ₹ 1,00,000/- (Rupees One Lakh only) fixed for Mr. S. Thangavelu, Cost and Management Accountant, appointed as the Cost Auditor of the Company by the Board of Directors, for conducting audit of the cost records of the Company for the financial year 2018-19, excluding applicable tax, if any, and reimbursement of travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed."

10. Approval of Employees Stock Option Scheme 2018-19:

To consider and if deemed fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED AS SPECIAL RESOLUTION THAT pursuant to the provisions of Section 62 (1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and the provisions of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time, consent of the Members be and is hereby given for granting Stock Options equivalent to a total number of 40,429 equity shares of the Company, to the eligible employees of the Company as Employees Stock Option for the financial year 2018-19, to be exercised as per the rules of the relevant scheme.

THAT the Board of Directors of the Company be and is hereby authorised to issue and allot fresh Equity Shares upon exercise of options by Employees from time to time in respect of the Options already granted and to be granted and to get the new shares listed with National Stock Exchange of India Ltd and BSE Ltd, and such Equity shares shall be subject to the Memorandum and Articles of the Company and shall rank pari passu in all respects with the then existing Equity Shares of the Company.

THAT the Board of Directors of the Company be and is hereby authorised and empowered:

i) to formulate such policies, rules, regulations and guidelines as may be required to be formulated to govern the introduction, implementation, management and administration of the Scheme subject to the applicable statutory rules for the time being in force.

ii) to make necessary disclosures in the Annual Report and to comply with all applicable rules & regulations.

iii) to issue and allot fresh equity shares as and when the Options granted get vested and the employees exercise their Options.

iv) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation, introduction, implementation, management and administration of the ESOP Scheme without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai.
Head (L & S) and Company Secretary

May 18, 2019
Registered Office:
D-37/1, TTC Industrial Area, MIDC,
Turbhe, Navi Mumbai-400 703

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice, is annexed hereto and forms part of this Notice.

2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company.

3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member

holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other shareholder. Members may please note that the Proxy does not have the right to speak at the Meeting and can only vote on poll.

4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by certified copy of appropriate resolutions/ authority, as applicable. Form of Proxy is enclosed.

5. The Members / Proxies / Authorised Representatives are requested to bring their copy of the Annual Report along with the Attendance Slips, duly filled in, for attending the Meeting.

6. The Register of Members and Share Transfer Books of the Company will remain closed from 18-08-2019 to 24-08-2019 (both days inclusive) for the purpose of determining the entitlement of Members for the final dividend, if declared.

7. Subject to the provisions of the Companies Act, 2013, the dividend as recommended by the Board, if declared at the Meeting, will be paid within 30 days from the date of declaration to those Members whose names appear on the Register of Members as at the end of 17-08-2019.

8. The Company's equity shares are Listed at (i) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051 and (ii) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400 001 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2018-19.

9. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agent at M/s. Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai- 400 083.

10. The details of unclaimed dividend for the earlier years, which have been transferred to the respective Unpaid Dividend Accounts, are given below.

Year	2015-16 Final	2016-17 Interim	2016-17 Final	2017-18 Interim	2017-18 Final
Unclaimed – Amount- ₹	205755	62925	72100	60255	55740
No. of Shareholders	1458	375	371	308	322

11. Members may please note that dividends that remain unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account will be transferred to the Investor Education & Protection Fund, as required under Section 124 of the Companies Act, 2013, **and such shares shall also be transferred to the said Fund.** Therefore, those members who have not claimed their dividend for the above periods may send their claims to the Registrar & Share Transfer Agent at the address given above, or to the Company Secretary at the Company's Corporate Office address, at the earliest.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the said Act, will be available for inspection by the members at the venue of the meeting.

13. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for 2018-19 is being sent through electronic mode to all the Members, whose E-mail IDs are registered with the Company's Registrars / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company's Registrars / Depository Participants, a physical copy of the Annual Report for 2018-19 is being sent by the permitted mode.

14. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Private Limited, the Company's Registrar & Share Transfer Agents / their respective Depository Participants.

15. In terms of Section 72 of the Act read with the applicable rules thereto, the facility of making nomination is available to all the Members in respect of the shares held by them. Those who have not registered their nomination may do so by submitting Form No. SH-13 to their Depository Participant. The said Form can be downloaded from the Company's website, "www.thyrocare.com." The said Form can also be obtained from the Company's Registrar & Share Transfer Agents.

16. In terms of the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing e-voting facility to all the Members of the Company, whose names appear on the Register of Members as on 17-08-2019, (End of the Day), being

the cut-off date fixed for determining the eligibility of Members to participate in the e-voting process, through the e-voting platform provided by M/s. Link Intime India Private Limited through CDSL, to enable them to cast their vote electronically on all the resolutions set forth in the notice convening the 19th Annual General Meeting of the Company.

Detailed instructions for voting through e-voting platform are given in a separate sheet attached to the Notice.

The e-voting facility will be available from 9.00 A.M. on Wednesday, August 21,2019 upto 5.00 P.M. on Friday, August 23, 2019. During this period, members holding shares in physical or dematerialised form, may cast their votes electronically, using the above facility. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again at the Annual General Meeting on any resolution for which he has already cast his vote using the e-voting facility.

However, those who have not cast their vote using the e-voting facility may cast their vote using the ballot paper that will be made available at the Annual General Meeting venue, pursuant to the provisions of Section 107 of the Act read with Rule 20 of the Companies (Management and Administrations) Rules, 2014.

The Company has appointed S. Anantha & Ved LLP., Practising Company Secretaries, Mulund (W), Mumbai-400 080, as Scrutinizers to scrutinize the e-voting and polling process in a fair and transparent manner.

The Scrutiniser shall, immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make within a period not exceeding three (3) days from the conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same.

The Chairman or the person authorised by him, shall declare the result of the voting forthwith and the said results, along with the report of the Scrutinizer, shall be placed on the website of the Company, www.thyrocare.com and on the website of CDSL, www.cdslindia.com, and will also be forwarded simultaneously to National Stock Exchange of India Limited and BSE Limited.

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai.
Head (L & S) and Company Secretary

May 18, 2019
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

Notes:

Item No. 4: Reappointment of Mr. A. Sundararaju as Director (DIN: 00003260):

A brief profile of Mr. A. Sundararaju, seeking reappointment as Director at the 19th Annual General Meeting, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	04-09-1958
Date of Appointment on the Company's Board.	28-01-2000
Brief Resume	Mr. A. Sundararaju is one of the Promoter-directors of the Company. He is a graduate in law from the University of Bombay. He has been in charge of the finance, legal, administrative and franchisee departments of our Company since inception. He has been a Director on our Board since incorporation, and is currently holding the position of Executive Director and Chief Financial Officer. He is also Director & Chief Financial Officer of Nueclear Healthcare Limited, our wholly owned subsidiary.
Expertise in specific functional areas	He has over 24 years of experience in finance, legal and administrative functions.
Disclosure of relationship between directors inter-se.	He is the brother of Dr. A. Velumani, Chairman & Managing Director.
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He holds 2,49,669 equity shares in the Company, equivalent to 0.47% of the total paid-up equity capital of the Company.

The Directors recommend the above resolution to the Members for their approval.

EXPLANATORY STATEMENT

(Pursuant to the Section 102 of the Companies Act, 2013)

Item No. 5: Appointment of Dr. Indumati Gopinathan (DIN: 06779331) as a Non-Executive Independent Director:

Dr. Indumati Gopinathan was appointed as a Non-Executive, Non-Independent Director, liable to retire by rotation, at the 17th Annual General Meeting of the Company held on August 12, 2017 in the place of Mr. Sohil Chand, the then nominee director, who was due to retire at the said meeting but had expressed his intention not to seek re-election.

Pursuant to the amendments to SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, which, inter alia, stipulated that the Board of Directors of the top 500 listed companies should have at least one independent woman director, the Board of Directors appointed her as an Non-Executive Independent Director with effect from March 09, 2019, subject to the approval of the Members. Dr. Indumati Gopinathan has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act.

A brief profile of Dr. Indumati Gopinathan, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	23-03-1956
Date of first Appointment on the Company's Board as a non-Executive,Non-Independent Director	12-08-2017
Brief Resume	Dr. Indumati Gopinathan completed her M.B.B.S. and is an M.D. in Pathology from Seth Gordhandas Sunderdas Medical College and King Edward Memorial Hospital.
	She is a leading commentator on Tele-pathology and was also associated with Space Hospitals, a Chennai-based telemedicine company. .
	She is the health consultant/columnist for The Times of India, the world's largest selling English newspaper and is on the editorial board of HealthScreen, an Indian health care magazine focusing on preventive medicine, and also a columnist for Health Care Express, a leading weekly healthcare publication by the Indian Express group.
Expertise in specific functional areas	She has more than 30 years of experience as Pathologist, and specializes in diagnostic medicine, ocular onco-pathology and gynecological histopathology.
Disclosure of relationship between directors inter-se.	She is not related to any of the Directors.
Names of listed entities in which she holds the directorship and the membership of Committees of the board;	She is not holding directorship in any other listed entity.
Number of shares held in the Company	She is not holding any shares in the Company.

The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest

Except Dr. Indumati Gopinathan, none of the other Directors / Key Managerial Personnel of the Company or their relative is concerned or interested in the passing of the Resolution for her appointment as a Non Executive Independent Director, as set out at Item No. 5 of the Notice.

Item No. 6: Appointment of Mr. Gopalkrishna Shivram Hegde (DIN: 00157676) as a Non-Executive Independent Director:

At the Annual General Meeting of the Company held on 21-08-2014, Mr. Gopalkrishna Shivram Hegde was appointed as a Non-Executive Independent Director of the Company, for a period of 5 years from 21-08-2014. As per the provisions of Section 149(10) of the Companies Act, 2013, he is eligible for reappointment for a further period of five years, upon passing of a Special Resolution at the General Meeting of the Company.

The Board of Directors has evaluated the performance of Mr. Gopalkrishna Shivram Hegde as an Independent Director, as provided in Regulation 17(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Clause 8 of Schedule IV of the Companies Act, 2013 and found the same to be satisfactory and his contributions to the deliberations at the meetings of the Board as well as the various Committees, were found to be beneficial.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of Listing Regulations and based on the report of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee, at its meeting held on 18-05-2019, had recommended reappointment of Mr. Gopalkrishna Shivram Hegde as a Non-Executive Independent Director for a further period of 5 years from 21-08-2019 to 20-08-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors has also formed an opinion that Mr. Gopalkrishna Shivram Hegde fulfils the conditions specified in the Companies Act, 2013 for such reappointment. Mr. Gopalkrishna Shivram Hegde is eligible for sitting fee for attending Board and Committee Meetings as applicable from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment to the Members for their approval.

A brief profile of Mr. Gopalkrishna Shivram Hegde, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	16-06-1959
Date of first Appointment on the Company's Board as a Non-Executive Independent Director	21-08-2014
Brief Resume	Mr. Gopalkrishna Shivram Hegde is a graduate in law from the University of Bombay.
	He has been practising as a Lawyer in the High Court of Mumbai and he has more than 25 years of experience as a lawyer.
	He is the Counsel for Maharashtra State Road Transport Corporation Ltd., CIDCO Ltd., etc.
	He was first appointed as a Non-Executive Independent Director of the Company on 21-08-2014.
	He has been the Chairman of all the Committees of the Company, viz. Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, CSR Committee and Risk Management Committee.
Expertise in specific functional areas	He has expertise in all branches of law.
Disclosure of relationship between directors inter-se.	He is not related to any of the Directors.
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He is not holding any shares in the Company.

Disclosure of Interest

Except Mr. Gopalkrishna Shivram Hegde, none of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution for his reappointment as a Non Executive Independent Director, as set out at Item No. 6 of the Notice.

Item No. 7: Appointment of Mr. Vishwas Kulkarni (DIN: 06953750) as a Non-Executive Independent Director:

At the Annual General Meeting of the Company held on 21-08-2014, Mr. Vishwas Kulkarni was appointed as a Non-Executive Independent Director of the Company, for a period of 5 years from 21-08-2014. As per the provisions of Section 149(10) of the Companies Act, 2013, he is eligible for reappointment for a further period of five years, upon passing of a Special Resolution at the General Meeting of the Company.

The Board of Directors has evaluated the performance of Mr. Vishwas Kulkarni as an Independent Director, as provided in Regulation 17(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Clause 8 of Schedule IV of the Companies Act, 2013 and found the same to be satisfactory and his contributions to the deliberations at the meetings of the Board as well as the various Committees, were found to be beneficial.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of Listing Regulations and based on the report of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee, at its meeting held on 18-05-2019, had recommended reappointment of Mr. Vishwas Kulkarni as a Non-Executive Independent Director for a further period of 5 years from 21-08-2019 to 20-08-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors has also formed an opinion that Mr. Vishwas Kulkarni fulfils the conditions specified in the Companies Act, 2013 for such reappointment. Mr. Vishwas Kulkarni is eligible for sitting fee for attending Board and Committee Meetings as applicable from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment to the Members for their approval.

A brief profile of Mr. Vishwas Kulkarni, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	06-05-1961
Date of first Appointment on the Company's Board as Non-Executive Independent Director	21-08-2014
Brief Resume	Mr. Vishwas Kulkarni is a graduate in commerce and in law from the University of Bombay.
	He has been practising as a Lawyer in the High Court of Mumbai and he has more than 25 years of experience as a lawyer.
	He was first appointed as a Non-Executive Independent Director of the Company on 21-08-2014.
	He has been a Member of Audit Committee, Nomination & Remuneration Committee, and Corporate Social Responsibility Committee of the Company.
Expertise in specific functional areas	He has expertise in all branches of law.
Disclosure of relationship between directors inter-se.	He is not related to any of the Directors.
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He is not holding any shares in the Company.

Disclosure of Interest

Except Mr. Vishwas Kulkarni, none of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution for his reappointment as a Non Executive Independent Director, as set out at Item No. 7 of the Notice.

Item No. 8: Appointment of Dr. Neetin Desai (DIN: 02622364) as a Non-Executive Independent Director:

At the Extraordinary General Meeting of the Company held on 20-09-2014, Dr. Neetin Desai was appointed as a Non-Executive Independent Director of the Company, for a period of 5 years from 20-09-2014. As per the provisions of Section 149(10) of the Companies Act, 2013, he is eligible for reappointment for a further period of five years, upon passing of a Special Resolution at the General Meeting of the Company.

The Board of Directors has evaluated the performance of Dr. Neetin Desai as an Independent Director, as provided in Regulation 17(10) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Clause 8 of Schedule IV of the Companies Act, 2013 and found the same to be satisfactory and his contributions to the deliberations at the meetings of the Board were found to be beneficial.

In accordance with Part D(A)(5) of Schedule II, read with Regulation 19(4) of Listing Regulations and based on the report of Performance Evaluation of Independent Directors, the Nomination and Remuneration Committee, at its meeting held on 18-05-2019, had recommended reappointment of Dr. Neetin Desai as a Non-Executive Independent Director for a further period of 5 years from 20-09-2019 to 19-09-2024.

In accordance with Proviso to Section 152(5) of the Companies Act, 2013, the Board of Directors has also formed an opinion that Dr. Neetin Desai fulfils the conditions specified in the Companies Act, 2013 for such reappointment. Dr. Neetin Desai is eligible for sitting fee for attending Board Meetings as applicable from time to time. His reappointment and remuneration is in accordance with Nomination and Remuneration Policy of the Company.

His reappointment has been included as Special Resolution and the Board of Directors recommend his reappointment to the Members for their approval.

A brief profile of Dr. Neetin Desai, giving information as specified in Reg. 36(3) of the Listing Regulations, is given below:

Date of Birth	13-06-1969
Date of first Appointment on the Company's Board as Non-Executive Independent Director	20-09-2014
Brief Resume	Dr. Neetin Desai is a post-graduate in Science from Rajaram College, and also holds Doctorate in Philosophy from Shivaji University.
	He was previously associated with D.Y. Patil University, Belapur, Navi Mumbai as Professor in the Department of Biotechnology and Bio-informatics.
	He is currently associated with Amity University, as Director, Bio-technology.
Expertise in specific functional areas	He has about 25 years of experience in academics and has research interest in plant & agricultural bio-technology, environmental bio-technology and natural compounds and their chemistry.
Disclosure of relationship between directors inter-se.	He is not related to any of the Directors.
Names of listed entities in which he holds the directorship and the membership of Committees of the board;	He is not holding directorship in any other listed entity.
Number of shares held in the Company	He is not holding any shares in the Company.

Disclosure of Interest

Except Dr. Neetin Desai, none of the other Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution for his reappointment as a Non Executive Independent Director, set out at Item No. 8 of the Notice.

Item No. 9: Ratification of remuneration to Cost Auditor:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company was required to appoint a cost auditor to conduct an audit of the cost records of Company for Financial Year 2018-19 and the remuneration payable to him has to be ratified / approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, having Membership No. 11315 as the Cost Auditor of the Company, for the financial year 2018-19 on a remuneration of ₹ 1,00,000/-, plus reimbursement of applicable tax, if any, and all out of pocket expenses incurred, if any, in connection with the cost audit. Remuneration fixed for the cost auditor is required to be ratified by the Members in accordance with the above provisions. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution for payment of remuneration to the Cost Auditor, as set out at Item No. 9 of the Notice.

Item No. 10: Approval of Employees Stock Option Scheme 2018-19:

In the year 2014, the Company had issued and allotted 33,650 Nos. of equity shares of the Company to be offered to such of those employees of the Company who had contributed for the growth of the Company and who were on the rolls of the Company as on the date of sanction of the Scheme (Employees Share Purchase Scheme). These shares were allotted in the name of Thyrocare Employees Stock Option Trust, specially formed for this purpose. Subsequent to the issue of Bonus Shares thereafter, the total number of shares registered in the name of the Trust had gone up to 1,34,600. These shares were offered, after completion of 3-year waiting period, to the eligible employees and all of them have accepted the offer; out of these, 1,34,236 shares have already been transferred to the respective employees together with dividend paid thereon and kept in the Bank, and transfer of the remaining 364 equity shares to one employee is in the process and is expected to be completed shortly.

The Company had also decided to introduce an Employees Stock Option Scheme and grant the employees Stock Options equivalent to 1% (one per cent) of the paid up capital of the Company as on date of sanction of the Scheme, to be distributed every year over a period of ten years, commencing from the Financial Year 2014-15, which would work out to 0.1% every year. It was also decided that this ratio would be fine-tuned in correlation with the growth of the Company each year as follows:

< 20% Growth0.08%

> 20% Growth 0.10%

> 30% Growth 0.12%

On this basis, the Company has issued stock options aggregating to 40,434 shares for the year 2014-15, 50,537 shares for the year 2015-16, 50,529 shares for the year 2016-17, and 40,452 shares for the year 2017-18, to the eligible employees.

In accordance with the above scheme, it is proposed to distribute Stock Options equivalent to 0.08% of the paid-up capital of the Company, aggregating to 40,429 equity shares, (with individual entitlements rounded off) as Employees Stock Options for the Financial Year 2018-19.

The Scheme will be subject to the applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations 2014, and such other rules & regulations as are already applicable or as may become applicable during the subsistence of the Scheme. The brief details of the Thyrocare Employees Stock Option Scheme 2019 are as follows:

A	Brief description of the scheme(s);	In the year 2015, the Company introduced Employees Stock Option Scheme with a view to attracting and retaining the talent, instilling a sense of belonging in the minds of the employees and thereby motivating employees to excel in their performance and thus contribute to the growth of the Company.	
		The Scheme envisages issue of 1% of the then paid-up capital of the Company made up of 50,53,5971 equity shares of ₹ 10/- each, aggregating to 5,05,359 * equity shares to be distributed over a period of ten years, starting from Financial Year 2014-15, at the rate of 0.1% each year which would be fine-tuned in correlation with the growth of the Company each year as follows:	
		< 20% Growth 0.08%	
		> 20% Growth 0.10%	
		> 30% Growth 0.12%	
		Within the limit fixed for each year, the number of Options to be issued to individual employees will be decided based on the norms fixed by the Nomination & Remuneration Committee and Board of Directors for each year. The Company has already issued Stock Options as follows:	
		Financial Year	Stock Options equivalent to
		2014-15	40,434 Equity Shares $
		2015-16	50,537 Equity Shares
		2016-17	50,529 Equity Shares
		2017-18	40,452 Equity Shares
B	The total number of options, SARs, shares or benefits, as the case may be, to be granted;	Stock Options equivalent to 40,429 Equity Shares.	
C	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);	Those employees who have completed two years of service as on the date of sanction of the Scheme by the Board would be entitled to participate and be beneficiaries in the Scheme.	
D	Requirements of vesting and period of vesting;	The employees should continue to be in the service for a period of three years from the date of granting the Option. Period of vesting is 3 years after date of granting.	
E	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested;	Three years from the date of granting of Options.	
F	Exercise price, SAR price, purchase price or pricing formula;	Exercise price will be ₹ 10/- per share.	
G	Exercise period and process of exercise;	The grantees can exercise their option within one year from the date of vesting.	
H	The appraisal process for determining the eligibility of employees for the scheme(s);	All those permanent employees who have completed two years of continuous service will be eligible to participate. Individual eligibility will be determined based on their contribution, work discipline, seniority, etc.	
I	Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	Subject to the total number of Stock Options equivalent to 40,429 equity shares, the maximum number of Options to be granted per employee will be decided based on specified norms.	
J	Maximum quantum of benefits to be provided per employee under a scheme(s);	Maximum quantum of benefit is equivalent to the difference between the market price and the issue price in respect of the number of shares allotted for each employee.	

K	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The scheme is to be implemented and administered directly by the Company.
L	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by trust or both;	The scheme envisages new issue of shares.
M	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	Not applicable, since the employees will have to pay and acquire the shares offered to them.
N	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	The Company does not envisage any secondary acquisition for this purpose.
O	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15;	The Company shall conform to the accounting policies specified in regulation 15.
P	The method which the company shall use to value its options or SARs;	Intrinsic value method would be used for valuation of the Options granted.
Q	The following statement, if applicable: In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'	It is confirmed that the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the Options shall be disclosed in the Board's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Board's Report.

** The total no. of Options to be granted / Shares to be issued shall be 505,359 only, and not 505,360 as mentioned in the earlier resolutions.*

$ The Stock Options issued for 2014-15 vested on 26-09-2018 after the specified period of three years from the date of granting of Options. Out of the 119 employees to whom these options were granted, 35 employees had left the services of the Company, and the remaining 84 employees exercised the Options granted to them, equivalent to 33,973 equity shares. Accordingly, 33,973 new shares were issued and allotted to them. These shares have also been listed with both National Stock Exchange of India Ltd. (NSE) and BSE Ltd., (BSE) and credited to the respective demat accounts of the employees. The remaining 6,461 Options would be added back to the Pool, subject to the applicable provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and the Companies Act, 2013.

The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner, until expiry of three years from the date of granting, which is determined as the Vetting Date for exercising the Option.

The Scheme would be implemented, managed and administered directly by the Company. The shares to be issued to the employees on their exercising the Option would be by way of fresh allotment, and not sourced from secondary market. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested in the passing of the Resolution set out at Item No. 10 of the Notice, (other than the Company Secretary and Senior Managerial Personnel, who would be entitled to Stock Options as per the terms of the Scheme).

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai.
Head (L & S) and Company Secretary

May 18, 2019
Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

FORM NO. MGT-11
PROXY FORM

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

CIN: **L85110MH2000PLC123882**
Name of the Company: **THYROCARE TECHNOLOGIES LIMITED**
Registered Office: **D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai 400703**

Name of Members:
Registered Address:
E-mail ID:
Folio no./Client ID No. :
DP ID:

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

1. Name:____

   Address:____

   E-mail ID:____

   Signature: __________________________ or failing him

2. Name:____

   Address:____

   E-mail ID:____

   Signature: __________________________ or failing him

3. Name:____

   Address:____

   E-mail ID:____

   Signature: __________________________ or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company for Financial Year 2018-19 to be held on Saturday, August 24, 2019, at 3.00 P.M., at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai- 400705 and/or at any adjournment thereof in respect of resolutions as are indicated below:

Resolution No.:

Ordinary Business:

1. To adopt the Audited Standalone Financial Statements of the Company for FY 2018-19.
2. To adopt the Audited Consolidated Financial Statements of the Company for FY 2018-19.
3. To declare Dividend for the Financial Year 2018-19.
4. To appoint a Director in the place of retiring Director, Mr. A. Sundararaju (DIN. 00003260) who offers himself for reappointment.

Special Business:

5. To appoint Dr. Indumati Gopinathan (DIN: 06779331) as a Non-Executive Independent Director.
6. To reappoint Mr. Gopalkrishna Shivram Hegde (DIN: 00157676) as a Non-Executive Independent Director.
7. To reappoint Mr. Vishwas Kulkarni (DIN: 06953750) as a Non-Executive Independent Director.
8. To reappoint Dr. Neetin Desai (DIN: 02622364) as a Non-Executive Independent Director.
9. To ratify remuneration fixed for the Cost Auditor for FY 2018-19.
10. To approve Employees Stock Option Scheme for the FY 2018-19.

Signed this …………………………………………………………

Signature of shareholder: ………………………………………………………………

Signature of Proxy holder(s): ……………………………………………………………

Please affix Revenue Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For corporate members of the Company, duly certified copy of Board Resolution passed at the meeting of their Board of Directors shall be required to appoint a representative to attend and vote at the General Meeting.

Think Thyroid. Think Thyrocare.

Rail Route

Train From Thane to Vashi

Catch the train from thane for vashi and get down at either in **Turbhe** or **Sanpada** station

Train From Thane to Panvel

Catch the train from thane for Panvel and get down at either in **Turbhe** or **Juinagar** station

Train From Kurla to Panvel/Belapur

Catch the train from **Kurla** for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From Dadar (2 route to change)

Catch the train from **Dadar** for **Kurla** get down at **Kurla.** then from **Kurla** Catch the train for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From CST

Catch the train from **CST** for **Panvel/Juinagar /Nerul** and get down at either in **Sanpada** or **Juinagar** station

Road Route

Bus From Thane Route

Catch the bus from Mulund West (Bus No. **511 / 512)** or From Mulund East - Bus No.**523**. Get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Thane to Panvel

Catch the Bus - **Thane to Panvel** (ST) from Thane Cidco stop and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Kurla Depo to Sanpada

Catch the Bus from kurla Depo. (Bus No. **507**) get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

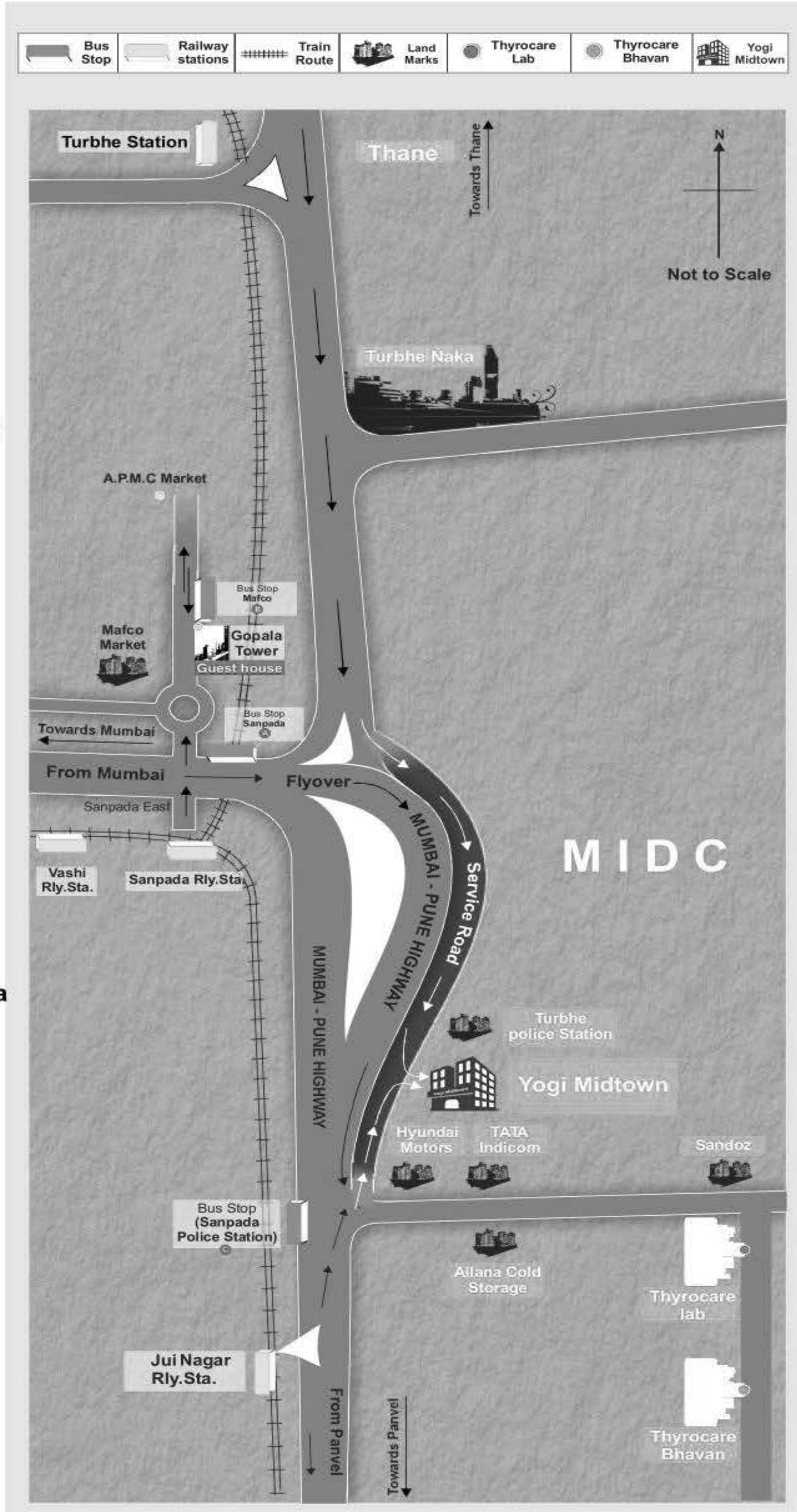
Bus From Dadar to Panvel

Catch Bus from **Dadar** for **Panvel (ST)** and get down at Bus Stop **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

AGM Venue

Hotel Yogi Midtown,
Plot No. DX-12
TTC Industrial Area,
Mumbai - Pune Road, Turbhe,
Navi Mumbai - 400 705

Date: August 24, 2019
Day: Saturday
Time: 3.00 P.M.



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www.thyrocare.com

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