

Dr Agarwals

Eye Hospital



ANNUAL
REPORT
2023 - 2024

**SEE OUR VISION
FOR SUCCESS**

SEE THE DIFFERENCE

DR. AGARWAL'S EYE HOSPITAL LIMITED

CONTENTS

| | |
|--|----|
| Chairman's Desk | 04 |
| Board of Directors | 05 |
| Financial Highlights | 08 |
| Notice to Shareholders | 10 |
| Directors' Report | 25 |
| Management Discussions and Analysis Report | 35 |
| Corporate Governance Report | 38 |
| Independent Auditor's Report | 59 |
| Balance Sheet as at March 31, 2024 | 69 |
| Statement of Profit and Loss for the period ended March 31, 2024 | 71 |
| Statement of changes in Equity for the year ended March 31, 2024 | 73 |
| Cash Flow Statement for the period ended March 31, 2024 | 74 |
| Notes Forming Part of the Financial Statements for the year ended March 31, 2024 | 76 |

CORPORATE INFORMATION

DIRECTORS

Dr. Amar Agarwal (DIN: 00435684)

Dr. Athiya Agarwal (DIN: 01365659)

Dr. Adil Agarwal (DIN: 01074272)

CA Sanjay Anand (DIN: 02501139)

CA Balakrishnan Venkataraman (DIN: 02825465)

Mrs. Lakshmi Subramanian (DIN: 00001439)
(Retired on June 02, 2024)

Mrs. Latha Ramanathan (DIN: 07099052)
(Appointed on May 31, 2024)

Chairman cum Managing Director
Whole Time Director
Director

Independent Director

Independent Director

Independent Director

Independent Director

CHIEF FINANCIAL OFFICER

Mr. B Udhay Shankar

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Meenakshi Jayaraman

AUDITORS

M/s. Deloitte Haskins & Sells. Chartered Accountants,
ASV N Ramana Towers, 52, Venkatanarayana Road,
T.Nagar, Chennai – 600 017.
Ph: 044-66885000

BANKERS TO THE COMPANY

HDFC Bank, Nungambakkam, Chennai.

Axis Bank, Anna Nagar, Chennai.

REGISTERED OFFICE

3rd Floor, Buhari Towers,

No. 4 Moores Road, Off Greams Road,

Chennai- 600 006

Website: www.dragarwal.com

CIN: L85110TN1994PLC027366

Telephone: 91-044-43787777, Email: investor@dragarwal.com

REGISTRAR SHARE TRANSFER AGENT

Integrated Registry Management Services Private Limited.

2nd floor, Kences Towers,

No.1 Ramakrishna Street, North Usman Road,

T Nagar, Chennai - 600 017

Tel - 044 2814 0801-03, Email: corpserv@integratedindia.in

CHAIRMAN'S DESK

Dear Shareholders,

I am pleased to present the 30th Annual Report to you amidst the prosperous times that we all are living in.

With the market indices trading at record highs and upward revision of our GDP growth estimates by major agencies on the back of robust structural tailwinds, the Indian economy is poised to touch new heights in the years to come.

By 2027, we would be celebrating 7 decades of our legacy of ophthalmology practice. But even as we grow, our commitment to serving our patients with the best eye care services in the country has always been steadfast. The Company having seen the impact of COVID-19 first hand in FY 21 and FY22, has showcased the resilience as we have bounced back to set new records with our outstanding financial performance in FY 23 and FY 24. In FY24, we achieved ₹319.30 Crores as Revenue from Operations (FY23: ₹268.10 Crores) with Profit After Tax of ₹46.36 Crores (FY23: ₹36.92 Crores) showing a 19% and 25% increase in Revenue from Operations and PAT respectively.

We have continued to make significant advancements to complete the construction of our flagship Center of Excellence on Cathedral Road in FY24. We exuberantly look forward to inaugurating our new centre in FY25 when we will be able to offer the finest eye care services in the country to our patients across a wide spectrum of specialties under a single roof.

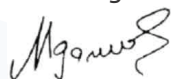
Expanding our geographical presence via Eye Clinics was our key focus this year as we wanted to mitigate the difficulties of our patients to get quality eyecare services in peripheral locations. We have set up 8 eye clinics in Tamil Nadu and 3 in Andhra Pradesh in various cities/towns. We have also added 6 surgical centres at Coonoor, Sholinganallur, Pudukkottai, Tiruvannamalai, Virudhachalam and Namakkal all outfitted with operation theatres and primarily providing cataract surgeries to the patients.

As we welcome the new financial year with our characteristic zeal to achieve new highs in clinical excellence, quality of our services and patient satisfaction, I would like to express my heartfelt thanks to our stakeholders, including our loyal doctors, patients, directors, investors, partners, vendors, and employees. Your trust and support have always been the cornerstone of our extraordinary growth story.

With your support, we will always continue to bring to the patients' doorstep - quality and affordable eye care services for many years to come.

Regards,

Dr Amar Agarwal



Chairman cum Managing Director
Dr. Agarwal's Eye Hospital Limited



BOARD OF DIRECTORS



PROF. DR. AMAR AGARWAL
CHAIRMAN CUM MANAGING DIRECTOR

Prof. Dr. Amar Agarwal – Chairman cum Managing Director (M.S. FRCS, FRC Ophth) is a widely respected Ophthalmic Surgeon

Various Scientific Contributions

- Developed the Phakonit procedure for Cataract Surgery – First to remove Cataracts through a 1mm incision
- Developed “no anesthesia” Cataract Surgery and FAVIT – a new technique to remove Dropped Nuclei
- First in the world to implant a Glued IOL. First to use Trypan Blue for staining Epiretinal Membranes
- Performed the first innovative PDEK surgery technique (in 2013)
- Discovered a new refractive error called Aberropia
- Trains doctors from all over the world on Phaco, Bimanual Phaco, LASIK and Retina
- Authored 50+ books published in various languages

Awards & Associates

- Voted #2 on the “100 most influential people in ophthalmology” by “the Ophthalmologist” (leading international publication) published in its 2014 & 2015 “PowerList”
- Has received many awards in ophthalmology including “GOLDEN APPLE AWARD”, “BARRAQUER AWARD” and the “KELMAN AWARD”
- Has received the “BEST DOCTOR AWARD” from the Govt. of Tamilnadu in 2014

Positions held

- He was the President of International Society of Refractive Surgery (ISRS), partner of the American Academy of Ophthalmology
- He is the Secretary General and Chairman of the Scientific Committee of the Intraocular Implant & Refractive Society (IIRSI), India and Professor of ophthalmology at Ramachandra Medical College in Chennai.



DR. ATHIYA AGARWAL
WHOLE-TIME DIRECTOR

Dr. Athiya Agarwal is one of the leading Anterior Segment Surgeons and Ocular Pathologists in India. She was trained in Ophthalmology and Pathology in the world famous Moorfields Eye Hospital in London

An Active Member of the All India Ophthalmology Society and conducts training programs for the post graduate students in modern surgical procedures.

BOARD OF DIRECTORS



DR. ADIL AGARWAL
DIRECTOR

Dr. Adil Agarwal is an eye surgeon and has specialized in Vitreo-Retinal Surgery. Has performed more than 5000 Cataract surgeries and over 500 retinal surgeries.

Has an MS in Ophthalmology (Gold Medalist) and has completed a stint in Bascom Palmer Eye Institute, Miami, USA. Has an MBA from Stanford Graduate School of Business.

Drives Strategic Initiatives, Investor Relations, M&A, New Business Development.

Joined the Group in 2006 as a consultant and took over as Vice President – Strategy in 2010 for 2 years before pursuing his MBA. Rejoined the Group in June 2014.



CA SANJAY ANAND
INDEPENDENT DIRECTOR

CA Sanjay Anand is an Independent Director with the Dr. Agarwal's group since 2009. A Chartered Accountant having an excellent Academic record from Delhi Public School Delhi, DAV - Chennai, Bachelors degree of Commerce, University of Madras. Achieved distinction from Academy of Accounting at SIRC, ICAI and Portfolio Management from IIM A.

He owns professionally managed Organized business of Office supplies – "Office # 1". He is the founder promoter of IIGM Private Limited, the largest in the Industrial Garment Machines in India and Waterwoods Resorts, Kabini Mysore.

He has over four decades of expertise in Capital - stock markets and Equity investments. He has been in the Directorship of Dr. Agarwal's group over a decade with immense experience in Health Care and Hospitality Industry.



CA BALAKRISHNAN VENKATRAMAN
INDEPENDENT DIRECTOR

CA Balakrishnan Venkatraman known as Bala has more than 30 years of experience in the Strategy, Finance, Business and related areas. Bala served as Head of BPO, Finacle & India Business Unit at Infosys Ltd. He served as the Chief Financial Officer of Infosys Ltd., from May 1, 2006 to October 31, 2012. Bala has significant experience in leadership positions in the finance domain, with expertise in Corporate Finance, International Taxation, Risk Management and Mergers & Acquisitions. He served as Secretary and Senior Vice President – Finance of Infosys Ltd., from 2001 to 2006. He also served in various capacities in Finance department.

EXPERTISE PROFILE He served as Chairman of the Board at Infosys BPO Limited and Chairman of Infosys Lodestone. He served as a Whole-Time Director of Infosys Ltd. from June 11, 2011 to December 31, 2013. He served as Director at Infosys Technologies Australia Pty Limited and Infosys Consulting, Inc. He has been a recipient of the "Best CFO" award from CNBC and Finance Asia.

BOARD OF DIRECTORS



MRS. LAKSHMI SUBRAMANIAN
INDEPENDENT DIRECTOR
(UPTO JUNE 02, 2024)

Mrs. Lakshmi Subramanian is a Practicing Company Secretary. She has done her graduation from S.I.E.T College, Chennai. She founded LakshmiSubramanian & Associates (LSA) in 2001.

She provides IPO services like drafting of prospectus, due diligence to the issue and has handled Several Merger, De-Merger, Acquisition and Take Over cases.

She has extensive knowledge in all Corporate Law Matters and also provides advisory services at the Board level. She is assisting in the concept of On-line Live Portal "GOAL" covering all corporate laws.

RECOGNITIONS

LSA was ranked 3rd in India amongst IPO issue advisory firms by Bloomberg (2011), Peer Reviewed Firm (2015-16), Excellent Performance Award by leading Corporate on Due Diligence (2017), Philanthropic award by Trust for the best "CSR support to Society" (2016-2018) and ICSI certificate for supporting the initiative of Institute for education of the Daughters of Martyrs.



Mrs. LATHA RAMANATHAN
INDEPENDENT DIRECTOR

Mrs. Latha Ramanathan is a Chartered Accountant having an extensive experience of 34 years' post-qualification. Her distinguished career includes nearly two decades with the Big 4 Consulting firms, notably KPMG, PwC and Deloitte, where she held Partner positions. She played pivotal roles in various internal Committees, chairing responsibilities and has also been part of Global committees / the matic groups.

She has significant experience in leadership positions with expertise in Business Strategy. Presently, She heads Economix Consulting Group (ECG), a niche consulting and analytics firm that she founded.

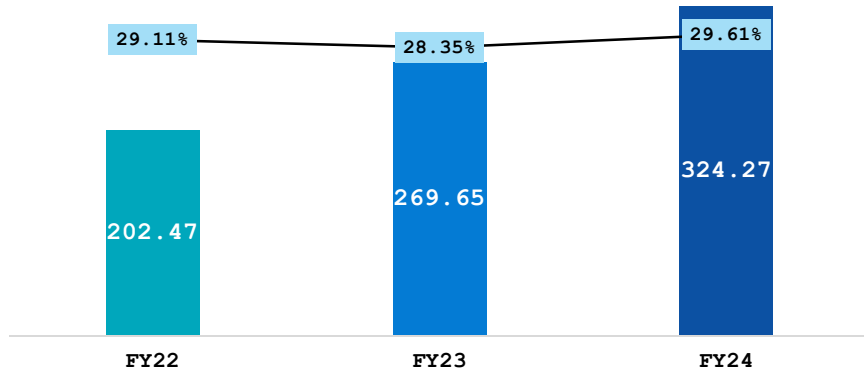
10 YEARS FINANCIAL HIGHLIGHTS

INR Crores

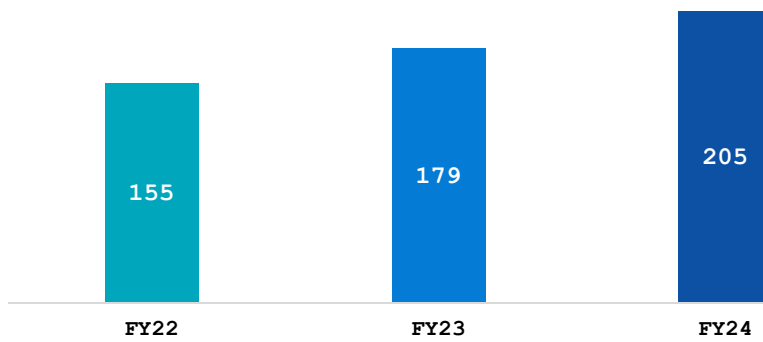
| For the year ended | 2023-24 | 2022-23 | 2021-22 | 2020-21 | 2019-20 |
|---|---------|---------|---------|---------|---------|
| Total Income | 324.27 | 269.65 | 202.47 | 140.62 | 178.6 |
| EBITDA | 96.03 | 76.45 | 58.93 | 31.18 | 48.88 |
| EBITDA% | 30% | 28% | 29% | 22% | 27% |
| Depreciation | 26.61 | 20.18 | 20.39 | 19.1 | 21.24 |
| Finance Costs | 7.17 | 6.87 | 6.23 | 6.35 | 7.7 |
| Interest on lease liabilities | 6.79 | 5.59 | 4.33 | 4.18 | 4.37 |
| PBT | 62.25 | 49.4 | 32.31 | 5.73 | 19.94 |
| PBT% | 19.20% | 18.32% | 15.96% | 4.07% | 11.16% |
| PAT | 46.36 | 36.92 | 24.1 | -1.44 | 13.68 |
| PAT % | 14.30% | 13.69% | 11.90% | -1.02% | 7.66% |
| Equity Share Capital | 4.70 | 4.70 | 4.70 | 4.70 | 4.70 |
| Reserves | 152.45 | 108.64 | 73.47 | 49.96 | 51.4 |
| Net Worth | 157.15 | 113.34 | 78.17 | 54.66 | 56.10 |
| Loan Funds | 51.3 | 43.83 | 31.94 | 21.63 | 13.24 |
| Lease Liabilities | 216.72 | 188.64 | 161.52 | 45.92 | 42.4 |
| Capital Employed (CE) | 207.65 | 156.03 | 108.45 | 75.68 | 67.84 |
| Return on Networth (%) | 29.50% | 32.57% | 30.83% | -2.63% | 24.39% |
| Return on Capital Employed (Adjusted) | 30.16% | 32.48% | 31.54% | 10.44% | 34.30% |
| Debt/Equity Ratio | 1.71 | 2.05 | 2.47 | 1.24 | 0.99 |
| Dividend (Interim & Final) | 50% | 30% | 30% | Nil | Nil |
| Earnings Per Share (Face Value of Rs.10 each) | 98.64 | 78.55 | 51.28 | -3.06 | 29.11 |

| For the year ended | 2018-19 | 2017-18 | 2016-17 | 2015-16 | 2014-15 |
|---|---------|---------|---------|---------|---------|
| Total Income | 172.03 | 155.62 | 148.86 | 136.84 | 118.38 |
| EBITDA | 30.92 | 25.73 | 21.81 | 11.79 | 14.73 |
| EBITDA% | 18% | 17% | 15% | 9% | 12% |
| Depreciation | 10.91 | 9.78 | 8.74 | 8.53 | 6.16 |
| Finance Costs | 2.58 | 2.59 | 3.27 | 3.74 | 3.21 |
| Interest on lease liabilities | 0 | 0 | 0 | 0 | 0 |
| PBT | 17.43 | 13.36 | 9.8 | -0.48 | 5.36 |
| PBT% | 10.13% | 8.59% | 6.58% | -0.35% | 4.53% |
| PAT | 11.92 | 6.78 | 6.57 | 0.04 | 5.7 |
| PAT % | 6.93% | 4.36% | 4.41% | 0.03% | 4.82% |
| Equity Share Capital | 4.70 | 4.70 | 4.70 | 4.70 | 4.70 |
| Reserves | 40.89 | 30.36 | 25.29 | 18.72 | 19.06 |
| Net Worth | 45.59 | 35.06 | 29.99 | 23.42 | 23.76 |
| Loan Funds | 18.14 | 10.34 | 16.32 | 24.07 | 23.13 |
| Lease Liabilities | 0 | 0 | 0 | 0 | 0 |
| Capital Employed (CE) | 61.35 | 41.96 | 45.92 | 47.37 | 46.26 |
| Return on Networth (%) | 26.15% | 19.34% | 21.91% | 0.17% | 23.99% |
| Return on Capital Employed (Adjusted) | 32.62% | 38.01% | 28.46% | 6.88% | 18.53% |
| Debt/Equity Ratio | 0.40 | 0.29 | 0.54 | 1.03 | 0.97 |
| Dividend (Interim & Final) | 15% | 12% | 15% | 8% | 12% |
| Earnings Per Share (Face Value of Rs.10 each) | 25.36 | 14.43 | 13.98 | 0.09 | 12.13 |

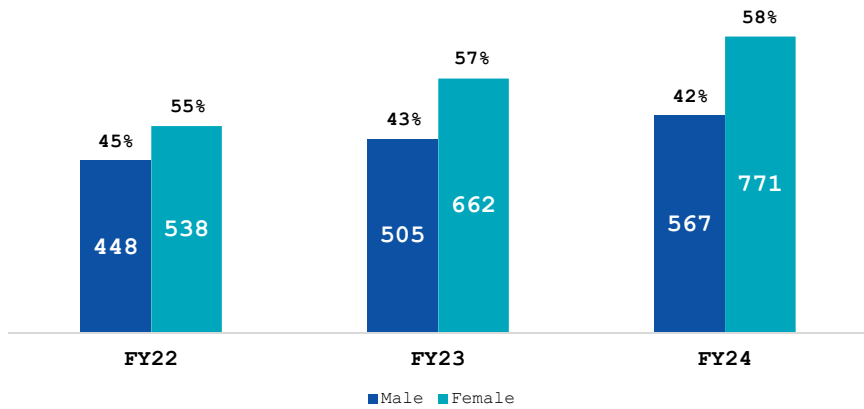
FINANCIAL PERFORMANCE



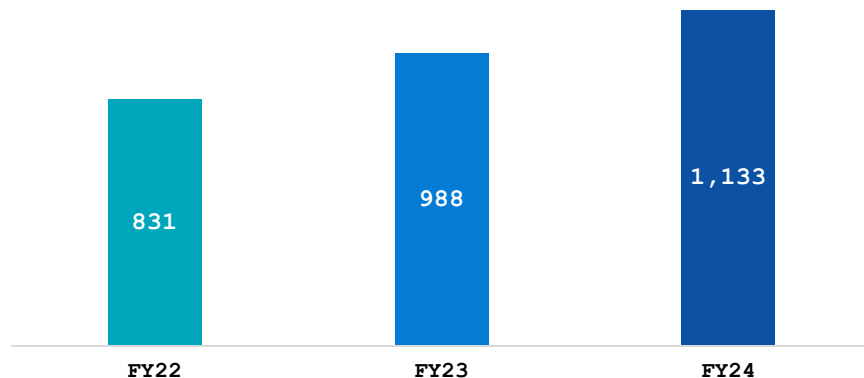
DOCTOR COUNT



GENDER SPLIT



EMPLOYEE COUNT



NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of the shareholders of the Company will be held on Monday, August 26, 2024 at 10.00 AM through video conferencing (VC) /other audio visual means (OAVM), to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2024, along with the report of the board of directors and auditors thereon.

2. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT a dividend of INR 2.50 per share (25%) on the paid-up capital consisting of 47,00,000 equity shares, absorbing a sum of INR 1,17,50,000 as recommended by the Board, be approved and the same be and is hereby declared payable for the year ended March 31, 2024."

3. To appoint a director in the place of Dr. Adil Agarwal (DIN 01074272) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of remuneration to cost auditor for the financial year 2023-24

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of INR 75,000 (Rupees seventy five thousand only) plus applicable taxes and reimbursement of out of pocket expenses incurred by them and payable for the year 2023-2024 to M/s. BY & Associates, Cost Accountant in practice (Firm Registration No: 003498) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24, be and is hereby ratified and confirmed.

5. Appointment of Ms. Latha Ramanathan (DIN:07099052), as a non-executive and independent director

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to the provisions of section 149, 150, 152 read with schedule IV of Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions of the Companies Act, 2013 including rules made thereunder and regulation 16, 17 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof, for the time being in force), and pursuant to the recommendation of the nomination and remuneration committee and the Board of Directors, consent of the shareholders be and is hereby accorded for the appointment of Ms. Latha Ramanathan (DIN: 07099052), who was appointed as an Additional Director (Independent Director) with effect from May 31, 2024 and who has submitted a declaration that she meets the criteria for independence as provided under section 149(6) of the Act and regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is eligible for appointment as an independent director of the company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from May 31, 2024.

RESOLVED FURTHER THAT the Board of Directors and company secretary of the company be are hereby authorized to do all acts and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.

6. Approval of revision in remuneration of Dr. Amar Agarwal (DIN: 00435684)

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

RESOLVED THAT in partial modification to the Resolution No. 6 passed by the members at the 28th annual general meeting of the company held on September 14, 2022, pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, and Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendments, modifications or re-enactments thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Dr. Amar Agarwal (DIN: 00435684), Chairman cum Managing Director of the Company, which is in excess

of threshold limits as prescribed under SEBI(LODR) Regulations, 2015 and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Director may be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions, however, within the limits prescribed in the explanatory statement.

RESOLVED FURTHER THAT the terms and remuneration as set out in the explanatory statement of this resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits in any financial year during the currency of the tenure of the Chairman cum Managing Director, the remuneration as stated in the Explanatory Statement, and annual performance commission, excluding the perquisites mentioned under Section IV of Part II of the Schedule V of the Act shall be treated as minimum remuneration, subject to limits mentioned under Section II of Part II of Schedule V of the Act or such other limit as may be prescribed by the Government from time to time shall be paid.

RESOLVED FURTHER THAT the Board of Directors and company secretary of the of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

7.Approval of increase in remuneration of Dr. Athiya Agarwal (DIN: 01365659)

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

RESOLVED THAT in partial modification to the Resolution No. 7 passed by the members at the 28th annual general meeting of the company held on September 14, 2022, pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015 and other applicable provisions, if any, Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendments, modifications or re-enactments thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of remuneration of Dr. Athiya Agarwal (DIN: 01365659), Whole-time Director of the Company, which is in excess of threshold limits as prescribed under SEBI

(LODR) Regulations, 2015 and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Director may be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions, however, within the limits prescribed in the explanatory statement.

RESOLVED FURTHER THAT the terms and remuneration as set out in the explanatory statement of this resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits in any financial year during the currency of the tenure of the Whole-Time Director, the remuneration as stated in the Explanatory Statement, and annual performance commission, excluding the perquisites mentioned under Section IV of Part II of the Schedule V of the Act shall be treated as minimum remuneration, subject to limits mentioned under Section II of Part II of Schedule V of the Act or such other limit as may be prescribed by the Government from time to time shall be paid.

RESOLVED FURTHER THAT the Board of Directors and company secretary of the of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

**By order of the Board
For Dr. Agarwal's Eye Hospital Ltd.**

Sd/-

Meenakshi Jayaraman
Company Secretary and Compliance Officer

Place: Chennai
Date: 25.07.2024

Notes:

Pursuant to General Circular No.14/2020 dated April 08, 2020, General Circular No.17/2020 dated April 13, 2020, Circular No.20/2020 dated May 05, 2020, CircularNo. 02/2021 dated January 13, 2021, Circular No.19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No.02/2022 dated May 05,2022, CircularNo.10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 respectively, issued by the Ministry of Corporate Affairs ("MCACirculars"), Circular No.SEBI/HO/CFD/ CMD1/CIR/ P/2020 /79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/ CIR /P/2021/11 dated January 15, 2021, Circular SEBI/ HO/CFD/CMD2/CIR/P/2022/62 dated May 13,2022, Circular No. SEBI/HO/CFD/PoD- 2/P/CIR/2023/4 dated January 05, 2023 and Circular No. SEBI /HO/CFD/ CFD-POD-2/P/CIR/2023/167 dated October 07, 2023, issued by the Securities and Exchange Board of India ("SEBICirculars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations/SEBI Listing Regulations"), the 30th Annual General Meeting ('AGM') of the Company is being conducted through VC/OAVM Facility, without the physical presence of Members at a common venue. The deemed venue shall be the Registered Office of the Company.

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item no.4 to 6 is annexed hereto.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. As the AGM is being held through VC / OAVM in accordance with the MCA circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such

as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company.

4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. Under the provisions of Section 124 of the Companies Act, 2013 (Section 205A of the Companies Act, 1956), dividends remaining unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company or Registrar and Share Transfer Agent for claiming the amount before it is transferred to the IEP Fund. As per Section 124(6) of the Companies Act, 2013 all the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of IEP Fund. The shareholders are entitled to claim the shares and the dividend transferred to IEP Fund in accordance with the procedures and on submission of such documents as prescribed in the Companies Act, 2013. The details of due dates for transfer of such unclaimed dividend to the said IEP Fund are given below:

| Financial Year | Dividend % | Date of declaration of Dividend | Due date for transfer to IEPF Authority |
|----------------|------------|---------------------------------|---|
| 2016-17 | 15% | 23.08.2017 | 29.09.2024 |
| 2017-18 | 12% | 30.08.2018 | 05.10.2025 |
| 2018-19 | 15% | 24.09.2019 | 30.10.2026 |
| 2019-20 | NIL | NA | NA |
| 2020-21 | NIL | NA | NA |
| 2021-22 | 30% | 14.09.2022 | 20.10.2029 |
| 2022-23 | 30% | 21.09.2023 | 27.10.2030 |

The Shareholders who have not claimed the dividends are requested to claim the same before the due dates as mentioned above after which the amount will be transferred to IEP Fund.

6. Pursuant to the aforesaid provisions, during the year under review, the Company has, by way of corporate action, transferred 402 shares pertaining to the financial year 2015-16 (final dividend) to the Demat Account of the IEPF Authority maintained with NSDL, in respect of which dividend had remained unpaid / unclaimed for a consecutive period of seven years.
7. The members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 (as prescribed by MCA) available on the website of IEPF at www.iepf.gov.in and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Company for verification of the claim.
8. The dividend, as recommended by the Board of Directors, if declared at the meeting, shall be paid to those members whose name(s) appear in the Register of Members of the Company as on August 19, 2024 ("Cut-Off date"). In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.
9. Members holding shares in demat form are hereby informed that bank particulars registered against their accounts will be used by the Company for payment of Dividend. Changes in bank details are only to be advised to the Depository Participants by the Members. Members who are holding shares in physical form and desirous of registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Company or Registrar & Transfer Agents, M/s. Integrated Registry Management Services Private Limited, 2nd floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. The members holding shares in electronic form are, therefore, requested to submit their PAN to their respective Depository Participants and for the members holding shares in physical form can submit their PAN and Bank mandate to the Company / RTA.
11. Pursuant to the Finance Act 2020, dividend income will be taxable at the hands of shareholders w.e.f. April 01, 2020. For the prescribed rates for various categories, the share -holders are requested to refer to the Finance Act, 2020 and amendments thereof.

The Company is required to deduct tax at source from the dividend paid at the prescribed rates, if the dividend amount exceeds Rs. 5,000/. However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them does not exceed Rs. 5,000/- and also in cases where members provide Form 15G/ Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Form 15G / 15H can be submitted through e-mail to corpserv@integratedindia.in to avail the benefit by 11:59P.M.IST on August 19, 2024. For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess or as notified by the Government of India on the amount of dividend payable.

Non-resident shareholders can avail beneficial rates under the Tax Treaty between India and their country of residence, subject to providing necessary documents, i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the Tax Treaty benefits, by sending an email to corpserv@integratedindia.in. The aforesaid declarations and documents should be submitted by the share holders by 11:59P.M.IST on August 19, 2024.

Any clarification required in this regard, you may contact Ms. Anusha, Senior Manager, Integrated Registry Management Services Private Limited (Ph. No. 044 2814 0801-03). No communication would be accepted from Members after August 19, 2024, regarding the tax with holding matters.
12. Wherever the name of the Director appears the same to be read with the DIN of the concerned Director as appearing above in this Notice.

ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

13. In accordance with, the General Circular No. 09/2023 dated September 25, 2023 read with and Circular No. SEBI/HO/CFD/CFD-POD-2/P/CIR/2023/167 dated October 07, 2023 issued by SEBI, relaxations were provided for dispatching of physical copies of the Annual Report. The Annual Report for the year including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).

14. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA at corpserv@integratedindia.in along with the Form ISR-1 as available in the website of the Company at <https://www.dragarwal.com/for-investors/> along with the necessary supporting documents. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to investor@dragarwal.com.

15. In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice of AGM along with Annual Report for the financial year 2023-24, is available on the website of the Company at www.dragarwal.com, on the website of Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL at www.evoting.india.com.

16. Corporate members are requested to send to the Company a certified copy of the Board Resolution/ Power of Attorney authorizing the representative to attend and vote in the AGM through VC/OAVM on its behalf and to vote through remote e-voting.

17. The Register of members and the share transfer books of the company will remain closed from August 20, 2024 to August 26, 2024 (both days inclusive) on account of the Annual General Meeting.

18. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 and all the documents referred

to in the notice will be available for inspection in electronic mode during the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF COMPANIES ACT, 2013

Item no 4–Ratification of remuneration to cost auditor for the financial year 2023-24

In terms of Section 148 of the Companies Act 2013 and the Rules made thereunder, the Company is required to maintain cost audit records and to have the same audited by a cost auditor. Based on the recommendation of the audit committee, the Board of Directors at its meeting held on August 04, 2023, appointed M/s. BY & Associates, cost accountant in practice (Firm Registration No: 003498) as Cost Auditor, for conducting the cost audit for the year 2023-24 at a remuneration of INR 75,000 (Rupees seventy-five thousand only) plus applicable taxes and reimbursement of out of pocket expenses at actuals. Rule 14 of The Companies (Audit and Auditors) Rules, 2014, as amended, requires that the remuneration payable to the Cost Auditor be ratified by the members. The Board recommends that the remuneration payable to the cost auditor in terms of the resolution set out at Item No. 4 of the accompanying Notice be confirmed, approved and ratified by the Members.

None of the directors or key managerial personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution except as a member of the company.

Item no 5 –Appointment of Ms. Latha Ramanathan (DIN:07099052), as a non-executive and independent director

Based on recommendation of nomination and remuneration committee, the Board of Directors appointed Ms. Latha Ramanathan (DIN:07099052) as an additional director (independent category) of the Company, not liable to retire by rotation, for a term of 5 years with effect from May 31, 2024, subject to approval of the members. The Company has received a notice in writing from the member of the Company in terms of section 160 of the Companies Act, 2013 proposing her candidature for the office of director.

Brief Profile: Ms. Latha Ramanathan, is a Chartered Accountant with an extensive experience of 34 years' post-qualification. Her distinguished career includes nearly two decades with the Big 4 Consulting firms,

notably KPMG, PwC and Deloitte, where she held Partner positions. She played pivotal roles in various internal Committees, chairing responsibilities and has also been part of Global committees/thematic groups. She has significant experience in leadership positions with expertise in Business Strategy. Presently, she heads Economix Consulting Group (ECG), a niche consulting and analytics firm that she founded.

Board's Recommendation: In the opinion of the Board, Ms. Latha Ramanathan fulfils the conditions for the appointment as an independent director as specified in the Companies Act, 2013 and the rules made there under and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. She is independent of the management and possesses appropriate skills, experience, and knowledge.

Ms. Latha Ramanathan, if appointed by the members of the Company as an independent director shall hold office for a term of five years commencing from 31st May 2024.

Ms. Latha Ramanathan doesn't have any pecuniary relationship with the Company directly or indirectly other than the remuneration (including of sitting fees) that she may receive as a non-executive independent director of the Company and is not related to any director or managerial personnel of the Company.

None of the directors, key managerial personnel or their relatives are concerned or interested in this resolution except as a member of the Company. The Board recommends passing of the proposed resolution stated in item no. 5 as a special resolution and requests the approval of the shareholders for the same.

Item no 6–Approval of revision in remuneration of Dr. Amar Agarwal (DIN: 00435684)

The members had earlier at the 28th annual general meeting held on September 14, 2022, approved the appointment of Dr. Amar Agarwal as the Chairman cum Managing Director for a period of three years from October 01, 2022 to September 30, 2025 and has also approved the remuneration payable to him with effect from April 01, 2022. Other things with respect to the terms and conditions of appointment remaining unchanged, the Board at its meeting held on July 25, 2024 modified and approved the revision in his remuneration, subject to approval of the shareholders at the ensuing annual general meeting.

The Board has recommended the following remuneration to Dr. Amar Agarwal, with effect from April 1, 2024, which is in line with industry standards for a similar role:

| | |
|---|---|
| Salary (Fixed) | INR 2,48,40,000 (Rupees Two crore forty eight lakhs and forty thousand only) per annum |
| Variable Pay for the financial year 2023 - 2024 | Performance linked variable pay of INR 39,40,000/- (Rupees Thirty nine lakhs forty thousand only) |
| Perquisites | Use of car with driver, travel reimbursements and use of telephone and internet reimbursement will be provided in accordance with the policies of the Company and the same will be evaluated as per the Income Tax Rules. Leave Encashment shall be provided as per the Company's policy from time to time. |
| Contribution to funds | Company's contribution to Provident Fund and Super Annuation Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity at the rate not exceeding 15 days salary for every completed year of service, subject to prevailing rules and regulations. |
| Annual Performance Commission | The annual performance Commission subject to a ceiling of INR 27,00,000/- based on the achievement of revenue slabs as may be decided by the Nomination & Remuneration Committee and Board of Directors of the company from time to time which will be paid in addition to the salary, perquisites and contribution to fund etc. mentioned above. |

Item no 7–Approval of revision in remuneration of Dr. Athiya Agarwal (DIN: 01365659)

The members had earlier at the 28th annual general meeting held on September 14, 2022, approved the appointment of Dr. Athiya Agarwal as the Whole-time Director for a period of three years from October 01, 2022 to September 30, 2025 and has also approved the remuneration payable to her. Other things with respect to the terms and conditions of appointment remaining constant, the Board at its meeting held on July 25, 2024 modified and approved the revision in her remuneration, subject to approval of the shareholders at the ensuing annual general meeting.

The Board has recommended the following remuneration to Dr. Athiya Agarwal, with effect from April 1, 2024, which is in line with industry standards for a similar role:

| | |
|---|---|
| Salary (Fixed) | INR 1,01,64,000 (Rupees One crore and one lakh sixty four thousand only) per annum |
| Variable Pay for the financial year 2023 - 2024 | Performance linked variable pay of INR 9,24,000/- (Rupees Nine lakh twenty four thousand only) |
| Perquisites | Use of car with driver, travel reimbursements and use of telephone and internet reimbursement will be provided in accordance with the policies of the Company and the same will be evaluated as per the Income Tax Rules. Leave Encashment shall be provided as per the Company's policy from time to time. |
| Contribution to funds | Company's contribution to Provident Fund and Super Annuation Fund to the extent these singly or put together are not taxable under the Income Tax Act, 1961 and Gratuity at the rate not exceeding 15 days salary for every completed year of service, subject to prevailing rules and regulations. |

Disclosure in accordance with Schedule V of Companies Act, 2013 for item no 6 & 7

1. General Information

| Nature of Industry | Hospital | | |
|---|-----------------|---------|---------|
| Date or expected date of commencement of commercial production | Not applicable | | |
| In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not applicable | | |
| Financial performance based on given indicators | (INR in Crores) | | |
| Particulars | 2023-24 | 2022-23 | 2021-22 |
| Total Income | 324.27 | 269.65 | 202.47 |
| Total Expenses (excluding exceptional items) | 262.02 | 220.25 | 170.16 |
| Profit / (loss) | 46.36 | 36.92 | 24.10 |
| Dividend if any | 50% | 30% | 30% |
| Foreign investments or collaborations, if any | NA | NA | NA |

2. Information about the appointee

| Particulars | Dr. Amar Agarwal | Dr. Athiya Agarwal |
|--|--|--|
| Background details/ recognition or awards/job profile and his suitability/ remuneration proposed | Dr. Amar Agarwal, 62 years, has been the Director of the company since its inception. He is MS, FRCS, FRC. Opht. (London) He has over 36 years of experience in Eye Care Industry. | Dr. Athiya Agarwal aged 67 years, has been the Director of the Company since its inception. She is M D, FRSH (London), DO, She has over 33 years of experience in Eye Care Industry. |
| Past remuneration | INR 2,16,00,000/- per annum | INR 92,40,000/- per annum |

| | | |
|--|---|--|
| Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person | Considering the significant expertise of the appointee and acknowledging the responsibilities shouldered, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar level counterpart(s) in other companies to encourage good professionals with a sound career record. | |
| Pecuniary relationship directly or indirectly with the Company | The appointee does not have any pecuniary relationship with the Company other than the remuneration he/she received/ will receive as for the position held in the Company. | |
| Relationship between directors inter se and key managerial personnel | Dr. Amar Agarwal is the spouse of Dr. Athiya Agarwal and the father of Dr. Adil Agarwal (Non-executive Director) | Dr. Athiya Agarwal is the spouse of Dr. Amar Agarwal and the mother of Dr. Adil Agarwal (Non-executive Director) |

3. Other Disclosures

| | |
|--|--|
| Reason for loss or inadequate profits | As on March 31, 2024 the Company has invested in high end technology, skilled manpower resulting in higher depreciation and increased operating cost. As per the provisions of Schedule V of the Companies Act, 2013, the net profit would be inadequate for payment of remuneration to the Whole time Director and Managing Director. |
| Steps taken or proposed to be taken for improvement | The investment in new centres are expected to benefit the company in the long run through higher revenues/margin. |
| Expected increase in productivity and profits in measurable terms. | The Company expects that improvement in business environment and several steps being taken to enhance revenue and reduce costs, which may yield better Profit in the years to come. |

The Board recommends the Resolution as set out at Item nos. 6 & 7 for approval by the members of the Company as Special Resolutions. None of the Directors or Key Managerial Personnel or their relatives, other than the interest Directors and their relatives are in any way concerned with or interested, financially or otherwise in the said resolution except to the extent of their shareholding in the Company, if any.

Details of appointee Directors in terms of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and secretarial standard on general meetings (SS-2) are given hereunder;

| Name of Director | Ms. Latha Ramanathan | Dr. Adil Agarwal |
|---|--|---|
| DIN | 07099052 | 01074272 |
| Date of Birth | 20/12/1966 | 13/10/1983 |
| Nationality | Indian | Indian |
| Date of first appointment on the Board | May 31,2024 | March 28, 2005 |
| Qualifications | As mentioned in the explanatory statement | M B B S, M.S. Ophthalmology, MBA Finance (Stanford) Ophthalmology (Gold Medalist) and has specialized in Vitreo-Retinal Surgery. He has led the strategic initiatives for the group with a focus on Mergers & Acquisitions, JV's, Brand & Marketing and new businesses. |
| Brief resume | | |
| Experience/expertise in specific functional area | | |
| No. of shares held in the Company, including shareholding as a beneficial owner | Nil | Nil |
| List of Directorships held in other companies including listed entities | Sterling Holiday Resorts Limited- Non-Executive Independent Director | Dr. Agarwal's Health Care Limited |

| | | |
|--|----------------------------------|--|
| No. of board meetings attended during the year | Not Applicable | Please refer corporate governance report |
| Relationship between director inter-se and other key managerial personnel of the company | Nil | Son of Dr. Amar Agarwal and Dr. Athiya Agarwal |
| Terms and conditions of appointment | Not liable to retire by rotation | NA |

CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING AGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting by way of VC/OAVM but shall not be entitled to cast their vote again. The details indicating the process and manner for voting by electronic means, the time, schedule including the time period during which the votes may be cast by remote e-voting, the details of the login ID, the process and manner for generating or receiving the password and for casting of vote in a secure manner are provided to the shareholders. The procedures and instructions for 'remote e-voting', 'attending the meeting through VC / OAVM' and 'e-voting at the meeting' are furnished as part of this Notice.
5. The Board of Directors have appointed Mr. Subramanian Chandrasekar, Practicing Company Secretary (Membership No. FCS 6773), Chennai, as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. The Company has engaged the services of CDSL to provide e-voting facilities enabling the members to cast their vote in a secure manner. The e-voting facility will be available at www.evotingindia.com.
6. The Scrutinizer shall, immediately after the conclusion of the meeting, count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in presence of atleast two witnesses not in employment of the Company. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than two days after the conclusion of the Meeting. Thereafter, the Results of remote e-voting and e-voting during the 30th AGM shall be declared by the Chairman or a person authorized by him in writing. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website at <https://www.dragarwal.com/for-investors/> and also be displayed on the website of CDSL at www.evotingindia.com immediately after the results are declared and simultaneously communicated to the Stock Exchanges.

7. The shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 19, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.
8. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com.
9. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with Ministry's General Circular No. 09/2023 dated September 25, 2023, General Circular No. 10/2022 dated December 28, 2022, Circular No. 02/2022 dated May 05, 2022 and Circular No.20/2020 dated May05, 2020.

THE INTRUCTIONS OF SHAREHOLDRES FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

A) FOR REMOTE E-VOTING

- (i) The e-voting period would commence on August 22, 2024 (Thursday) 09.00 A.M. (IST) and conclude on August 25, 2024 (Sunday) 05.00 P.M. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 19, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members. In order to increase the efficiency of the voting process, pursuant to a public consultation, SEBI has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail ID in their demat accounts in order to access e-voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL Depository | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> |

| | |
|--|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|--|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33. |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| | |
|-----|---|
| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
| PAN | <p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |

| | |
|--|--|
| Dividend Bank Details OR Date of Birth (DOB) | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |
|--|--|

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Dr. Agarwal's Eye Hospital Limited on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@dragarwal.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same..

B) FOR ATTENDING THE AGM THROUGH VC / OAVM

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Members are encouraged to join the meeting through laptops / iPads for better experience. Further members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Members who would like to express their views / ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number / folio number, e-mail ID, mobile number to investor@dragarwal.com on or before August 19, 2024 by 5:00 P.M. (IST) only. The members who do not wish to speak during the AGM but have queries may send their queries to investor@dragarwal.com mentioning their name, demat account number / folio number, e-mail ID, mobile number. The Company will reply to these queries suitably by e-mail.
7. The members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
8. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the Members through the e-voting available during the EGM/AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE MEMBERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES / RTA / COMPANY FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) along with Form ISR-1 and its supporting documents by email to corpserv@integratedindia.in
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

C) FOR E-VOTING DURING THE AGM:

- i. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- ii. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
- iii. Only those members, who are present in the AGM through VC / OAVM facility and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM. Further, members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC / OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the meeting.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

DIRECTORS' REPORT

The Board of Directors have pleasure in presenting the thirtieth annual report of the Company together with the audited financial statements for the year ended March 31, 2024

PERFORMANCE:

The highlights of the financial performance of your company are as under

| Particulars | March 31 2024 | March 31 2023 |
|---|---------------|---------------|
| I Revenue from Operations | 319.30 | 267.1 |
| II Other Income | 4.97 | 1.55 |
| III Total Income (I+II) | 324.27 | 269.65 |
| IV Expenses | | |
| Purchases of Stock-in-trade | 35.95 | 30.68 |
| Changes in inventory of stock- in-trade | (2.25) | (0.87) |
| Employee benefit expense | 63.78 | 53.26 |
| Finance costs | 7.17 | 6.87 |
| Depreciation and amortization expense | 26.61 | 20.18 |
| Other expenses | 130.76 | 110.13 |
| Total expenses | 262.02 | 220.25 |
| V Profit before tax (III-IV) | 62.25 | 49.40 |
| VI Tax expense | | |
| (a) Current tax (including prior years) | 16.22 | 12.33 |
| (b) Deferred tax | -0.33 | 0.15 |
| VII Profit for the Year (V-VI) | 46.36 | 36.92 |
| VIII Other Comprehensive Income Items that will not be reclassified to profit or loss | | |
| (a) Remeasurements of the defined benefit liabilities / (asset) | (0.05) | (0.48) |

| Particulars | March 31 2024 | March 31 2023 |
|--|---------------|---------------|
| (b) Income tax relating to items that will not be reclassified to profit or loss | 0.01 | 0.13 |
| Total other comprehensive (loss) / income for the year | (0.04) | (0.35) |
| IX Total comprehensive income for the year (VII+VIII) | 46.40 | 36.57 |

COURSE OF BUSINESS AND OUTLOOK / BUSINESS PERFORMANCE

During the year under review, the company had clocked a turnover of Rs.319.30 crores, as compared to Rs. 267.1 crore in the previous financial years. The profit before tax is at Rs.62.25 crore as compared to last year's profit before tax of Rs. 49.40 crore.

SHARE CAPITAL

The authorized equity share capital as on March 31, 2024 was Rs. 20 crore divided into 2 crores equity shares of Rs. 10 each. The paid up equity share capital as on March 31, 2024 was Rs. 4.7 crore divided into 0.47 crore equity shares of Rs. 10 each. There has been no increase in the paid up share capital of the Company during the financial year.

PARTICULARS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has no Subsidiaries, Associates and Joint ventures during the financial year 2023-24.

DIVIDEND

The Board of Directors have recommended a dividend of Rs. 2.5 per equity share of face value of Rs. 10 each as final dividend.

INTERIM DIVIDEND

During the financial year 2023-24, the Board of Directors in their meeting held on October 20, 2023, declared an interim dividend of Rs. 2.50 per equity share of Rs. 10 and the same was credited on November 15, 2023.

MEETINGS

During the financial year, the Board of Directors of the Company met four (4) times. The details regarding the

board meetings and committee meetings are given separately in the report on corporate governance as Annexure V to this report. The gap intervening between two meetings of the Board is within the stipulated time frame prescribed in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TRANSFER TO RESERVES:

During the year under review, no amount has been transferred to the general reserve of the Company.

DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the said financial year.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has neither given any loans or guarantees nor made any investments as covered under the provisions of section 186 of the Companies Act, 2013 during the financial year 2023-24.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has an adequate system of internal control in place, which has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, protecting assets from unauthorized use or losses, liance with regulation and for ensuring reliability of financial reporting. The internal audit function is carried out by independent firm of Chartered Accountants. The scope and authority of the internal audit is defined by the audit committee. The internal audit reports are placed before the audit committee for its review and the internal auditors attends the audit committee meetings.

DIRECTORS / KEY MANAGERIAL PERSONNEL:

In accordance with Section 152 of the Companies Act

2013, as per the articles of association of the Company and the recommendation of the Board of Directors, Dr. Adil Agarwal, non-executive non-independent director, retires by rotation at the ensuing annual general meeting, and being eligible offers him self for reappointment.

The term of appointment of Ms. Lakshmi Subramanian who was appointed as an independent director of the Company with effect from June 03, 2019 for a period of five (5) years expires on June 03, 2024.

The composition of the Board of Directors of the Company and other details required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given separately in the report on corporate governance as Annexure V to this report.

The following are the Key Managerial Personnel (KMP) of the Company as on March 31, 2024:

- Dr. Amar Agarwal, Managing Director
- Mr. B. Udhay Shankar, Chief Financial Officer
- Ms. Meenakshi Jayaraman, Company Secretary and Compliance Officer

DECLARATION FROM INDEPENDENT DIRECTORS:

The Company has received necessary declaration from all the independent directors of the Company under Section 149(7) of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, all the independent directors have confirmed that they have registered themselves on the independent directors' data bank maintained by the Indian Institute of Corporate Affairs as mandated by Companies (Appointment and Qualification of Directors) Rules, 2014. The independent directors have complied with the code for independent directors prescribed in Schedule IV to the Companies Act, 2013 and in the opinion of the Board, the independent directors appointed during the year are persons of integrity, expertise and experience (including the proficiency).

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, the independent directors met on January 18, 2024 without the presence of non-independent directors and members of the management.

BOARD EVALUATION:

The nomination and remuneration committee as well as the board have evaluated the performance of the board as a whole, various committees and also of the individual directors. The manner in which the evaluation was carried out has been disclosed in the corporate governance report attached to this report. A structured analysis is done after taking into consideration the inputs received from directors, covering various aspects of the Board's functioning such as adequacy of the composition of the board and its Committees, board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual directors including the chairman of the board, who are evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interests of the Company and of its minority shareholders etc.

REMUNERATION POLICY:

The Board has, on the recommendation of the nomination and remuneration committee framed a policy for selection and appointment of directors, key managerial personnel, senior management personnel and their remuneration. The salient features of the remuneration policy details are stated in the corporate governance report. The remuneration policy approved by the Board of Directors is uploaded on the website of the Company <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

STATUTORY AUDITORS:

M/s Deloitte Haskins and Sells (Firm Reg. No 008072S) Chartered Accountants, were appointed as the statutory auditors of the Company at the 26th annual general meeting for the period of five years till the conclusion of 31st annual general meeting of the Company. The auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the peer review Board of the ICAI.

The audit report for financial year ended March 31, 2024 does not contain any qualification, reservation or adverse remark. Hence, there is no requirement for the Board to provide any explanation or comment on the same. The audit report is enclosed with the financial statements in the annual report.

COST AUDITOR:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the board of directors appointed M/s. BY & Associates, Cost Accountant in practice (Firm Registration No: 003498) as cost auditor for the financial year 2023-24. Proposal for ratification of remuneration of the cost auditor is placed before the shareholders.

ANNUAL RETURN:

In accordance with Sections 134(3)(a) and 92(3) of the Companies Act, 2013 the draft annual return in form MGT 7 is placed on the website at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company are being annexed as part of the annual report as Annexure I to this report.

SECRETARIAL AUDIT REPORT:

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Mr. Subramanian Chandrasekar, Practising Company Secretary (Membership No: FCS 6773) to undertake the secretarial audit of the Company for the financial year 2023-24. The secretarial audit report is annexed as annexure II to this report.

MANAGEMENT RESPONSES TO OBSERVATION IN SECRETARIAL AUDIT REPORT:

As per Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall ensure that hundred percent of shareholding of promoters and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board. Whereas, the promoter/promoter group shareholding is not held hundred percent in dematerialized form. 6,700 shares are held by two promoter/promoter group namely Ms. Sunita Agarwal and Mr. Pankaj Sondhi who hold 6,600 shares and 100 shares respectively, in physical form.

MANAGEMENT RESPONSE:

The Company has taken necessary steps to dematerialize the 6,700 equity shares of the Company

held by Promoters/Promoters group, namely Ms. Sunita Agarwal and Mr. Pankaj Sondhi who hold 6,600 shares and 100 shares respectively, in physical form. The Promoters/promoters group shareholders have opened demat accounts and the said shares shall be dematerialized in first quarter of FY 2024-25.

MANAGEMENT DISCUSSION & ANALYSIS REPORT:

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), the management discussion and analysis report is annexed as Annexure III to this report.

RISK MANAGEMENT:

The Company continues to have an effective risk management process in place. The management and the board continuously oversees the risk management process including identification, impact assessment and drawing mitigation plans. The details of risks perceived by the management are annexed as part of the management discussion and analysis report.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The Company is exploring new technologies and improving the existing technologies applicable to the healthcare business. In all its new locations, the company has been using LED technology lamps to conserve energy as well as costs.

FOREIGN EXCHANGE EARNINGS / OUTGO:

Foreign Exchange Earnings: INR 1,63,84,328/-
(Previous Year Nil)

Foreign Exchange Outgo: INR 1,15,79,014/-
(Previous Year INR 88,04,921)

CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business during the financial year.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12):

During the year under review, there were no frauds reported by the auditors under Section 143(12) of the Companies Act, 2013.

INFORMATION ON LISTING WITH STOCK EXCHANGE

The Company's equity shares are listed on BSE Limited and the scrip code is 526783.

SECRETARIAL STANDARDS

During the year 2023-2024, the Company has complied with applicable secretarial standards issued by the Institute of the Company Secretaries of India.

INSOLVENCY AND BANKRUPTCY CODE

No application is made or no such proceedings is pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2023-2024.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

No such transactions were made during the financial year 2023-2024.

CHANGES IN ACCOUNTING POLICIES:

During the year 2023-2024, there were no changes in the accounting policies.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Section 134 clause (C) of sub-section (3) of the Companies Act, 2013, the Directors would like to state that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- (iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) The directors have prepared the annual accounts on a going concern basis.

(v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The policy can be viewed at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The Company has constituted CSR Committee and following are the member:

- a. Dr. Athiya Agarwal -Chairperson
- b. Dr. Amar Agarwal -Member
- c. CA Sanjay Anand -Member

The CSR policy is available on the company's website and can be viewed at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

The Company has incurred an expenditure amounting to Rs. 63,48,404 by way of contribution towards CSR responsibilities. The report on the same for the financial year 2023-24 is given in annexure IV forming part of this report.

REPORT ON CORPORATE GOVERNANCE:

A report on corporate governance as well as a certificate from a practicing company secretary confirming the compliance with the conditions of the corporate governance are annexed as annexure - V to this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an anti-sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been setup by the Company to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. No complaints were received or disposed off during the financial year 2023-24.

EMPLOYEE RELATIONS:

Employee relations throughout the year were harmonious. The board wishes to place on record its sincere appreciation of the devoted efforts of all the employees in advancing the company's vision and strategy to deliver another record performance.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business, and the details of the same are furnished under notes on account and also annexed as annexure VI in form AOC-2. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated personnel or other designated persons, which may have potential conflict with interest of the company at large. The board of directors of the Company has, on the recommendation of the audit committee, adopted a policy to regulate transactions between the Company and its related parties, in compliance with the applicable provisions of the Companies Act 2013, and the Rules there under. The policy can be viewed at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

PREVENTION OF INSIDER TRADING:

The Company has adopted a code for prevention of insider trading with a view to regulate trading in securities by the directors and designated persons of the Company. The policy can be viewed at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

The Code requires obtaining pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the directors and the designated persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed.

ANNEXURE PARTICULARS

ANNEXURES FORMING PART OF THIS REPORT OF THE DIRECTORS:

The following annexures referred in this report and other information which are required to be disclosed are attached and forms an Integral part of this report

1. Information required under section 197 of the Companies Act, 2013
2. Secretarial Audit Report
3. Management Discussions and Analysis Report
4. Report on Corporate Social Responsibility Activities
5. Corporate Governance Report
6. Form AOC-2

ACKNOWLEDGEMENTS:

The Board of Directors wish to place on record their appreciation for the continuous support received from the members, customers, suppliers, various statutory bodies of the Government of India and the company's employees at all levels.

By order of the Board
For **Dr. Agarwal's Eye Hospital Ltd.**

Sd/-

Dr. Amar Agarwal
Chairman cum Managing Director
DIN: 00435684

Place: Chennai

Date: 25.04.2024

ANNEXURE I

A. The information required under Section 197 of the Companies Act, 2013 and Rules made there-under, in respect of employees of the Company is as follows:

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year :

| Director | Designation | Ratio |
|--------------------|--------------------------------|-------|
| Dr. Amar Agarwal | Chairman Cum Managing Director | 84:1 |
| Dr. Athiya Agarwal | Whole-Time Director | 33:1 |

2. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

| Director | Designation | % Increase |
|-------------------------|--------------------------------|------------|
| Dr. Amar Agarwal | Chairman Cum Managing Director | Nil |
| Dr. Athiya Agarwal | Whole-Time Director | Nil |
| Ms. Meenakshi Jayaraman | Company Secretary | 36% |
| Mr. B Udhay Shankar | CFO | 12.0% |

*For this purpose sitting fees paid to independent directors has not been considered as remuneration.

3. The Percentage increase in the median remuneration of employees in the financial year was 6.8%
4. The number of permanent employees on the rolls of company were 1,113
5. 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;

Increase of remuneration for employees varies from 9% to 10% and for Key Managerial Personnel the increase in remuneration was based on their individual performance during the period under review.

6. The Company affirms remuneration is as per the remuneration policy of the Company.
7. Details of Employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Companies Act, 2013 -
 - A. Dr. Amar Agarwal, Chairman and Managing Director of the Company is in receipt of a remuneration of INR 2,36,21,600.
 - B. The details of top ten employees in terms of remuneration drawn during the financial year 2023-24 as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Name and Age | Designation/ Nature of duties | Gross Remuneration paid (₹) | Qualification & Experience (years) | Date of Commencement of Employment | Previous Employment |
|---------------------------------|--|-----------------------------------|--|--|------------------------------|
| Dr. Amar Agarwal (64) | Chairman & MD | 2,36,21,600 | M.S. FRCS, FRC Opth (37 years) | 22-Apr-94 | N/A |
| Jagannathan V (63) | Director - Prop., Proj. & Ops Excellence | 1,65,58,960 | BSC PGDM (42 years) | 02-Dec-13 | Spencer & Company Limited |
| Rahul Agarwal (46)# | COO - Hospital Business | 1,02,65,200 | Bcom, PGDM (22 years) | 12-Apr-22 | Medindia Health Network |
| B. Udhay Shankar Davey (50)# | Group - CFO | 76,03,494 | BBA, ACA (27 years) | 02-Dec-20 | KIMS Global |
| Terence Leo Seqi (47) | General Manager - Projects | 58,62,364 | BE, PGDM (21 years) | 03-Mar-22 | Asian paints |
| Dr.Palanivel V (50) | Senior Consultant - Ophthalmologist | 51,83,200 | MBBS, MS (23 years) | 08-Jan-01 | N/A |
| Yashwanth Venkat (39) | Senior Vice President - Business Finance & M&A | 50,66,304 | BTech, PGDM (15 years) | 18-May-18 | Intellect Design Arena |
| Dr.Soundari S (48) | Regional Head - Clinical Services | 47,92,650 | MBBS, DO, DNB, FRCS (17 years) | 20-Jun-06 | Appasamy Eye Hospital |
| Ayushman Chiraneewala (40)# | Chief Marketing Officer | 46,74,302 | Bcom, MBA (16 years) | 15-Oct-21 | Titan Company Limited |
| Ramanathan Venkatraman (41)# | Chief Human Resources Officer | 44,52,806 | MA (HR) (15 years) | 03-May-23 | United Breweries Group |
| Ugandhar N R (46) | Vice President - International Operations, BD and M&A | 37,80,546 | MCA (20 years) | 01-Feb-06 | Micro Vision |

Employees whose gross remuneration is disclosed on account of services rendered within the group that are cross charged.

Note: None of the employees other than Dr. Amar Agarwal are related to any of the Directors or Key Managerial Personnel of the Company

ANNEXURE-II

FORM NO.MR3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

To
The Members

DR. AGARWAL'S EYE HOSPITAL LIMITED

3rd Floor, Buhari Towers, No.4 Moores Road, Off Greams Road, Chennai – 600006.

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

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by **DR. AGARWAL'S EYE HOSPITAL LIMITED** and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2024, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records, including the website of the Company, maintained by **DR. AGARWAL'S EYE HOSPITAL LIMITED** for the financial year ended March 31, 2024 according to the provisions of:
 - (i) Companies Act, 2013 ("the Act") and the rules made thereunder, as applicable;
 - (ii) Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (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, to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; and
 - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
2. Provisions of the following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the audit period, since there were no issues during the year which required specific compliance under:
 - (a) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (b) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
 - (c) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (d) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021;
 - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
3. I have examined compliance with the following other laws specifically applicable to the industry to which the Company is engaged in the business of:

- (a) Environment Protection Act, 1986;
- (b) Bio-Medical Waste (Management & Handling) Rules, 1998;
- (c) Pharmacy Act, 1948; and
- (d) Drugs and Cosmetic Rules, 1945.

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

I further report that the compliance by the Company of other applicable laws like direct and indirect tax laws have not been reviewed in this audit, since the same have been subject to review under statutory financial audit and other designated professionals.

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

- (i) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India, as approved by the Central Government and the amendments w.r.t. the same; and
- (ii) The Listing Agreement entered into by the Company with BSE Limited under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

5. I further report that:

- (a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director(s). There was no change in the composition of the Board of Directors during the period under review and accordingly the Company has complied with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, pertaining to the same.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to them at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- (c) Decisions are carried through majority, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

7. Based on the above examination, I hereby report that, during the aforesaid Review Period, the listed entity has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above, except the following observation:

As per Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board. Whereas, the promoter / promoter group shareholding is not held hundred percent in dematerialized form. 6,700 shares are held by two promoter / promoter group, namely Ms. Sunita Agarwal and Mr. Pankaj Sondhi who hold 6,600 shares and 100 shares respectively, in physical form.

Hence, there is non-compliance with respect to Regulation 31 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. I further report that during the audit period, the Company has sought the approval of its members for following main events other than ordinary business at the AGM held on 21.09.2023:

- a) Ratification of Remuneration to Cost Auditor for the Year 2022-23
- b) Approval for borrowings upto Rs. 200 Crores under section 180(1)(c) of the Companies Act, 2013.
- c) Approval for creation of security in respect of borrowings made upto Rs.200 Crores under Section 180(1)(a) of Companies Act, 2013.

Signature
Name of the Practising Company
Secretary: **Subramanian Chandrasekar**
FCS No. : 6773; COP No. : 13761
Peer Review Certificate No.2902/2023
UDIN:F006773F000245132

Place: Chennai
Date: April 25, 2024

ANNEXURE A

To
The Members
DR. AGARWAL'S EYE HOSPITAL LIMITED
3rd Floor, Buhari Towers
No. 4, Moores Road, Off Greams Road, Chennai – 600 006.

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

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. I have also relied on scanned / soft copies of various documents / records which were provided by the Company.

Sd/-

Name of the Practising Company Secretary:

Subramanian Chandrasekar

FCS No. : 6773; COP No. : 13761

Peer Review Certificate No.2902/2023

UDIN:F006773F000245132

Place: CHENNAI
Date: April 25, 2024

ANNEXURE-III

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Company Overview

About Dr Agarwals

Founded in 1957, and registered in 1994 as a Company, Dr Agarwal's Eye Hospital is a leading chain of eye hospitals with predominant presence in Tamil Nadu. Under the able leadership of Dr Amar Agarwal, the company has been a pioneer and leader in the Indian Ophthalmology market with an established market position, healthy brand recall in the eye care segment. It offers comprehensive services in the eye-care segment including Cataract, Glaucoma, Laser Correction, Cornea and Refractive, Retina, and Squint among others. It has presence in multiple locations in Tamil Nadu, Rajasthan, Andhra Pradesh, and Kerala.

Economic Outlook

Global Economy

As the global economy has seemed to move over COVID pandemic, the fear of recession persisted throughout FY24 in developed nations. Additionally, the intensifying conflict between Gaza and Israel is anticipated to spread across the broader region. This region constitutes approximately 35 percent of the world's oil exports and 14 percent of its gas exports. Moreover, persistent attacks in the Red Sea, a vital route through which 11 percent of global trade flows, alongside the ongoing conflict in Ukraine, collectively pose a significant risk of triggering new adverse supply shocks to the global economic recovery. This could result in surges in food, energy, and transportation costs.

As a result, the global economy is expected to grow at 3.1% in FY24 and further grow modestly at the rate of 3.2 % in FY25, according to the recent IMF¹ forecasts.

The global headline inflation is expected to 5.8 % in FY2024 and further tumbling down to 4.4% in FY2025. The inflation growth is steadily moving in decreasing trends as each quarter progresses, and the declining momentum picks up, indicating an increase in consumers spend in the upcoming quarters.

Source:

- 1 World Economic Outlook – “Moderating Inflation and Steady Growth Open Path to Soft Landing” – January 2024 by International Monetary Fund
- 2 Indian Economic Outlook – Deloitte Insights – Jan 2024 - Dr. Rumki Majumdar.
3. <https://www.businesstoday.in/latest/economy/story/india-to-become-third-largest-economy-in-the-next-three-years-says-jefferies-in-a-note-418454-2024-02-22> - Article Indian Healthcare Industry
4. Monetary Policy Statement, 2024-25 Resolution of the Monetary Policy Committee (MPC) April 3 to 5, 2024 - RBI

Indian Economy

As India claimed its long-awaited position in the top 5 global economies in the world, it is marching towards obtaining a place in the top 3 global economies by 2027³. India appears to be more resilient than other economies around the world post COVID pandemic which is depicted by the growth of Gross Domestic Product (GDP) of India which is significantly higher compared to other peers and developed nations.

The growth projected in India is 6.5 percent in FY 24 and FY25¹ comparatively better than the global growth rate. The RBI has also determined to peg the inflation at 4.5% for FY25⁴, which could boost the consumer demands after attaining the same.

Indian Healthcare Industry

The Indian healthcare industry is poised to grow tremendously with support of rising income, greater health awareness and lifestyle diseases. Further, increasing access to medical insurance contributes acts as a catalyst in increasing the health care expenditure from the pockets of Indian consumers. The Indian healthcare market, valued at US\$ 86 billion in 2016, was forecasted to grow to US\$ 367 billion by 2023 and further to US\$ 638 billion by 2025⁵.

The people's behaviour and focus on healthcare has seen a significant positive shift post COVID, acting as a stimulus for growth in the healthcare sector. The people and the government understood the significance of the healthy population for a wealthy nation.

India's government expenditure on healthcare has reached 2.1% of Gross Domestic Product (GDP) in FY23 and 2.2% of GDP in FY22, with projections indicating a rise to 2.5% of GDP in FY2025⁵. This upward trajectory in public healthcare spending is viewed as a pivotal factor in propelling India towards becoming a healthcare hub, fostering enhanced infrastructure in the sector.

The Healthcare Industry due to its lucrative market has enticed a numerous M&A activity, leading its way to consolidating unorganised verticals. Further, enticing Foreign Direct Investments in the sector resulting in robust growth in the sector.

Indian Eye Care Industry

India is dominating the global eye care market with performing 83 lakh cataract surgeries in FY 2022-23 surpassing the combined figures of US, Europe, and China⁶.

The economic value loss because of avoidable sight is estimated to be of \$27 billion in Indian subcontinent⁷. The huge value depicts the significance of treating curable blindness in India.

Further it is being perceived as Indian Eye Care market is at its inflection point with the numerous regions are brought under organised structure through acquisitions and expansions by large players. It is expected that more than 2,000 eye hospitals⁶ would be established across India in 5 year's time by four to five large players. The above performances of Indian Eye Care market stand as a testimony to the pace at which the market is growing. With a mere 10% of the sector is organised, there is huge gap for growth prospectus to the organised firms.

Key Performance Indicators

Financial Performance

The company saw a robust growth in FY24. The top line consistently grew at 19.09% from ₹ 268.10 Cr to ₹ 319.30 Cr. The revenue growth along with consistent cost control measures, has reflected down on to EBITDA with 30% growth from ₹ 76.45 Cr to ₹96.03 Cr. In the capital markets, the company saw a significant increase in market capitalization with the share pricing reaching north of ₹ 3660 per share as on 29th April 2024 (with an increase of 188% to last year price).

Operational Performance

The total number of patients served showed a robust yearly growth of 17.3% in FY24. Cataract – the biggest contributor to the revenue – showed a yearly revenue growth of 24% in FY24. Other streams of revenue including refractive, opticals, and retina have also shown considerable growth over the previous year.

As planned expansion strategy, the company opened seven new centres in Tamil Nadu. Further, the company has been committed in consolidating its presence in Tamil Nadu by exploring the accessibility

to the remote areas. The same is achieved through inaugurating 36 eye vision centres under the brand of "Dr Agarwals Eye Clinic" with 8 centres in Tamil Nadu and 3 Centres in Andhra Pradesh which acts as a base for identifying patients and serving them with proper care in appropriate secondary centres linked to the Eye Clinic.

SWOT Analysis

Strengths

The company has been able to continue its momentum by achieving growth in both revenue and EBITDA, while increasing the profit margin as well. The experience of promoters who possess an ideal blend of clinical expertise and managerial proficiency helps the management navigate the any headwinds in operations side with ease. The company's long-standing accomplishments in the field of ophthalmology has helped to create a favourable position in market to reach and attract a larger patient population.

Weakness

The company's operations are dependent upon the ophthalmologists, given the scare availability of merely 27,000⁸ ophthalmologists and 42,000+⁹ eye care practitioners (includes optometrists, ophthalmic assistants and refractionists) in India, which is significantly lower compared to the country's vast population, highlights the operational difficulty posed to the company. The company's reliance on a few regions due to clustering of branches has made the performance of branches dependent on economic, social and political well-being of that region.

Opportunities

The individuals are highly health conscious, especially in the aftermath of the COVID outbreak. This will stimuli for new opportunities in the eye care segment. The development of new state-of-the-art technology with the combination of a seasoned team of doctors enables to delivery exemplary eye-care services.

The company is actively learning experiences through the success and challenges of the peers, further have been proactive in mitigating those risks from leveraging its knowledge from the above. The

Source:

5. Healthcare (December 2023) by India Brand Equity Foundation

6. <https://www.ibef.org/news/eye-care-industry-is-at-an-inflection-point-and-a-boom-in-m-a-activity-is-expected> - Article In Indian Brand Equity

7. IAPB report on World Sight Day 2023

8. <https://www.aios.org/> - All India Ophthalmological Society

9. <https://optometrycouncilofindia.org/> - Optometry Council of India

above factors complement the company's future prospectus in the field of ophthalmology foreseeing a broader growth in the healthcare industry.

Threats

The region-specific operation model of the company faces immense pressure from competition with limited scope for expansion. The uncertainty of global economy amid ongoing conflicts have led to the hard geo-economic policies among the developed countries, lingering the concerns about their potential impact on the overall business landscape.

Human Resource

In the service industry, human resources play a crucial role, the performance of which has a significant impact in the overall performance of the company. The company has developed a team of experienced human resource professionals handling the talent acquisitions and retentions in line the primary vision of the company. The details regarding developments in Human Resources is dealt in the "Particulars of Employees" forming part of the of the Directors' Report.

Internal Control Systems and Their Adequacy

The organization has consistently adhered to the internal controls which is designed and updated as required effectively throughout the operations of the company to ensure accurate accounting, monitoring operations, safeguarding assets against unauthorized use or losses, complying with regulations, and ensuring the reliability of financial reporting. These controls have been thoughtfully implemented to provide the necessary safeguards and reasonable assurance.

Risk and Mitigation

Competition intensity and new entrants to the market: The new entrants of sole practitioners who are capturing the market by providing comparable services with primitive technology and the well-established peers expanding its presence around the company's vicinity poses a threat to market share. This can have a substantial effect on a company's bottom line.

Risk Mitigation: The company has equipped itself to delivery high quality service with no compromise on patient safety which has been the long-standing capability of Dr. Agarwal's. The same stands as a competitive advantage for the Company.

Pace of obsolescence of technology and treatment methods: The developments in technology have been inevitable in healthcare sector, various procedures

& machines are available for performing the same surgeries. The company not being updated about change in trends of the obsolescence of technology poses a risk to performance of surgeries.

Risk Mitigation: R&D department of the company constantly explores new ways to equip itself with near-term and incremental enhancements, as well as step-change improvements to existing products and processes, resulting in minimal obsolescence.

Materials Risk: Any delay in procurement of high-quality materials could result in postponement of surgeries resulting in less patient satisfaction.

Risk Mitigation: The company's procures material directly from manufactures and super-stockists for timely delivery and to obtain best quality materials.

Labour deficit and loss of key staff members, including medical personnel: Non-availability of quality doctors could result in lesser patient satisfaction which could impact significantly the topline.

Risk Mitigation: The organisation has been committed in recruiting and training talented physicians and enhancing their capabilities.

Increasing compliance and regulatory impediments: The increasing stringent measures of the global regulatory environment has led to heightened regulatory scrutiny, which has raised the minimum standards that must be maintained. This requires the alignment of corporate performance objectives with regulatory compliance requirements.

Risk Mitigation: The company understands that regulatory requirements can be challenging at times and has put up accurate measures to adhere to the evolving regulatory standards to align its decision-making process and incorporate these into the business plan in which it works in line with regulatory standards.

Cautionary Statement

The goals, aspirations, or projections of the company may be considered forward-looking within the context of the securities laws and regulations that are now in effect. It is possible that the actual results will be significantly different from those represented in the statement. The global and domestic business climate, changes in government rules and tax laws, economic developments inside the country, and other factors such as litigation and the like are important elements that could influence the operations of the company.

ANNEXURE-IV

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR policy of the Company

In alignment with the "Vision" of the Company, Dr. Agarwal's Eye Hospital Limited (AEHL), through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a socially responsible corporate, with environmental concern.

The policy encompasses the company's philosophy its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare & sustainable development of the community at large.

This policy shall apply to all CSR initiatives and activities taken up by AEHL, for the benefit of different segments of the society, specifically the deprived, under privileged and differently abled persons.

For the purpose of focusing its CSR efforts in a continued and effective manner, the following eight thrust areas have been identified:

- (i) Education/Literacy Enhancement
- (ii) Environment Protection/ Horticulture
- (iii) Infrastructure Development
- (iv) Drinking water/ Sanitation
- (v) Healthcare/ Medical facility
- (vi) Community Development/Social Empowerment
- (vii) Contribution to Social Welfare funds set up by Central/ State Government
- (viii) Relief of victims on Natural Calamities

2. The Composition of the CSR Committee

The Company has constituted the CSR Committee with the following Directors:

| Sl. No. | Name of Directors | Designation | Number of meetings held during the year | Number of meetings of attended during the year |
|---------|--------------------|-------------|---|--|
| (i) | Dr. Athiya Agarwal | Chairman | 01 | 01 |
| (ii) | Dr. Amar Agarwal | Member | 01 | 01 |
| (iii) | CA Sanjay Anand | Member | 01 | 01 |

3. Provide the weblink where composition of the CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company:

<https://www.dragarwal.com/wp-content/uploads/2021/10/CORPORATE-SOCIAL-RESPONSIBILITY-CSR-POLICY-1.pdf>

4. Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies(Corporate Social responsibility Policy) Rules, 2014,if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule(3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - Nil

| S.No. | Financial Year | Amount available for set-off from preceding financial years (in Rs) | Amount required to be set-off for the financial year, if any (in Rs) |
|-------|----------------|---|--|
| (i) | 2021- 2022 | 16,500 | - |

6. Average net profit of the company as per section 135(5)

(In Rupees)

| Sl. No. | For the Financial Year | Annual Net Profit |
|---------|----------------------------------|---------------------|
| (i) | 2022 - 2023 | 51,49,62,523 |
| (ii) | 2021-2022 | 33,57,25,056 |
| (iii) | 2020-2021 | 10,15,45,810 |
| | Total | 95,22,33,389 |
| | Average Annual Net Profit | 31,74,11,130 |

7. (a) Two percent of average net profit of the company: INR 63,48,223/-

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years - Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): INR 63,48,223/-

8. CSR Amount spent or unspent for the financial year:

| Total amount spent for the Financial year (amount in Rs.) | Total Amount transferred to Unspent CSR Account as per Section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
|---|--|------------------|--|--------|------------------|
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 63,48,404 | Nil | | Nil | | |

(a) Details of CSR Amount spent against ongoing projects for the financial year:

| S. No | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes / No) | Location of the Project | | Project duration | Amount allocated for the Project (in Rs.) | Amount spent in the current financial Year (in Rs.). | Amount transferred to Unspent CSR account for the project as per Section 135(6) (in Rs.). | Mode of Implementation Direct (Yes/No) | Mode of Implementation Through Implementing Agency | |
|---|---------------------|--|-----------------------|-------------------------|----------|------------------|---|--|---|--|--|-------------------------|
| | | | | State | District | | | | | | Name | CSR Registration number |
| No ongoing project was approved during the financial year 2023-2024 | | | | | | | | | | | | |

(b) Details of CSR Amount spent against other than ongoing projects for the financial year:

| S. No | Name of the Project | Item from the list of activities in Schedule VII to the Act. | Local area (Yes / No) | Location of the Project | | Amount spent in or the Project (in Rs.) | Mode of mplementation - Direct (Yes/No) | Mode of Implementation -Through Implementing Agency | |
|--------------|---|--|-----------------------|-------------------------|-------------|---|---|---|------------------|
| | | | | State | District | | | Name | CSR Registration |
| 1. | Cancercare for children | Healthcare (i) | Yes | Tamil Nadu | Chennai | 2,00,000 | No | MRT No.1 - Charitable Trust | CSR00024601 |
| 2. | Education Resource Centre | Promoting Education (ii) | Yes | Tamil Nadu | Nilgiris | 5,47,400 | No | Sevalaya | CSR00000863 |
| 3. | Learning Centre for girl child | Promoting education (ii) | Yes | Rajasthan | Bundi | 7,00,000 | No | limpact | CSR00002935 |
| 4. | Say No to Single-Use Plastic | Ensuring environmental sustainability (iv) | Yes | Tamil Nadu | Kanchipuram | 5,00,000 | No | Utkarsh Global Foundation | CSR00003183 |
| 5. | Women Empowerment Centre | Empowering women (iii) | Yes | Tamil Nadu | Chennai | 1,25,000 | No | Geo India Foundation | CSR00006941 |
| 6 | Classroom Construction for free school | Promoting education (ii) | Yes | Tamil Nadu | Tiruvallur | 7,24,4580 | No | Sevalaya | CSR00000863 |
| 7 | Food distribution vehicle and Mid- Day Meal Program | Eradicating hunger (i) | No | Karnataka | Hubli | 27,00,000 | No | The Akshaya Patra Foundation | CSR00000286 |
| 8 | Creation of OPD space at Govt. Head Quarters Hospital, Walaja | Healthcare (i) | Yes | Tamil Nadu | Ranipet | 6,77,966* | Yes | - | - |
| 9 | Creation of OPD space at Govt. Hospital Tenkasi | Healthcare (i) | Yes | Tamil Nadu | Tenkasi | 1,73,580* | Yes | - | - |
| Total | | | | | | 63,48,404 | | | |

*The amount spent on Creation of OPD space at Govt. Head Quarters Hospital Walaja and Tenkasi was INR 8,00,000 and INR 2,04,824 respectively and out of which INR 1,22,034 and INR 31,244 was made towards GST expenses respectively. Since, the GST component cannot be considered as CSR contribution, the actual contribution for the said direct projects was considered as INR 6,77,966 and INR 1,73,580 respectively

- (c) Amount spent in Administrative Overheads :Nil
(d) Amount spent on Impact Assessment, if applicable :NA
(e) Total amount spent for the Financial Year(8b+8c+8d+8e) :Rs.63,48,404
(f) Excess amount for set off, if any :Nil

| S. No. | Particular | Amount (INR) |
|--------|---|--------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | 63,48,223 |
| (ii) | Total amount spent for the Financial Year | 63,48,404 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | 181 |
| (iv) | Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years (iii)-(iv)] | - |

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135(6) | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Amount remaining to be spent in succeeding financial years |
|---------|--------------------------|--|--|--|-----------------|-------------------|--|
| | | | | Name of the Fund | Amount (in Rs). | Date of transfer. | |
| NIL | | | | | | | |

| Sl. No. | Project ID. | Name of the Project. | Financial Year in which the project was commenced. | Project duration. | Total amount allocated for the project (in Rs.). | Amount spent on the project in the reporting Financial Year (in Rs.). | Cumulative amount spent at the end of reporting Financial Year | Status of the Project - Completed / On going. |
|---------|-------------|----------------------|--|-------------------|--|---|--|---|
| NIL | | | | | | | | |

10. in case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) : NIL

(a) Date of creation or acquisition of the capital asset(s) : NIL

(b) Amount of CSR spent for creation or acquisition of capital asset : NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

Name of the Trust :
 Section 12AA Registration No. :
 Section 80G Registration No. : NIL
 Address of the Trust :

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

Capital asset(s) created : NIL
 Address where capital assets located : NIL

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5)

The Company has spent 2% of the average net profit during the financial year 2023 – 2024, as per Section 135 (5) of the Companies Act, 2013.

sd/-

Dr.Amar Agarwal

Chairman Cum Managing Director
 DIN: 00435684

sd/-

Dr.Athiya Agarwal

Chairperson CSR Committee
 DIN: 01365659

ANNEXURE-V

CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Good Corporate governance practices is intrinsic to the management of the affairs of the company. Its businesses focus on getting best returns on assets and capital deployed with minimum risks. Therefore, it always ensures that its targets and performance are met with integrity and accountability to investors and all other associates, governmental and non- governmental agencies.

With emphasis on transparency, integrity and accountability, the Board of Directors adopted the principles of good corporate governance by setting up an Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee.

1. BOARD OF DIRECTORS AS ON 31st MARCH, 2024:

(a) As on March 31, 2024, the Company's Board consists of six directors- two executive directors, one non-executive director and three independent directors including a woman director. The Chairman of the Board is an executive director. The Board has an appropriate mix of executive, non-executive and independent directors to maintain its independence. The Board periodically evaluates the need for change in its size and composition. The number of directorship and committee positions held by the directors are within the permissible limits under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

| Name | Designation | No. of Shares held by the Director | No. of Board Meetings attended during 2023-24 | | Whether attended last AGM held on 21 Sept, 2023 | No. of director - ships in other public companies | No. of committee memberships/ (chairmanship) in other public companies* | |
|-----------------------------|--|------------------------------------|---|----------|---|---|---|----------|
| | | | Held | Attended | | | Member | Chariman |
| Dr. Amar Agarwal | Chairman- Cum Managing Director - Promoter | # | 4 | 4 | YES | 1 | - | - |
| Dr. Athiya Agarwal | Whole Time Director - Promoter | -- | 4 | 4 | YES | - | - | - |
| CA Sanjay Anand | Independent Director | 12603 | 4 | 4 | YES | 1 | 1 | - |
| Dr. Adil Agarwal | Non-Executive Director - Promoter | -- | 4 | 4 | YES | 1 | - | - |
| Mrs. Lakshmi Subramanian | Independent Director | -- | 4 | 4 | YES | 4 | 5 | - |
| CA Balakrishnan Venkatraman | Independent Director | -- | 4 | 4 | YES | 1 | 1 | - |

*Covers only the membership/chairmanship in Audit Committee and Stakeholders Relationship Committee.

#Dr.Sunita Agarwal holds 6600 shares jointly with Dr. Amar Agarwal

(b) Relationship between Directors inter-se:

Dr.Athiya Agarwal is the wife of Dr. Amar Agarwal. Dr.Adil Agarwal is the son of Dr. Amar Agarwal & Dr.Athiya Agarwal

Name of other listed companies in which Director of the Company is Director and their category:

| SI No. | Name of the Director | Name of other listed company | Category of Directorship |
|--------|--------------------------|------------------------------|-------------------------------------|
| 1. | Mrs. Lakshmi Subramanian | Indo-National Limited | Non-Executive Independent Director |
| | | Dyna vision Limited | Non- Executive Independent Director |
| | | Sri Sarvaraya Sugars Ltd | Non- Executive Independent Director |

(c) Meetings:

During the year 2023-24, four(4) board meetings were held at Chennai on the following dates: May 06, 2023, August 04, 2023, October 20, 2023 and January 18, 2024.

(d) Disclosure of Director's Interests in Transaction with the Company:

None of the non-executive directors had any pecuniary relationship or transaction with the company pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 other than that of sitting fees.

Except sitting fees, no director has been paid any remuneration as the director of the Company except the executive directors who were being paid remuneration for acting as managing director or whole-time director of the Company.

(e) Code of Conduct:

The board of directors had implemented a code of conduct to be applicable to all board members and senior management of the Company. The same has been posted on the Company's website at <https://www.dragarwal.com/wp-content/uploads/2021/02/Code-of-Conduct-for-Board-Members-and-Senior-Management-Personnel.pdf>. The board of directors and members of the senior management, have affirmed compliance with the code of conduct for the financial year 2023-24.

(f) List of core skills, expertise and competencies identified by the Board

The board of your Company consists of expert directors who have vast experience in their respective field of specialisation and offers range of core skills and experience that is relevant to the health care sector. The board of directors have identified the following core skills, expertise and competencies in the context of the Company's business and healthcare sector for it to function effectively:

SKILLS / EXPERTISE / COMPETENCE OF THE BOARD OF DIRECTORS

| Board of Directors | Dr. Amar Agarwal | Dr. Athija Agarwal | Dr. Adil Agarwal | CA Sanjay Anand | CA Balakrishnan Venkatramann | Mrs. Lakshmi Subramanian |
|---|------------------|--------------------|------------------|-----------------|------------------------------|--------------------------|
| Business Leadership reacting in an effective manner to changing circumstances, ability tap in to the vision to achieve success, decisiveness and collaborative skills | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Financial Expertise ability to understand financial statements and functions of an Audit Committee | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Strategic planning and General Management- strategic vision, administration of the Company, ability to think expansively, evaluate alternatives and make decisions | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Understanding of Technology and innovation- relating to health care sector | ✓ | ✓ | ✓ | | | |
| Ability to identify the key risk- in various areas including operation, finance & marketing | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Legal & compliances- Experience in corporate governance and understanding of regulatory environment | | | | ✓ | ✓ | ✓ |
| Human Resource Management- Understanding of employees and motivates them to deliver superior performance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Stakeholder Management- Experience in dealing with various stakeholders including regulators, suppliers, employees, etc. | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Considering the skills, expertise and competencies required for effective functioning and discharge of Board's duties, your Board is satisfied with the present composition of the Board of Directors. In the opinion of the Board, the Independent Directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

(g) Familiarisation programme for Independent Directors

Familiarisation programme for Independent Directors of the Company was being conducted and the details of the familiarisation programme are uploaded on the website of the Company <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

(h) Confirmation of Independence of Independent Directors

The Board is of the opinion that the independent directors fulfil the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and that they are independent of the management.

(i) Detailed reasons for resignation of an independent director who resigned before expiry of tenure

Not applicable for period under review

(j) Minimum Information to be placed before the Board of Directors

All the minimum information under Part A of Schedule II pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) to the extent applicable to the Company were placed before the Board of Directors.

2. BOARD COMMITTEES:

2.1 AUDIT COMMITTEE:

I. Terms of Reference:

The Audit Committee of the company has been mandated with the same terms of reference as specified in Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations) 2015 as well as Section 177 of the Companies Act, 2013.

The audit committee reviews the quarterly unaudited/ audited financial results of the Company. The unaudited results are subjected to limited review by the statutory auditors of the Company. The statutory auditors are eligible to issue limited review report as the audit firm has been subjected to peer review process of Institute of Chartered Accountants of India and certificate issued by the peer review board of ICAI. The audit committee approves payment to statutory auditors for audit and non-audit services.

The audit committee reviews all mandatory information under Part C of Schedule II pursuant to Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), including review of internal auditor observations and statutory compliance.

II. Composition and attendance:

The Audit Committee consists of 3 directors. During the year Audit Committee met Four times as detailed under:

| | Designation | May 6, 2023 (VC) | August 4, 2023 (VC) | October 20, 2023 (VC) | January 18, 2024 (VC) |
|--------------------------|-------------|------------------|---------------------|-----------------------|-----------------------|
| CA Sanjay Anand | Chairman | Present | Present | Present | Present |
| Dr. Amar Agarwal | Member | Present | LOA | LOA | Present |
| Mrs. Lakshmi Subramanian | Member | Present | Present | Present | Present |

Two-thirds of the members of the committee are independent directors as required under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015. They have considerable financial expertise and experience. The chief financial officer, the statutory auditors and internal auditors are permanent invitees to the committee. The company secretary shall act as the secretary to the committee. Based on the requirement, senior management personnel attended the meetings by invitation. All the recommendations of the audit committee during the year, were considered, accepted and approved by the board.

The chairman of the audit committee was present at the annual general meeting held on September 21, 2023.

2.2. NOMINATION & REMUNERATION COMMITTEE:

The Company has constituted nomination and remuneration committee meeting the requirements of Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as well as Section 178 of the Companies Act, 2013.

(i) Terms of Reference:

The Nomination & Remuneration Committee has been constituted to formulate, review and recommend a policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The Committee also formulates the criteria for evaluation of Independent Directors and the Board.

(ii) Composition:

The Nomination and Remuneration Committee consists of 3 directors. All the Members of the Committee are Non-executive Directors and 2/3rd of the members are Independent Directors as required under Regulation 19 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

| SI No. | Name of Director | Designation |
|--------|-------------------------|-------------|
| 1. | CA Sanjay Anand | Chairman |
| 2. | Dr Adil Agarwal | Member |
| 3. | Mrs.Lakshmi Subramanian | Member |

(iii) Meetings and Attendance:

During the year 2023-24, Committee met once during the year i.e., on May 06, 2023 was attended by all members.

Remuneration Policy:

The Nomination and Remuneration committee has adopted a Charter which, inter alia deals with the manner and criteria for determining qualifications and positive attributes of Independent Directors and a remuneration policy for Directors, Key Managerial Personnel and other employees. This Policy is accordingly derived from the said Charter.

(I) Criteria for Determining Qualifications, Positive Attributes of Independence of Director:

(i) Qualifications of Independent Director:

An Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

(ii) Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his/her responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his/her professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

(II) Remuneration Policy for Directors, Key Managerial Personnel and other employees:

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The remuneration to Chairman cum Managing Director shall take into account the Company's overall performance, MD's contribution for the same & trends in the industry in general, in a manner which will ensure and support a high performance culture. The remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to directors, key managerial personnel and senior management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

The above criteria and policy are subject to review by the nomination and remuneration committee and the board of directors of the Company.

The remuneration policy approved by the board of directors is uploaded on the website of the Company <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

2.3 Independent Directors Meeting:

During the year under review, the independent directors met on January 18, 2024 without the attendance of non-independent directors and members of the management and reviewed the performance of non-independent directors, chairman and the board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company and the Board that is necessary for the board to effectively and reasonably perform their duties.

2.4 Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted in compliance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

The Stakeholders Relationship Committee has been constituted by the Board to monitor the redressal of the shareholder's / investors grievances and covers all the items as mentioned in Part D of Schedule II pursuant to Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements). The Committee reviews the status of complaints received from shareholders/investors and redressal thereof. A status report of shareholder's complaints and redressal thereof is prepared and placed before the Committee. As on March 31, 2024 no shares are pending for transfer for more than 15 days.

As required by the Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, the issued and listed capital of the Company is reconciled with the aggregate of the number of shares held by Investors in physical mode and in the demat mode. A certificate is being obtained on a quarterly basis to this effect from a Practicing Company Secretary and submitted to the Stock Exchange where the Company's Shares are listed. As on March 31, 2024, there were no differences between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories

Composition

The Stakeholders Relationship Committee consists of 3 directors. Among the three members of the Committee, two are Independent Directors and the chairperson of the Committee is a Non- executive Independent Director, as required under Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

| SI No. | Name of the Director | Designation |
|--------|--------------------------|-------------|
| 1. | CA Sanjay Anand | Chairman |
| 2. | Dr.Amar Agarwal | Member |
| 3. | Mrs. Lakshmi Subramanian | Member |

During the year 2023-24, Committee met once during the year i.e., on January 18, 2024 was attended by all members except Dr. Amar Agarwal.

The Chairman of the Stakeholders Relationship Committee was present at the Annual General Meeting held on September 21, 2023.

Details of the complaints received from the shareholders during the financial year 2023-24

| SI No. | Nature of complaints from share holders | No. of complaints received | No. of complaints redressed | No. of complaints pending |
|--------|---|----------------------------|-----------------------------|---------------------------|
| Nil | | | | |

The Company is in compliance with the SCORES, which has initiated by Securities and Exchange Board of India for processing the investor complaints through centralized web based redressal system and online redressal of all the shareholder's complaints. There were no outstanding complaints as on 31/03/2024.

As on the date of this report Ms. Meenakshi Jayaraman, Company Secretary is the Compliance Officer of the Company.

3. SENIOR MANAGEMENT

The following are the list of senior management personnel as on March 31, 2024

| Name of the Senior Management Personnel | Designation |
|---|--|
| Mr. Yashwanth Venkat | Senior Vice President- Finance and M&A |

There were no changes in the Senior Management Personnel since the close of the previous financial year.

4. REMUNERATION OF DIRECTORS

(a) Pecuniary relationship or transactions of the non-executive directors

None of the non-executive directors had any pecuniary relationship with the Company other than receipt of sitting fees.

(b) Criteria for making payments to non-executive directors

The non-executive/independent director may receive remuneration by way of fees for attending meetings of board or committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the board or Committee or such amount as may be prescribed by the Central Government from time to time.

(c) Remuneration paid to executive directors

The details of remuneration paid to all the directors including sitting fees are provided in the "Related Party Disclosure" section of the notes on accounts forming part of the financial statements.

5. GENERAL BODY MEETINGS:

a. Location and time, where last three annual general meetings were held:

| Year | Location | Date | Time |
|------|--|------------|----------|
| 2021 | Annual general meeting through video conferencing or other audio visual means (virtual AGM) pursuant to the MCA Circular | 29/09/2021 | 10.30AM |
| 2022 | Annual general meeting through video conferencing or other audio visual means (virtual AGM) pursuant to the MCA Circular | 14/09/2022 | 11:00 AM |
| 2023 | Annual general meeting through video conferencing or other audio visual means (virtual AGM) pursuant to the MCA Circular | 21/09/2023 | 11:00 AM |

The details of Special Resolutions passed in AGM / EGM in the last 3 years are as follows

| Date of AGM | Whether any Special Resolution was passed | Particulars |
|-------------|---|---|
| 21/09/2023 | Yes | (i) To consider and authorize the Board of Directors to borrow upto Rs. 200 Crores under section 180(1) C of Companies Act, 2013 (ii) To consider and approve the creation of security in respect of borrowings made under Section 180 (1) (a) of Companies Act, 2013 |
| 14/09/2022 | Yes | (i) To appoint CA Balakrishnan Venkatraman (DIN:02825465) as an Independent Director. (ii) To consider and approve the reappointment of Dr.Amar Agarwal (DIN: 00435684) as Chairman cum Managing Director. (iii) To consider and approve reappointment of Dr. Athiya Agarwal (DIN:01365659) as Whole-time Director. |
| 29/09/2021 | Yes | (i) To consider and approve revision of remuneration for Dr.Athiya Agarwal, Whole-time Director of the Company |

II. Postal Ballot:

No resolutions were passed in the year 2023-2024 through Postal Ballot.

There is no immediate proposal for passing any resolution through postal ballot. However, if required, the same shall be passed in compliance of provisions of the Companies Act, 2013, the Listing Regulations or any other applicable laws.

6. DISCLOSURES:

I. Related Party Transactions:

There has been no materially significant related party transaction with promoters, directors, management or their relatives which may have a potential conflict with the interests of the company. The Board has approved a policy for related party transactions which is uploaded in the Company's website: <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

II. Compliance with Regulations:

The company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the company on any matters related to the capital markets, nor as any penalty or stricture been imposed on the Company by Stock Exchange, Securities Exchange Board of India or any other Statutory authority.

III. Whistle Blower Policy / Vigil Mechanism:

The Company has adopted whistle blower policy where it has a mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct / business ethics. No personnel have been denied access to the audit committee.

IV. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

During the year, the Company has fully complied with the mandatory requirements of the Listing Regulations to the extent applicable

7. CEO/CFO CERTIFICATION:

The Managing Director and Chief Financial Officer of the Company gives Annual Compliance Certificate in accordance with Regulation 17(8) read with Part B of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The annual Compliance Certificate given by Managing Director and Chief Financial Officer forms part of the Annual Report.

8. MEANS OF COMMUNICATION:

Quarterly and Annual Results

The Company has the ultimate responsibility of keeping the investors informed of the Financial performance of the Company. The quarterly results of the Company are approved and adopted by the Board within 45 (forty-five) days of the end of the quarter and the last quarter and annual results are approved and adopted by the Board within 60 (Sixty) days from the closure of the last quarter. The results are disseminated immediately to the Stock Exchanges where the Company's shares are listed and on the website of the Company.

News papers wherein results are generally published

The quarterly / half-yearly / annual financial results are published in Financial Express, and Makkal Kural (Tamil Daily).

Any Website, where displayed

The financial results are also placed on the Company's website <https://www.dragarwal.com/for-investors/>

9. GENERAL SHAREHOLDER INFORMATION:

I. 30th Annual General Meeting

The 30th Annual General Meeting will be held on Monday, the August 26, 2024 at 10.00 AM through Video Conferencing ("VC") / other Audio Visual Means ("OAVM").

II. Financial year:

The financial year pertains to April 1, 2023 to March 31, 2024.

Tentative Financial Reporting Calendar:

| Financial reporting 2024-25 | From | To | Date |
|-----------------------------|------------|------------|---------------------------------|
| 1st quarter | April | June | On or before August 14, 2024 |
| 2nd quarter | July | September | On or before November 14, 2024 |
| 3rd quarter | October | December | On or before February 14, 2025 |
| 4th quarter | January | March | On or before May 30, 2025 |
| Annual General meeting | April 2024 | March 2025 | On or before September 30, 2025 |

III. Dividend Payment Date:

The final dividend, if approved, shall be paid/credited within 30 days of its declaration by the members at the AGM.

IV. Stock Exchange Listing and Stock Code:

| Stock Exchange | Stock Code | Listing Fees Paid Upto | ISIN No. |
|-----------------------|------------|------------------------|--------------|
| Bombay Stock Exchange | 526783 | 31-03-2025 | INE934C01018 |

V. Market price data:

High and low prices of Equity shares in the financial year 2023-24 were as follows

| Month | BSE LIMITED | |
|--------|-------------|---------|
| | HIGH | LOW |
| Apr-23 | 1270.00 | 886.80 |
| May-23 | 1639.00 | 1150.00 |
| Jun-23 | 1539.00 | 1350.00 |
| Jul-23 | 1821.00 | 1363.00 |
| Aug-23 | 2500.00 | 1710.05 |
| Sep-23 | 2675.00 | 2199.00 |
| Oct-23 | 3031.00 | 2281.10 |
| Nov-23 | 2984.95 | 2709.00 |
| Dec-23 | 2985.00 | 2528.60 |
| Jan-24 | 3484.00 | 2541.80 |
| Feb-24 | 3550.00 | 2769.00 |
| Mar-24 | 3400.00 | 2962.00 |

VI. Share price movement of Dr. Agarwal's shares during 2023-24 on BSE Ltd vis-à-vis movement of Sensex



VII. Registrar and Share Transfer Agent:

Integrated Registry Management Services Private Limited
2nd Floor, "Kences Towers"
No.1, Ramakrishna Street North Usman Road, T. Nagar, Chennai- 600 017
Phone: 044 28140801, 28140803 Fax: 044- 28143378, 28142479
Email: corpserv@integratedindia.in

VIII. Share Transfer System:

The Share Transfer work is being handled by Company's Registrar and Share Transfer Agent. Share transfers are processed and share certificates duly endorsed are returned within the stipulated period as specified under the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, from the date of receipt of the documents are correct and valid in all respects.

The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 and files a copy of the said certificate with the Stock Exchange.

IX. Equity Shares in Suspense Account:

As per Regulation 39(4) read with Schedule VI of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company reports following details in respect of Equity Shares lying in the "Unclaimed Suspense Account" and Suspense Escrow Demat Account.

| Particulars | No of Share-holders | No of Equity Shares |
|--|---------------------|---------------------|
| Aggregate number of shareholders and the outstanding shares in the Unclaimed Securities Suspense Account/ Suspense Escrow account lying as on April 1, 2023 | 2 | 200 |
| Number of shares transferred to Suspense Escrow demat account during the year as per SEBI Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 | 1 | 200 |
| Number of shares transferred from the Unclaimed Securities Suspense Account during the year | Nil | Nil |
| Shareholders who approached the Company for transfer of shares from Unclaimed Securities Suspense Account/ Suspense Escrow account during the year | Nil | Nil |
| Shareholders to whom shares were transferred from the Suspense Escrow account during the year | Nil | Nil |
| Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act from Unclaimed Securities Suspense Account/ Suspense Escrow account | Nil | Nil |
| Aggregate number of shareholders and the outstanding shares in the Unclaimed Securities Suspense Account/ Suspense Escrow account lying as on March 31, 2024 | 3 | 400 |

The voting rights of the shares outstanding in the Suspense Account as on March 31, 2024 shall remain frozen till the rightful owner of such shares claims the shares

X. Distribution of shareholding: As on 31st March 2024

| No | Category | No of Share held | % of Holding |
|----|--|------------------|---------------|
| 1 | Promoters | 33,79,171 | 71.90 |
| | -Indian | 33,79,171 | 71.90 |
| | -Foreign | - | - |
| 2 | Persons acting in concert | - | - |
| 3 | Institutions | - | - |
| | -Mutual Funds & UTI | - | - |
| | -Banks, Financial Institutions, Insurance Companies (Central/State Govt. Inst./Non-Govt. Inst) | - | - |
| | -FIIs/FPIs | - | - |
| 4 | Others | 13,20,829 | 28.10 |
| | - Bodies Corporate | 68,055 | 1.45 |
| | - Resident Indians / HUF | 10,37,039 | 22.06 |
| | - NRI/ OCBs/Foreign Nationals | 64,335 | 1.37 |
| | - LLPs | 16,496 | 0.35 |
| | -IEPF authority | 1,34,504 | 2.86 |
| | -Unclaimed Securities Suspense Account | 200 | 0.00 |
| | - Suspense Escrow Account | 200 | 0.00 |
| | Total | 47,00,000 | 100.00 |

XI. DISTRIBUTION SCHEDULE:

As on 31st March 2024

| Distribution Schedule | | | | | |
|-----------------------|--------------|-------------|------------|----------------|------------|
| SI No. | CATEGORY | HOLDERS | | SHARES | |
| | | Nos. | % | Nos. | % |
| 1 | Up to 500 | 3553 | 92.82 | 203046 | 4.32 |
| 2 | 501 - 1000 | 108 | 2.82 | 83048 | 1.77 |
| 3 | 1001 - 2000 | 65 | 1.70 | 100425 | 2.14 |
| 4 | 2001 - 3000 | 34 | 0.89 | 83930 | 1.79 |
| 5 | 3001 - 4000 | 19 | 0.50 | 66748 | 1.42 |
| 6 | 4001 - 5000 | 10 | 0.26 | 46506 | 0.99 |
| 7 | 5001 - 10000 | 17 | 0.44 | 139137 | 2.96 |
| 8 | Above 10001 | 22 | 0.57 | 3977160 | 84.62 |
| | Total | 3828 | 100 | 4700000 | 100 |

| CATEGORY | No. of Holders | Shares | % to Capital |
|--------------------------------|----------------|------------------|---------------|
| Shares held in Physical Form | 336 | 83,728 | 1.78 |
| Shares held in Electronic Form | 3,492 | 46,16,272 | 98.22 |
| Total | 3,828 | 47,00,000 | 100.00 |

XII. Address for Correspondence:

Registered Office and Corporate Office:
3rd floor, Buhari Towers,
No.4, Moores Road, Off Greams Road,
Chennai – 600 006.

XIII. Dematerialisation of Shares and Liquidity:

The equity shares of the company are required to be compulsorily Traded and settled only in the dematerialised form. 46,16,272 being 98.22% shares have already been dematerialized.

XIV. Credit rating:

CRISIL Limited, Credit rating agency has rated the following facilities which are availed from Bank as detailed below:

| Instrument Type | Size of Issue (Crores) | Rating / Outlook | Rating Action |
|-----------------|------------------------|---------------------|-----------------|
| Long term Loan | 60.00 | CRISIL A/ Stable | Rating Upgraded |
| CashCredit | 4.00 | CRISIL A/ Stable | Rating Upgraded |
| Term Loan | 16.00 | CRISIL A/ Stable | Rating Upgraded |

XV. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the company.

XVI. Fees paid to Statutory Auditors:

The Members at the 31st Annual General Meeting of the Company have appointed M/s. Deloitte Haskins and Sells, Chartered Accountants as the Statutory Auditors of the Company and to hold office till the conclusion of the 31st Annual General Meeting of the Company.

The total fee paid for M/s. Deloitte Haskins and Sells, Chartered Accountants for the financial year 2023-24 is given below:

| SI No. | Description of Service | Fees paid (Amount in Crores.) |
|--------|---|-------------------------------|
| 1 | Statutory Audit and Limited Review Report | 0.48 |

XVII. Certificate from Practising Company Secretary confirming that Directors are not debarred disqualified:

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 shall be obtained by the Company and such certificate has been obtained from Mr. Subramanian Chandrasekar, Practising Company Secretary (Membership No. FCS 6773).

XVIII. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

a. No of complaints filed during the financial year – NIL

b. Number of complaints disposed off during the financial year - NIL

c. Number of complaints pending as on end of the financial year – NIL

XIX. Foreign Exchange Risk and Hedging activity:

Foreign exchange during the financial year 2023-24 is negligible and hence risk did not arise.

XX. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have any subsidiaries. Hence, not applicable.

XXI. Book Closure:

The period of book closure is from August 20, 2024 to August 26, 2024 (Inclusive of both days).

XXII. Disclosure on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

All the material related party transactions have been listed out under AOC 2 which forms part of this report as Annexure 6.

XXIII. 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

There are no penalties imposed during the last three years

XXIV. Details of establishment of vigil mechanism, whistle blower policy

The policy adopted by the Board is hosted on the website at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>. Further, no person has been denied access to the audit committee.

XXV. Weblink where policy for material subsidiary is disclosed

The Company does not have any material subsidiary. Hence policy is not applicable.

XXVI. Weblink where policy on dealing with related party transaction

The policy is hosted on the Company's website and can be viewed at <https://www.dragarwal.com/for-investors-dr-agarwals-eye-hospital-ltd/>

XXVII. Details of utilization of funds raised through preferential allotment

Not applicable for the financial year 2023-24

XXVIII. Details wherein recommendation of the Committee is not accepted by the Board

No such instances were observed during the financial year 2023-24.

XXIX. Details of material subsidiary of the listed entity

The Company does not have any subsidiaries.

XXX. Disclosure by listed entity and its subsidiary with respect to loans and advances to companies/firms in which directors are interested

No such Loans or advances were provided to the Companies/firms in which Directors are interested.

XXXI. Certificate from Practising Company Secretary confirming that Directors are not debarred disqualified

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 shall be obtained by the Company and such certificate has been obtained from Mr. Subramanian Chandrasekar, Practising Company Secretary (Membership No. FCS 6773).

XXXII. Compliance Certificate from Practising Company Secretary regarding compliance of Corporate Governance

A compliance certificate regarding compliance of Corporate Governance has been obtained from Mr. Subramanian Chandrasekar, Practising Company Secretary (Membership No. FCS 6773).

XXXIII. Declaration by CEO on Code of Conduct

Annual compliance of the Code of Conduct for the financial year 2023-2024 has been obtained from the Chairman and Managing Director of the Company.

XXXIV. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The company has complied with provisions relating to the constitution of Internal Complaints Committee

under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

XXXV. Other Disclosures

- a) Your Company is not exposed to Commodity price during the year under review and hence the disclosure on commodity price risks and commodity hedging activities are not applicable.
- b) During the year under review, the Company has not raised any funds through preferential allotment or public issue or rights issue or qualified institutions placement and hence the disclosure as specified under Regulation 32(4) & 32(7A) of the SEBI Listing Regulations is not applicable.
- c) details of any recommendation of any committee of the board had not been accepted by the Board: Not applicable to the Company for the financial year 2023-24
- d) During the year under review, the Company had not granted any loans/advances in the nature of loans to firms/companies in which Directors are interested (in terms of Section 184(2) of the Act).
- e) The requirements of Regulation 17 to Regulation 27 of the SEBI Listing Regulations and clauses (b) to (i) of Regulation 46(2) to the extent applicable to the Company have been complied with as disclosed in this Report.
- f) Your Company has complied with all applicable mandatory requirements in terms of SEBI Listing Regulations. A report on the compliances on the applicable laws for the Company is placed before the Board on a quarterly basis for its review.
- g) Disclosure of Accounting Treatment: Your Company has not adopted any alternative accounting treatment prescribed differently from the Ind AS.
- h) Your Company has fulfilled the following non-mandatory requirements:
 - a. The Auditors' Report on statutory financial statements of the Company containing the Audit opinion is unmodified.
 - b. The Internal Auditors of the Company make presentations to the Audit Committee on their reports on a regular basis.

XXXVI. Disclosure of certain type of agreements binding listed entities:

There are no agreement impacting management or control of the Company or imposing any restriction or create any liability upon the Company.

For and on behalf of the Board

sd/-

DR AMAR AGARWAL

Chairman Cum Managing Director

DIN: 00435684

Place: Chennai

Date: April 25, 2024

ANNEXURE-VI

DR. AGARWAL'S EYE HOSPITAL LIMITED

CIN: L85110TN1994PLC027366

REGD.OFFICE: 3RD FLOOR, BUHARI TOWERS,

NO.4, MOORES ROAD CHENNAI – 600 006

Email: investor@dragarwal.com

FORM NO. AOC.2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis- None
2. Details of material contracts or arrangement or transactions at arm's length basis Please refer to Note No.36 of the Notes on Accounts forming part of the Financial Statements

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

sd/-

Dr.Amar Agarwal

Chairman Cum Managing Director

DIN:00435684

sd/-

Dr.Athiya Agarwal

Whole-time Director

DIN:01365659

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

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors,
Dr. Agarwal's Eye Hospital Ltd
Chennai-600006

We the undersigned in our respective capacity as CEO AND CFO of the company to the best of our knowledge and belief certify that:

- A. We have examined the financial statement and the cash flow statement for the year ended 31/03/2024 and based on our knowledge and belief we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and 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) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are significant changes in accounting policies during the year and that the details of the same have been disclosed in the notes to the financial statements; and
 - (iii) that there are no Instances of significant fraud of which they have become aware and the involvement there in, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

sd/-
Dr. Amar Agarwal
Chairman cum Managing Director

sd/-
Mr. B Udhay Shankar
Chief Financial Officer

Place : Chennai
Date : 25-04-2024

ANNUAL COMPLIANCE OF THE CODE OF CONDUCT FOR THE FINANCIAL YEAR 2023-2024

I, Dr. Amar Agarwal, Chairman cum Managing Director of the Company, hereby declare that the Board of Directors has laid down a code of conduct for its Board Members and Senior Management Personnel of the Company pursuant to the Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Board Members and Senior Management Personnel have affirmed compliance with the said code of conduct.

For and on behalf of the Board

sd/-

Dr. Amar Agarwal

Chairman cum Managing Director

Place: Chennai

Date: 25.04.2024

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Dr. Agarwal's Eye Hospital Limited

I have examined the compliance of conditions as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Corporate Governance by Dr. Agarwal's Eye Hospital Limited, for the year ended March 31, 2024.

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

In my opinion and to the best of my information and according to the explanation given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

sd/-

Subramanian Chandrasekar

Practising Company Secretary

FCS No.6773/ COP No.13761

UDIN: F006773F000246056

Peer Review Certificate No.2902/2023

Place: Chennai

Date: 25.04.2024

CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To the Members of Dr. Agarwal's Eye Hospital Limited

I have examined the relevant registers, records, forms, returns, declarations and disclosures received from the Directors of Dr. Agarwal's Eye Hospital Limited, having CIN: L85110TN1994PLC027366 and having registered office at 3rd Floor, Buhari Towers, No. 4, Moores Road, Off. Greams Road, Chennai – 600 006 (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) and Schedule V - Para C 10 (i) in SEBI (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 of Ministry of Corporate Affairs) 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 ended March 31, 2024, 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.

| Sl. No. | Name of the Director | Director Identification Number (DIN) | Date of Appointment in the Company |
|---------|------------------------------|--------------------------------------|------------------------------------|
| 1. | Dr. Amar Agarwal | 00435684 | 22.04.1994 |
| 2. | Dr. Athiya Agarwal | 01365659 | 09.05.1994 |
| 3. | Dr. Adil Agarwal | 01074272 | 03.06.2019 |
| 4. | Mr. Sanjay Dharambhir Anand | 02501139 | 27.01.2009 |
| 5. | Ms. Lakshmi Subramanian | 00001439 | 03.06.2019 |
| 6. | Mr. Balakrishnan Venkatraman | 02825465 | 23.06.2022 |

Ensuring the eligibility for appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is only to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Chennai
Date: 25.04.2024

sd/-
Subramanian Chandrasekar
Practising Company Secretary
FCS No.6773/ COP No.13761
UDIN: F006773F000246078
Peer Review Certificate No.2902/2023

INDEPENDENT AUDITOR'S REPORT

To The Members of Dr. Agarwal's Eye Hospital Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Dr. Agarwal's Eye Hospital Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---------|--|--|
| 1. | <p>Allowance for credit loss on overdue trade receivables</p> <p>The Company has total outstanding trade receivable of Rs. 17.63 Crores (corresponding allowance for expected credit loss amounts to Rs. 4.70 Crores) as at 31 March 2024.</p> <p>The appropriate valuation of trade receivables is dependent on a number of factors such as age, credit worthiness, intent and ability of counter parties to make payment.</p> | <p>Our principal audit procedures performed include:</p> <ol style="list-style-type: none">1. Assessed the appropriateness of the Company's accounting policy by comparing the same with the applicable accounting standards.2. Evaluated the design and implementation and tested the operating effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, (2) completeness and accuracy of information used in the estimation of probability of default and delay, and (3) computation of the allowance for credit losses. |

| Sr. No. | Key Audit Matter | Auditor's Response |
|---------|--|---|
| | <p>The carrying value is adjusted with the allowance for credit loss amount calculated based on the above-mentioned factors, wherein estimates and judgements are involved considering the delay and default risk and hence it has been considered as a key audit matter.</p> <p>Refer to the accounting policies para 3.27.1 and Note 14 of the Financial Statements.</p> | <p>3. Assessed the profile of trade receivables and the economic environment applicable to these trade receivables by testing the input data such as credit reports and other credit related information used by the Management for a sample of such customers.</p> <p>4. Evaluated the simplified approach applied by the Company to identify lifetime expected credit losses. In doing so, tested the historical provision rates and an evaluation was carried out for the need for it to be adjusted to reflect relevant, reasonable and supportable information about expected recoveries in the future.</p> <p>5. Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material difference individually or in the aggregate.</p> <p>6. Evaluated the adequacy of the disclosures in the financial statements by mapping the same against the requirements of the applicable accounting standards.</p> |

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Director's Report (but does not include the financial statements and our auditor's report thereon) which we obtained prior to the date of this auditor's report, and the Annual Report which is expected to be made available to us after that date.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

- When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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 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

1. As required by Section 143(3) of the Act, based on our audit 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 except for not complying with the requirement of audit trail as stated in (i)(vi). The Company's daily backup of its accounting records are maintained in servers physically located outside India (Refer Note 52 to the financial statements).

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid 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 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act

f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements -Refer Note 41 to the financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 53 (xi) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that

the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the Note 53 (xii) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended 31 March 2024, which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except that:
- in respect of a software operated by third party service provider for maintaining payroll records, in the absence of an independent auditor's system and organization controls report covering the audit trail requirement at the database level, we are unable to comment whether the audit trail at the database level was enabled and operated

throughout the year or whether there was any instance of the audit trail feature been tampered with.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares for which the audit trail feature was enabled and operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 0080725)

sd/-

R. Prasanna Venkatesh

Partner

(Membership No. 214045)

(UDIN: 24214045BKEKCC8196)

Place:Chennai

Date: 25 April 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Dr. Agarwal's Eye Hospital Limited ("the Company") as at 31 March 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on 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. 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control 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 control with reference to 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 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 control 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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

sd/-

R. Prasanna Venkatesh
Partner
(Membership No. 214045)
(UDIN: 24214045BKEKCC8196)

Place: Chennai

Date: 25 April 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of property, plant and equipment and intangible assets:

(a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets except in the case of Property, Plant and Equipment, where the Company is in the process of updating the records for quantitative details and situation of certain assets.

(ii) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties, which are reported under Property, Plant and Equipment and, hence, reporting under clause (i)(c) of the CARO 2020 is not applicable.

In respect of immovable properties of land and building that have been taken on lease and disclosed as right of use assets as at the Balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its property, plant and equipment (including right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. Hence, reporting on the quarterly returns or statements filed by the Company with such banks or financial institutions is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and, hence, reporting under clause (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees/ security to any other entity during the year and, hence, reporting under clause (iv) of the CARO 2020 is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) In our opinion and according to the information and explanations given to us, the Company has maintained the cost records which has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Professional tax, Provident Fund, Employees' State Insurance and Labour Welfare Fund dues.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2024.
- (viii) In our opinion and according to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.

- (d) In our opinion and according to the information and explanations given to us, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and, hence, reporting under clause (ix)(e) and clause (ix)(f) of the Order is not applicable.
- (x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and, hence, reporting under clause (x)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and, hence, reporting under clause (x) (b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (b) To the best of our knowledge and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented by Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company and, hence, reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year and covering the period up to 31 March 2024, in determining the nature, timings and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and, accordingly, reporting under clause (xvi) (d) of the Order is not applicable.
- (xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the

Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

(xxi) The Company does not have any subsidiary or associate or joint venture during the year and hence, is not required to prepare consolidated financial statements. Accordingly, clause (xxi) of the Order is not applicable.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 0080725)

sd/-
R. Prasanna Venkatesh
Partner
(Membership No. 214045)
(UDIN: 24214045BKEKCC8196)

Place:Chennai
Date: 25 April 2024

BALANCE SHEET AS AT 31ST MARCH 2024

(Amount in INR Crores)

| Particulars | Notes | As at 31st March 2024 | As at 31st March 2023 |
|--|-------|--------------------------|--------------------------|
| I. ASSETS | | | |
| (1) Non-current assets | | | |
| Property, plant and equipment | 5 | 120.87 | 85.31 |
| Right of use assets | 6 | 193.96 | 173.92 |
| Capital work-in-progress | 7 | 97.44 | 62.21 |
| Goodwill | 8 | 0.18 | 0.18 |
| Other intangible assets | 8 | 0.62 | 0.96 |
| Financial assets | | | |
| Other financial assets | 9 | 8.50 | 7.11 |
| Non current tax assets (net) | 10 | - | 0.41 |
| Deferred tax assets (net) | 11 | 10.03 | 9.71 |
| Other non-current assets | 12 | 4.33 | 3.59 |
| Total non-current assets | | 435.93 | 343.40 |
| (2) Current assets | | | |
| Inventories | 13 | 9.75 | 6.00 |
| Financial assets | | | |
| Trade receivables | 14 | 12.93 | 10.11 |
| Cash and cash equivalents | 15 | 32.88 | 27.38 |
| Bank balances other than cash and cash equivalents | 16 | 0.86 | 0.72 |
| Other financial assets | 17 | 1.96 | 2.08 |
| Other current assets | 18 | 1.45 | 0.25 |
| Total current assets | | 59.83 | 46.54 |
| TOTAL ASSETS | | 495.76 | 389.94 |
| II. EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| Equity share capital | 19 | 4.70 | 4.70 |
| Other equity | 20 | 152.45 | 108.64 |
| Total Equity | | 157.15 | 113.34 |
| (2) Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 21 | 44.46 | 35.77 |
| Lease liabilities | 22 | 203.59 | 177.97 |
| Other financial liabilities | 23 | 2.36 | 1.58 |
| Provisions | 24 | 7.43 | 6.20 |
| Total Non - Current Liabilities | | 257.84 | 221.52 |

BALANCE SHEET AS AT 31ST MARCH 2024

(Amount in INR Crores)

| Particulars | Notes | As at 31st March 2024 | As at 31st March 2023 |
|--|-------|--------------------------|--------------------------|
| 3) Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 25 | 6.84 | 8.06 |
| Lease liabilities | 26 | 13.13 | 10.67 |
| Trade payables | 27 | | |
| - Total outstanding dues of micro enterprises and small enterprises | | 4.62 | 2.28 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 27.22 | 24.41 |
| Other financial liabilities | 28 | 20.28 | 4.52 |
| Other current liabilities | 29 | 5.19 | 4.10 |
| Current tax liabilities (net) | 10 | 2.20 | - |
| Provisions | 30 | 1.29 | 1.04 |
| Total current liabilities | | 80.77 | 55.08 |
| Total liabilities | | 338.61 | 276.60 |
| TOTAL EQUITY AND LIABILITIES | | 495.76 | 389.94 |

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
FRN : 008072S

For and on behalf of the Board of Directors

sd/-
R. Prasanna Venkatesh
Partner
Membership No. 214045

sd/-
Dr. Amar Agarwal
Chairman & Managing Director
DIN: 00435684

sd/-
Dr. Athiya Agarwal
Wholetime Director
DIN: 01365659

Place : Chennai
Date: 25 April 2024

Place: Chennai
Date: 25 April 2024

Place: Chennai
Date: 25 April 2024

sd/-
Mr. B. Udhay Shankar
Chief Financial Officer

sd/-
Ms. Meenakshi Jayaraman
Company Secretary

Place : Chennai
Date: 25 April 2024

Place : Chennai
Date: 25 April 2024

Statement of Profit and Loss account for the year ended 31st March 2024

(Amount in INR Crores)

| Particulars | Notes | For the year Ended 31st March 2024 | For the year Ended 31st March 2023 |
|--|-------|---------------------------------------|---------------------------------------|
| INCOME | | | |
| Revenue from operations | 31 | 319.30 | 268.10 |
| Other income | 32 | 4.97 | 1.55 |
| Total income (I+II) | | 324.27 | 269.65 |
| EXPENSES | | | |
| Purchases of stock-in-trade | 33 | 35.95 | 30.68 |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress | 34 | (2.25) | (0.87) |
| Consumption of Surgical lens including other consumables | | 36.85 | 31.15 |
| Consultancy charges for Doctors | | 48.37 | 38.55 |
| Employee benefits expense | 35 | 63.78 | 53.26 |
| Finance costs | 36 | 7.17 | 6.87 |
| Depreciation and amortisation expenses | 37 | 26.61 | 20.18 |
| Other expenses | 38 | 45.54 | 40.43 |
| Total Expenses | | 262.02 | 220.25 |
| Profit before Tax | | 62.25 | 49.40 |
| Tax expense | | | |
| Current tax | 10.1 | 16.22 | 12.33 |
| Deferred tax (Net) | 10.1 | (0.33) | 0.15 |
| Total tax expenses | | 15.89 | 12.48 |
| Profit for the year (V-VI) | | 46.36 | 36.92 |
| VIII Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of the defined benefit liabilities / (asset) | | 0.05 | (0.48) |
| Income tax relating to items that will not be reclassified to profit or loss | | (0.01) | 0.13 |
| Total other comprehensive loss for the year | | 0.04 | (0.35) |
| Total comprehensive income for the period | | 46.40 | 36.57 |
| Earnings per equity share | | | |
| (Face value of Rs.10/- each) | 46 | | |
| (a) Basic (in Rs.) | | 98.64 | 78.55 |
| (b) Diluted (in Rs.) | | 98.64 | 78.55 |

Statement of Profit and Loss account for the year ended 31st March 2024

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For **Deloitte Haskins & Sells**
Chartered Accountants
FRN : 008072S

For and on behalf of the Board of Directors

sd/-
R. Prasanna Venkatesh
Partner
Membership No. 214045

sd/-
Dr. Amar Agarwal
Chairman & Managing Director
DIN: 00435684

sd/-
Dr. Athiya Agarwal
Wholetime Director
DIN: 01365659

Place : Chennai
Date: 25 April 2024

Place: Chennai
Date: 25 April 2024

Place: Chennai
Date: 25 April 2024

sd/-
Mr. B. Udhay Shankar
Chief Financial Officer

sd/-
Ms. Meenakshi Jayaraman
Company Secretary

Place : Chennai
Date: 25 April 2024

Place : Chennai
Date: 25 April 2024

Statement of Changes in Equity for the year ended 31st March 2024

A. Equity share capital

(Amount in INR Crores)

| Particulars | Equity Share capital |
|---|----------------------|
| Balance as at 1st April 2022 | 4.70 |
| Changes in equity share capital during the period | - |
| Balance as at 31st March 2023 | 4.70 |
| Changes in equity share capital during the period | - |
| Balance as at 31st March 2024 | 4.70 |

B. Other Equity

| Particulars | Reserves and Surplus | | | Total Other Equity |
|---|----------------------|-----------------|--------------------|--------------------|
| | Securities Premium | General Reserve | Retained Earnings* | |
| Balance as at 1st April 2022 | 5.51 | 0.83 | 67.14 | 73.48 |
| Profit for the period | | | 36.92 | 36.92 |
| Payment of Dividend on equity shares | | | (1.41) | (1.41) |
| Remeasurements of the defined benefit plans (net of taxes)* | | | (0.35) | (0.35) |
| Balance as at 31st March 2023 | 5.51 | 0.83 | 102.30 | 108.64 |
| Profit for the period | | | 46.36 | 46.36 |
| Payment of Dividend on equity shares | | | (2.59) | (2.59) |
| Remeasurements of the defined benefit plans (net of taxes)* | | | 0.04 | 0.04 |
| Balance as at 31st March 2024 | 5.51 | 0.83 | 146.11 | 152.45 |

*Remeasurements of the defined benefit plans (net of taxes) are recognised as a part of retained earnings.

As per our report of even date attached

For **Deloitte Haskins & Sells**

Chartered Accountants

FRN : 008072S

For and on behalf of the Board of Directors

sd/-

R. Prasanna Venkatesh

Partner

Membership No. 214045

Place : Chennai

Date: 25 April 2024

sd/-

Dr. Amar Agarwal

Chairman & Managing Director

DIN: 00435684

Place: Chennai

Date: 25 April 2024

sd/-

Mr. B. Udhay Shankar

Chief Financial Officer

Place : Chennai

Date: 25 April 2024

sd/-

Dr. Athiya Agarwal

Wholetime Director

DIN: 01365659

Place: Chennai

Date: 25 April 2024

sd/-

Ms. Meenakshi Jayaraman

Company Secretary

Place : Chennai

Date: 25 April 2024

Cash flow statement for the period ended 31st March 2024

(Amount in INR Crores)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|--|-------------------------------|-------------------------------|
| A. Cash flows from operating activities | | |
| Profit before tax as per statement of profit and loss | 62.25 | 49.40 |
| Adjustments for: | | |
| (Profit)/ loss on sale/ discard of property, plant and equipment and other intangible assets (net) | 0.23 | (0.03) |
| Bad debts and net allowance for expected credit losses/ (reversal of) doubtful receivables | 0.86 | 0.80 |
| Interest on deferred consideration | 0.08 | 0.14 |
| Depreciation and amortisation expense | 26.61 | 20.18 |
| Net foreign exchange (gain)/ loss | - | 0.11 |
| Liabilities/ provisions no longer required written back | (1.72) | (0.24) |
| Interest income | (1.95) | (0.78) |
| Finance costs | 7.04 | 6.62 |
| Operating profit before working capital and other changes | 93.40 | 76.20 |
| Adjustments for (increase)/decrease in operating assets: | | |
| Inventories | (3.75) | (0.27) |
| Trade receivables | (3.71) | (1.98) |
| Other financial assets - Non current | (0.70) | 0.51 |
| Other financial assets - Current | 0.46 | 0.79 |
| Other current assets | (1.20) | 2.82 |
| Adjustments for increase/(decrease) in operating liabilities: | | |
| Trade payables | 6.86 | 1.03 |
| Other financial liabilities - Non current | 1.26 | 0.03 |
| Other financial liabilities - Current | 8.15 | - |
| Provisions | 1.52 | 1.40 |
| Other current liabilities | 1.09 | 0.61 |
| Cash generated from operations | 103.38 | 81.14 |
| Income Taxes paid (net of refunds) | (13.61) | (11.52) |
| Net cash generated from operating activities (A) | 89.77 | 69.62 |
| B. Cash flows from investing activities | | |
| Capital expenditure towards tangible assets (including capital advances, net of capital creditors) | (71.31) | (70.34) |
| Proceeds from Sale of Property, Plant and Equipment | 1.00 | 0.07 |
| Capital expenditure towards intangible assets | (0.01) | - |
| Deferred consideration paid | (0.50) | (0.50) |
| Increase in Bank balances not considered as Cash and cash equivalents | (0.14) | (0.04) |
| Interest Received on Fixed Deposit | 0.92 | 0.20 |
| Net cash (used in) investing activities (B) | (70.04) | (70.61) |

Cash Flow Statement for the period ended 31st March 2024

(Amount in INR Crores)

| Particulars | Year ended 31st March 2024 | Year ended 31st March 2023 |
|---|-------------------------------|-------------------------------|
| C. Cash flows from financing activities | | |
| Proceeds from Borrowings | 15.00 | 20.94 |
| Repayment of Borrowings | (7.53) | (9.05) |
| Dividend paid (including tax thereon) | (2.58) | (1.41) |
| Finance costs paid on borrowings | (0.23) | (1.78) |
| Payment of lease liabilities | (18.89) | (8.44) |
| Net cash from/(used in) financing activities (C) | (14.23) | 0.26 |
| Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C) = (D) | 5.50 | (0.73) |
| Cash and cash equivalents at the beginning of the period (E) | 27.38 | 28.11 |
| Cash and cash equivalents at the end of the period (D) + (E) | 32.88 | 27.38 |

As per out report of even date attached

For **Deloitte Haskins & Sells**

Chartered Accountants

FRN : 008072S

For and on behalf of the Board of Directors

sd/-

R. Prasanna Venkatesh

Partner

Membership No. 214045

Place : Chennai

Date: 25 April 2024

sd/-

Dr. Amar Agarwal

Chairman & Managing Director

DIN: 00435684

Place: San Diego

Date: 25 April 2024

sd/-

Dr. Athiya Agarwal

Wholetime Director

DIN: 01365659

Place: Doha

Date: 25 April 2024

sd/-

Mr. B. Udhay Shankar

Chief Financial Officer

Place : Chennai

Date: 25 April 2024

sd/-

Ms. Meenakshi Jayaraman

Company Secretary

Place : Chennai

Date: 25 April 2024

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

1 Corporate Information

Dr. Agarwal's Eye Hospital Limited ('the Company') was incorporated on 22 April 1994 and is primarily engaged in running, owning and managing eye care hospitals, opticals, pharmacies, etc. and related services. As at 31st March 2024, the Company is operating in 50 locations in India.

2 Application of new and revised Ind AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised have been considered in preparing these financial statements. There is no other Indian Accounting Standard that has been issued as of that date but was not mandatorily effective.

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2024, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendments Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023.

The company has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The company has adopted the amendments to Ind AS 8 for the first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

3 Material accounting Policies

3.1 Statement of Compliance

The Financial Statements have been prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements were authorised for the issue by the Company's Board of Directors on 25th April 2024.

3.2 Basis of Preparation and Presentation of Financial Statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.3 Use of Estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, lease term, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

3.4 Cash and Cash Equivalents (for the purpose of Cash Flow Statement)

Cash comprises cash on hand, cheques and demand drafts on hand, balances with banks in current accounts / demand deposits. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of margin money deposit with banks and balances in earmarked Escrow accounts.

3.5 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3.6 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (Rs.), the national currency of India, which is the functional currency of the Company. All the financial information have been presented in crores of Indian Rupees except for share data and as otherwise stated.

3.7 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

3.8 Business Combinations

Business combinations in which control is acquired are accounted for using the acquisition method, other than those between entities subject to common control. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in Statement of Profit and Loss as incurred. Contingent consideration, if any, is measured at its acquisition date fair value. Subsequent changes to the fair values are recognised in the Statement of Profit and Loss unless such adjustments qualify as measurement period adjustments in which such it is adjusted to the cost of acquisition.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date. The measurement period is the period from the date of acquisition to the date the Company obtains complete information about facts and circumstances that existed as of the acquisition date. The measurement period is subject to a maximum of one year subsequent to the acquisition date.

“At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that

- Deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively.
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 at the acquisition date (see below) and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 are measured in accordance with that Standard.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed. Contracts acquired in a business combination are assessed for whether favorable or unfavorable relative to current market terms and if such favorable or unfavorable terms exist, the Company adjusts the effects of such terms in the measurement of the related assets or liabilities.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. Contingent liabilities acquired in a business combination are initially measured at fair value at the date of acquisition. When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

3.9 Property, Plant & Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of property, plant and equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalized separately, based on the technical assessment of the Management.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work- in- Progress".

Depreciation

Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on tangible property, plant and equipment has been provided on the straight line method (change in method of depreciation effective from 1st April 2022) as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in cases of certain assets where the management's estimate of the useful life based on technical assessment is less than the life prescribed in Schedule II in which case depreciation is provided on the useful life as assessed by the management.

| Category | Useful life |
|------------------------|-----------------|
| Leasehold Improvements | Over lease term |
| Medical Equipments | 1-15 years |
| Office Equipments | 1-5 years |
| Vehicles | 8-10 years |
| Computers | 1-6 years |
| Electrical Fittings | 1-10 years |
| Furniture and Fixtures | 1-10 years |
| Lab Equipments | 10 years |

"Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary."

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

3.10 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Cash generating unit to which goodwill has been allocated is tested for impairment annually,

or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

3.11 Intangible Assets

"Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses (if any). The intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, commencing from the date of asset available to Company for its use. The useful life considered for the intangible assets are as under:

(i) Software- Amortized over a period of 5 years

(ii) Non-compete - In respect of acquisitions, with effect from 1st April 2023, are amortized over the agreement term unless a shorter useful life is warranted as per the nature of the acquisition. "

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An Intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset measured as the difference between the net disposal proceeds and the carrying amount of the asset as recognized in profit or loss when the asset is derecognized.

3.12 Intangible Assets under Development

Product Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset.

The expenditures to be capitalized include the cost of materials and other costs directly attributable to preparing the asset for its intended use. Other development expenditures are recognized in the statement of profit and loss as incurred.

3.13 Research and Development Expenditure

Expenditure on research activities are recognized as expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from development phase of an internal project) is recognized if, and only if, all the following have been demonstrated:

- a) the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- b) the intention to complete the intangible asset and use or sell it;
- c) the ability to use or sell the intangible asset;
- d) how the intangible asset will generate probable future economic benefits;
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

f) the ability to reliably measure the expenditure attributable to the intangible asset during its development

The amount initially recognized for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated asset can be recognized, development expenditure is recognized in the statement of profit and loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

3.14 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

The Company's policy for impairment of Goodwill is given in Note 3.10 above.

3.15 Inventories

"Inventory of Traded Goods comprising Opticals, Pharmaceutical Products, Contact Lenses and Accessories and Consumables are valued at lower of cost ascertained using the First-in-First-out method and net realizable value. Cost includes cost of purchase, freight, taxes, duties and other charges incurred for bringing the goods to the present location and condition and are net of GST credit, wherever credit has been availed.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Due allowance is estimated and made for unusable/ non-saleable/ expired items of inventory wherever necessary, based on the past experience of the Company and such allowances are adjusted against the inventory carrying value.

3.16 Revenue Recognition

(i) Revenue from Operations

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Sales and Service Income exclude Goods and Service Tax (GST) and are net of trade / volume discounts, where applicable.

Sale of products comprising Sale of Optical Frames and Lens, Pharmaceutical Products, Contact Lens and related accessories and food items is recognised on delivery of items to the customers and when control on goods is passed on to the customers.

Sale of services comprising Income from Consultation, Surgeries, Treatments and Investigations performed are recognised when performance obligation is satisfied at a point in time, on rendering the related services.

Other Operating Income comprises medical support services provided by the Company and is recognised on rendering the related services.

(ii) Other Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend Income is accounted for when right to receive it is established.

(iii) Cross Charges

The Company incur expenses such as salaries, software development and depreciation on common assets etc on behalf of the group company and share the common resources for the group functions. Such expenses, which are incurred for the group, are identified, and cross-charged between the companies.

3.17 Foreign Currency Transactions

Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

3.18 Employee Benefits

Retirement benefit costs and termination benefits:

(i) Defined Benefit Plans:

Employee defined benefit plans include gratuity.

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

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual

reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits.

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

(ii) Defined Contribution Plans

Employee defined contribution plans include provident fund and Employee state insurance.

Provident Fund and Employee State Insurance:

All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equaling to a specified percentage of employee's applicable emoluments. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

3.19 Borrowing Costs

"Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing

costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.”

3.20 Government Grants, Subsidies and Export Incentives

Government grants and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

Export benefits, if any, are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are accounted in Reserves and Surplus in Other Equity. Government grants in the form of non-monetary assets, given at a concessional rate, are recorded on the basis of their acquisition cost. In case the non-monetary asset is given free of cost, the grant is recorded at a nominal value.

Other government grants and subsidies are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

3.21 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis are included under “unallocated revenue / expenses / assets / liabilities”

3.22 Leases

The Company's lease asset classes consists of leases for buildings . The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct

costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

3.23 Earnings Per Share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease earnings per share from continuing operations. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

3.24 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax expense for the year is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income-tax Act, 1961.

Minimum Alternate Tax (MAT) paid as current tax expense in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as tax credit and recognized as deferred tax asset when there is reasonable certainty that the Company will pay normal income tax in the future years and future economic benefit associated with it will flow to the Company. The carrying amount is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.25 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the balance sheet date and measured using the present value of cash flows estimated to settle the present obligations (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

The Company does not recognize a contingent liability but discloses its existence in the Financial Statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

3.26 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

3.27 Financial Instruments

Initial Recognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognized in the statement of profit and loss.

3.27.1 Financial Assets

(a) Recognition and initial measurement

- (i) The Company initially recognizes loans and advances, deposits and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortized cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated 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.

For the impairment policy in financial assets measured at amortized cost, refer Note 3.27.1(e)

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortized cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortized cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortized cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, debt instruments at FVTOCI, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

For trade receivables, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

(f) Derecognition of financial assets

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

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

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss.
- Changes in carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.
- For the purposes of recognizing foreign exchange gains or losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in the Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

3.27.2 FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

(a) Classification as debt or equity:

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(b) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(c) Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking;

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;

(d) Financial liabilities subsequently measured at amortized cost:

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly

discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(e) Foreign exchange gains and losses:

For financial liabilities that are denominated in a foreign currency and measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on amortized cost of the instruments and are recognized in the Statement of Profit and Loss.

The fair value of the financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at FVTPL, the foreign exchange component forms part of the fair value gains or losses recognized in the Statement of profit and Loss.

(f) Derecognition of financial liabilities:

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the Statement of Profit and Loss.

3.28 Goods & Service Tax Input Credit

Goods & Service Tax Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

3.29 Exceptional Items

Exceptional items are items of income and expenses which are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company.

3.30 Share Based Payments :

The Company is covered under the employee stock option scheme of Dr. Agarwal's Health Care Limited, India (the holding company). Under the plan, the employees and doctors of the Company are granted shares and other stock awards of the holding company, in accordance with the terms and conditions as specified in the plan. The plan is assessed, managed and administered by the holding company, whose shares and share based benefits have been granted to the employees and doctors of the Company. The holding company currently operates the plan / scheme of employee stock option ("ESOP") and a share appreciation rights ("SAR"). The Company has accounted for the amount of expense under Ind AS 102 considering the invoice received from the holding company taking into account the valuation carried out in respect of the same and has made the related disclosures required under INDAS 102 based on information obtained from the holding company (Refer Note 45)

ESOPs:

Equity settled share based payments to the employees of the company are measured at the fair value of the equity instruments at the grant date.

Compensation expense for the Employee Stock Option Plan ("ESOP") is measured at the option value as on grant date and the cost of the option will be amortised on a systematic basis which reflects pattern of the vesting of the options over the period of 4 years (Refer Note 45.2).

SARs:

Cash settled share based payments to the doctors of the company is remeasured at the value of option at the end of every reporting period. Compensation expense for the Share Appreciation Rights ("SAR") will be accounted at every reporting date till the date of exercise of the SARs based on the information provided by the holding company (Refer Note 45.3).

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of Financial Statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the accompanying disclosures. Uncertainty about the assumptions and estimates could result in outcomes that require a material adjustment to the carrying value of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following notes:

- (i) Useful lives of Property, plant and equipment (Refer Note 3.9)
- (ii) Assets and obligations relating to employee benefits (Refer Note 3.18)
- (iii) Valuation and measurement of income taxes and deferred taxes (Refer Note 3.24)
- (iv) Provisions for disputed statutory and other matters (Refer Note 3.25)
- (v) Allowance for expected credit losses (Refer Note 3.27.1(e))
- (vi) Fair value of Financial Assets and Liabilities (Refer Note 3.27.1 and 3.27.2)
- (vii) Lease Term of Leases entered by the Company (Refer Note 3.22)

Determination of functional currency:

Currency of the primary economic environment in which the Company operates ("the functional currency") is Indian Rupee (INR) in which the company primarily generates and expends cash. Accordingly, the Management has assessed its functional currency to be Indian Rupee (INR).

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

(Amount in INR Crores)

5 Property, Plant and Equipment

| Description of assets | Leasehold improvements | Medical equipments | Office equipments | Vehicles | Computers | Furniture and fixtures | Electrical Fittings | Total |
|--|------------------------|--------------------|-------------------|-------------|-------------|------------------------|---------------------|---------------|
| I. Gross carrying value | | | | | | | | |
| As at 1st April 2022 | 35.54 | 49.35 | 1.44 | 2.02 | 2.44 | 4.06 | 15.56 | 110.41 |
| Additions | 12.69 | 14.13 | 0.07 | 3.36 | 1.32 | 0.85 | 3.39 | 35.81 |
| Disposals / Deletions during the period | - | - | - | (0.50) | - | - | - | (0.50) |
| As at 31st March 2023 | 48.23 | 63.48 | 1.51 | 4.88 | 3.76 | 4.91 | 18.95 | 145.72 |
| As at 1st April 2023 | 48.23 | 63.48 | 1.51 | 4.88 | 3.76 | 4.91 | 18.95 | 145.72 |
| Additions | 20.71 | 21.90 | 0.07 | 0.18 | 1.24 | 1.37 | 4.32 | 49.79 |
| Disposals / Deletions during the period | (0.27) | (2.47) | - | (0.99) | (0.02) | (0.02) | (0.08) | (3.85) |
| As at 31st March 2024 | 68.67 | 82.91 | 1.58 | 4.07 | 4.98 | 6.26 | 23.19 | 191.66 |
| II. Accumulated depreciation and impairment | | | | | | | | |
| As at 1st April 2022 | 13.74 | 21.77 | 1.15 | 0.81 | 1.81 | 2.16 | 10.14 | 51.59 |
| Charge for the period | 3.74 | 3.55 | 0.08 | 0.44 | 0.37 | 0.27 | 0.84 | 9.29 |
| Disposals / Deletions during the period | - | - | - | (0.47) | - | - | - | (0.47) |
| As at 31st March 2023 | 17.48 | 25.32 | 1.23 | 0.79 | 2.18 | 2.43 | 10.98 | 60.41 |
| As at 1st April 2023 | 17.48 | 25.32 | 1.23 | 0.79 | 2.18 | 2.43 | 10.98 | 60.41 |
| Charge for the period | 5.88 | 4.26 | 0.07 | 0.56 | 0.72 | 0.38 | 1.14 | 13.01 |
| Disposals / Deletions during the period | (0.02) | (1.78) | - | (0.80) | - | (0.01) | (0.02) | (2.63) |
| As at 31st March 2024 | 23.34 | 27.80 | 1.30 | 0.55 | 2.90 | 2.80 | 12.10 | 70.79 |
| Net carrying value as at 31st March 2024 | 45.33 | 55.11 | 0.28 | 3.52 | 2.08 | 3.46 | 11.09 | 120.87 |
| Net carrying value as at 31st March 2023 | 30.75 | 38.16 | 0.28 | 4.09 | 1.58 | 2.48 | 7.97 | 85.31 |

Note: During the period ended 31st March 2023, the Company changed its method of depreciation from its method of written down value for certain categories of assets to straight line method taking into account its reassessment of the expected pattern of economic benefits from those assets. Had the Company continued its previous method of written down value for these assets, depreciation expense for the year ended 31st March 2023 would have been higher by Rs. 5.58 crores.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

6 RIGHT-OF-USE ASSETS

(Amount in INR Crores)

| Particulars | Buildings | Land | Total |
|--|---------------|---------------|---------------|
| I. Gross carrying value | | | |
| As at 1st April 2022 | 55.61 | 121.12 | 176.73 |
| Additions | 34.82 | - | 34.82 |
| Disposals / Adjustments during the period | (0.57) | - | (0.57) |
| As at 31st March 2023 | 89.86 | 121.12 | 210.98 |
| As at 1st April 2023 | 89.86 | 121.12 | 210.98 |
| Additions | 37.34 | - | 37.34 |
| Disposals / Adjustments during the period | (1.67) | - | (1.67) |
| As at 31st March 2024 | 125.53 | 121.12 | 246.65 |
| II. Accumulated depreciation and impairment | | | |
| As at 1st April 2022 | 21.00 | 2.02 | 23.02 |
| Charge for the period | 10.37 | - | 10.37 |
| Transferred to CWIP | - | 4.24 | 4.24 |
| Disposals / Adjustments during the period | (0.57) | - | (0.57) |
| As at 31st March 2023 | 30.80 | 6.26 | 37.06 |
| As at 1st April 2023 | 30.80 | 6.26 | 37.06 |
| Charge for the period | 13.25 | - | 13.25 |
| Transferred to CWIP | - | 4.05 | 4.05 |
| Disposals / Adjustments during the period | (1.67) | - | (1.67) |
| As at 31st March 2024 | 42.38 | 10.31 | 52.69 |
| Net carrying value as at 31st March 2024 | 83.15 | 110.81 | 193.96 |
| Net carrying value as at 31st March 2023 | 59.06 | 114.86 | 173.92 |

7 Capital work-in-progress

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------------------|--------------------------|--------------------------|
| Capital Work-in-Progress | 97.44 | 62.21 |
| Total | 97.44 | 62.21 |

7.1 Capital work-in-progress aging schedule

(Amount in INR Crores)

| Particulars | Amount in CWIP for a period of | |
|----------------------|--------------------------------|--------------------------|
| | As at 31st March 2024 | As at 31st March 2023 |
| Projects in progress | | |
| Less than 1 year | 36.52 | 37.23 |
| 1 - 2 year | 35.94 | 24.98 |
| 2 - 3 year | 24.98 | - |
| Total | 97.44 | 62.21 |

"Note: As at 31st March 2024, an amount of Rs. 26.80 crores (As at 31st March 2023, Rs. 10.24 crores) has been capitalised to the value of projects in progress as borrowing costs under Ind AS 23."

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

8 Goodwill and Other Intangible assets

(Amount in INR Crores)

| Description of Assets | Goodwill | Non Compete Agreement | Computer Software | Subtotal - (Other than Goodwill) | Total |
|--|-------------|-----------------------|-------------------|----------------------------------|-------------|
| I. Gross carrying value | | | | | |
| As at 1st April 2022 | 0.18 | 1.31 | 6.36 | 7.67 | 7.85 |
| Additions | - | - | 0.01 | 0.01 | 0.01 |
| Disposals / Deletions during the period | - | - | - | - | - |
| As at 31st March 2023 | 0.18 | 1.31 | 6.37 | 7.68 | 7.86 |
| As at 1st April 2023 | 0.18 | 1.31 | 6.37 | 7.68 | 7.86 |
| Additions | - | - | 0.01 | 0.01 | 0.01 |
| Acquisitions through business combination | - | - | - | - | - |
| Disposals / Deletions during the period | - | - | - | - | - |
| As at 31st March 2024 | 0.18 | 1.31 | 6.38 | 7.69 | 7.87 |
| II. Accumulated amortization and impairment | | | | | |
| As at 1st April 2022 | - | 0.20 | 6.00 | 6.20 | 6.20 |
| Amortization charge for the period | - | 0.26 | 0.26 | 0.52 | 0.52 |
| Disposals / Deletions during the period | - | - | - | - | - |
| As at 31st March 2023 | - | 0.46 | 6.26 | 6.72 | 6.72 |
| As at 1st April 2023 | - | 0.46 | 6.26 | 6.72 | 6.72 |
| Amortization charge for the period | - | 0.26 | 0.09 | 0.35 | 0.35 |
| Disposals / Deletions during the period | - | - | - | - | - |
| As at 31st March 2024 | - | 0.72 | 6.35 | 7.07 | 7.07 |
| Net carrying value as at 31st March 2024 | 0.18 | 0.59 | 0.03 | 0.62 | 0.80 |
| Net carrying value as at 31st March 2023 | 0.18 | 0.85 | 0.11 | 0.96 | 1.14 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

9 Other Financial Asset (Non Current) (Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|----------------------------------|--------------------------|--------------------------|
| (Non-current, at amortized cost) | 1.06 | 1.04 |
| Rental Deposits | | |
| Related Party (Refer note 49.4) | 0.38 | 0.36 |
| Others | 7.06 | 5.71 |
| Total | 8.50 | 7.11 |

10 Non Current tax assets / Current Liabilities (net) (Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Income tax payments made against returns filed /demands received (including taxes deducted at source) | 55.34 | 41.73 |
| Less: Provision for Tax | (57.54) | (41.32) |
| Total | (2.20) | 0.41 |

10.1 Income tax recognized in statement of profit and loss (Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| (i) Current Tax: | | |
| - in respect of current period | 16.22 | 12.33 |
| - in respect of prior years | - | - |
| Total (A) | 16.22 | 12.33 |
| (ii) Deferred Tax: | | |
| - in respect of current period | (0.33) | 0.15 |
| Total (B) | (0.33) | 0.15 |
| Total income tax expense recognized in profit and loss account (A+B) | 15.89 | 12.48 |

10.2 Income tax recognized in other comprehensive income

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Deferred tax related to items recognized in other comprehensive income during the year: | | |
| - Remeasurement of defined benefit obligations | (0.01) | 0.13 |
| - FVTOCI Financial Assets | - | |
| Total | (0.01) | 0.13 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Classification of income tax recognized in other comprehensive income | | |
| - Income taxes related to items that will be reclassified to profit or loss | - | - |
| - Income taxes related to items that will not be reclassified to profit or loss | - | - |
| Total | - | - |

10.3 Reconciliation of income tax expense and the accounting profit multiplied by company's domestic tax rate

| | | |
|---|--------------|--------------|
| Profit / (Loss) before tax after exceptional items | 62.25 | 49.40 |
| Income Tax using the tax rate of entities consolidated (Refer Note (i) below) | 15.67 | 12.43 |
| Tax Effect of : | | |
| - Effect of expenses that are nondeductible in determining taxable profit | 0.22 | 0.05 |
| Tax expense recognized in statement of profit or loss from continuing operations | 15.89 | 12.48 |

Notes: The tax rate used for the year ended 31st March 2024 and 31st March 2023 reconciliations above are the corporate tax rate of 25.17% opted by the Company u/s 115BAA of Income tax act.

11 DEFERRED TAX ASSETS (NET)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Components of Deferred Tax: | | |
| Deferred Tax Assets | 10.03 | 9.71 |
| Net Deferred Tax Assets/ (Liabilities) | 10.03 | 9.71 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

11.1 Movement in Deferred Tax Balances " Assets/(Liabilities) "

For the Year Ended 31st March 2024

(Amount in INR Crores)

| Particulars | As at 1st April 2023 | Charge/(Credit) recognised in | | As at 31st March 2024 |
|--|----------------------------|------------------------------------|----------------------------------|-----------------------------|
| | | Statement of Profit and Loss | Other Comprehensive Income | |
| Tax effect of items constituting deferred tax assets / (deferred tax liabilities) : | | | | |
| Property, Plant and Equipment, Intangible Assets and Capital work in progress | 4.18 | (0.82) | - | 3.36 |
| Employee Benefits | 2.14 | 0.28 | (0.01) | 2.41 |
| Provisions | 1.05 | 0.19 | - | 1.24 |
| Lease assets net of lease liabilities | 2.15 | 0.68 | - | 2.83 |
| Financial assets at fair value through profit & loss | 0.19 | - | - | 0.19 |
| Net Deferred Tax Assets/ (Liabilities) | 9.71 | 0.33 | (0.01) | 10.03 |
| For the year ended 31st March 2023 | | | | |
| Particulars | As at 1st April 2022 | Charge/(Credit) recognised in | | As at 31st March 2023 |
| | | Statement of Profit and Loss | Other Comprehensive Income | |
| Tax effect of items constituting deferred tax assets / (deferred tax liabilities) : | | | | |
| Property, Plant and Equipment, Intangible Assets and Capital work in progress | 5.19 | (1.01) | - | 4.18 |
| Employee Benefits | 1.53 | 0.48 | 0.13 | 2.14 |
| Provisions | 0.95 | 0.10 | - | 1.05 |
| Lease assets net of lease liabilities | 1.91 | 0.24 | - | 2.15 |
| Financial assets at fair value through profit & loss | 0.16 | 0.03 | - | 0.19 |
| Net Deferred Tax Assets/ (Liabilities) | 9.74 | (0.15) | 0.13 | 9.71 |

12. Other non-current assets

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| (Unsecured and Considered Good) | | |
| Capital Advances | | |
| -Towards construction of property | 2.42 | 2.71 |
| -Others | 1.91 | 0.88 |
| Total | 4.33 | 3.59 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

13 Inventories (at lower of cost or net realizable value)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Traded Goods | | |
| Opticals | 3.53 | 2.07 |
| Pharmaceutical Products | 2.17 | 1.50 |
| Contact Lens and Accessories | 1.03 | 0.91 |
| Surgical lens including other consumables | 3.02 | 1.52 |
| Total | 9.75 | 6.00 |

13.1

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| The cost of inventories recognized as an expense during the year | 70.55 | 60.96 |
| The cost of inventories recognized as an expense, includes write downs of inventory to net realizable value | 0.25 | 0.16 |

14 Trade receivables

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Undisputed Trade Receivables - Considered Good | 17.63 | 14.16 |
| Allowance for expected credit loss | (4.70) | (4.05) |
| Total | 12.93 | 10.11 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

14.1 Trade receivables ageing schedule-current period

| | As at 31st March 2024 | | | | | |
|---|--|-------------------|-------------|-------------|-------------------|--------------|
| | Outstanding for following periods from due date of payment | | | | | |
| Particulars | Less than 6 months | 6 months - 1 year | 1- 2 years | 2-3 years | More than 3 years | Total |
| Undisputed Trade receivables – considered good | 12.73 | 0.79 | 0.97 | 1.20 | 1.94 | 17.63 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Disputed Trade Receivables –considered good | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Trade receivables as at 31st March 2024 | 12.73 | 0.79 | 0.97 | 1.20 | 1.94 | 17.63 |
| Less: Expected Credit Loss provision | | | | | | (4.70) |
| Net Trade receivable as at 31st March 2024 | | | | | | 12.93 |

14.2 Trade receivables ageing schedule-previous period

| | | | | | | |
|---|--------------|-------------|-------------|-------------|-------------|--------------|
| Undisputed Trade receivables – considered good | 9.19 | 0.93 | 1.62 | 1.34 | 1.08 | 14.16 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Undisputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Disputed Trade Receivables –considered good | - | - | - | - | - | - |
| Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Disputed Trade Receivables – credit impaired | - | - | - | - | - | - |
| Trade receivables as at 31st March 2023 | 9.19 | 0.93 | 1.62 | 1.34 | 1.08 | 14.16 |
| Less: Expected Credit Loss provision | | | | | | (4.05) |
| Net Trade receivable as at 31st March 2023 | 17.82 | 0.59 | 0.70 | 0.14 | 0.05 | 10.11 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

14.3 Credit period and risk

Significant portion of the Company's business is against receipt of cash settled near to the time of sale/service. Credit is provided mainly to Insurance Companies, Corporate customers and customers covered by Government accorded health benefits. The Insurance Companies are required to maintain minimum reserve levels and pre-approve the insurance claim, Government undertakings and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is low.

Trade receivables are non-interest bearing and are generally due immediately when the invoice is raised. Of the Trade Receivable as at 31 March 2024, Rs. 12.78 Crores (As at 31 March 2023: Rs.11.74 crores) are due from 6 (as at 31 March 2023: 7) of the Company's customers i.e. having more than 5% of the total outstanding trade receivable balance. There are no other customers who represent more than 5% of the total balance of trade receivables.

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

14.4 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix, considering the amounts due from the government undertakings and the other undertakings.

The provision matrix is as follows:

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-----------------------------|-----------------------|-----------------------|
| 1-90 days past due | 1% to 17% | 1% to 10% |
| 91-180 days past due | 29% to 32% | 18% to 36% |
| 181-270 days past due | 31% to 42% | 31% to 40% |
| 271-360 days past due | 45% to 56% | 36% to 56% |
| 361-450 days past due | 48% to 100% | 40% to 100% |
| 451-540 days past due | 46% to 100% | 46% to 100% |
| 541-630 days past due | 62% to 100% | 60% to 100% |
| 630-720 days past due | 72% to 100% | 67% to 100% |
| 720-810 days past due | 82% to 100% | 79% to 100% |
| More than 810 days past due | 100% | 100% |

14.5 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Balance at beginning of the year | 4.05 | 3.48 |
| (Add) Provision Created during the period | 0.86 | 0.80 |
| (Less) Provision Utilised during the year / Bad debts written off | (0.21) | (0.23) |
| Balance at end of the period | 4.70 | 4.05 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

15 Cash and cash equivalents

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Cash on Hand | 0.52 | 0.57 |
| Bank balances | | |
| In Current Accounts | 32.36 | 16.79 |
| In Fixed deposits with maturity less than 3 months | - | 10.02 |
| Total | 32.88 | 27.38 |

16 Bank balances other than cash and cash equivalents

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------------------------------|--------------------------|--------------------------|
| In Fixed Deposits - under Lien | 0.76 | 0.64 |
| Unpaid dividend | 0.09 | 0.08 |
| Fixed deposits - Other bank balances | 0.01 | - |
| Total | 0.86 | 0.72 |

Notes: Deposit under Lien represents deposits placed for Bank Guarantees obtained by the Company from Banks towards:"

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------|--------------------------|--------------------------|
| Customers | 0.76 | 0.64 |
| Total | 0.76 | 0.64 |

17 Other financial assets (Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Interest accrued not due | | |
| On Fixed deposits | 0.34 | - |
| Other Current Financial Assets | | |
| Receivable from Related Parties (Refer Note 49.4) | - | 0.25 |
| Rental Deposits | | |
| Others | 1.62 | 1.83 |
| Total | 1.96 | 2.08 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

18 Other current assets

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--------------------------------------|--------------------------|--------------------------|
| (Unsecured and Considered Good) | | |
| Prepaid expenses | 0.37 | 0.17 |
| Advances to employees | - | 0.03 |
| Balances with Government Authorities | | |
| Input Credit Receivables | 0.13 | 0.02 |
| Advances to suppliers | 0.95 | 0.03 |
| Total | 1.45 | 0.25 |

19 EQUITY SHARE CAPITAL

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---------------------------------------|--------------------------|---------------|--------------------------|---------------|
| | Number of shares | Rs. in Crores | Number of shares | Rs. in Crores |
| Authorised Share Capital | | | | |
| Equity Shares of INR. 10 each | 2,00,00,000 | 20.00 | 2,00,00,000 | 20.00 |
| | 2,00,00,000 | 20.00 | 2,00,00,000 | 20.00 |
| Issued capital | | | | |
| Equity Shares of INR. 10 each | 47,00,000 | 4.70 | 47,00,000 | 4.70 |
| | 47,00,000 | 4.70 | 47,00,000 | 4.70 |
| Subscribed and Paid up capital | | | | |
| Equity Shares of INR. 10 each | 47,00,000 | 4.70 | 47,00,000 | 4.70 |
| Total | 47,00,000 | 4.70 | 47,00,000 | 4.70 |

19.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---|--------------------------|---------------|--------------------------|---------------|
| | Number of shares | Rs. in Crores | Number of shares | Rs. in Crores |
| Equity Shares | | | | |
| Shares outstanding as at the beginning of the period | 47,00,000 | 4.70 | 47,00,000 | 4.70 |
| Add: Fresh issue of shares/ Adjustment during the period | - | - | - | - |
| Add: Bonus issue during the period | - | - | - | - |
| Less: Buy-back of shares during the period | - | - | - | - |
| Shares outstanding as at the end of the period | 47,00,000 | 4.70 | 47,00,000 | 4.70 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

19.2 Details of shares held by Dr. Agarwal's Health Care Limited (holding company)

| Class of Shares | Number of Shares As at 31st March 2024 | Number of Shares As at 31st March 2023 |
|--------------------------------|--|--|
| Equity shares of Rs. 10/- each | 33,72,408 | 33,72,408 |

19.3 Terms / rights attached to equity shares :

The Company has only one class of equity shares having a par value of INR. 10. Each holder is entitled to one vote per equity share. Dividends are paid in Indian rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the annual general meeting except in case of interim dividend. Repayment of capital will be in accordance with the terms of the Articles of Association and in proportion to the number of equity shares held.

19.4 Details of shares held by each shareholder holding more than 5% shares

| Class of Shares | As at 31st March 2024 | | As at 31st March 2023 | |
|--------------------------------------|--------------------------|-------------------------------|--------------------------|-------------------------------|
| | Number of Shares held | % holding of equity shares | Number of Shares held | % holding of equity shares |
| Equity Shares of INR 10 each: | | | | |
| Dr. Agarwal's Health Care Limited | 33,72,408 | 71.75% | 33,72,408 | 71.75% |
| Total | 33,72,408 | 71.75% | 33,72,408 | 71.75% |

19.5 Share holding by promoters

| Promoters name | As at 31st March 2024 | | As at 31st March 2023 | | % change during the Year |
|-----------------------------------|--------------------------------------|----------------------|--------------------------------------|----------------------|--------------------------------|
| | No. of Shares as at 31st March | % of total Shares | No. of Shares as at 31st March | % of total Shares | |
| Dr. Agarwal's Health Care Limited | 33,72,408 | 71.75% | 33,72,408 | 71.75% | - |
| Dr. Sunita Agarwal | 6,663 | 0.14% | 6,663 | 0.14% | - |
| Pankaj Sondhi | 100 | 0.00% | 100 | 0.00% | - |
| Total Promoter Holdings | 33,79,171 | 71.89% | 33,79,171 | 71.89% | - |

Note: There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31st March 2024

20 OTHER EQUITY

(Amount in INR Crores)

| Particulars | Note | As at 31st March 2024 | As at 31st March 2023 |
|-----------------------------------|------|--------------------------|--------------------------|
| General Reserve | 20.1 | 0.83 | 0.83 |
| Securities Premium | 20.2 | 5.51 | 5.51 |
| Retained earnings | 20.3 | 146.11 | 102.30 |
| Total Reserves and Surplus | | 152.45 | 108.64 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

20.1 General reserve

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-----------------|--------------------------|--------------------------|
| Opening Balance | 0.83 | 0.83 |
| Closing balance | 0.83 | 0.83 |

The general reserve represents appropriation of retained earnings by transferring profits. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

20.2 Securities premium

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-----------------|--------------------------|--------------------------|
| Opening Balance | 5.51 | 5.51 |
| Closing balance | 5.51 | 5.51 |

Note - Amounts received on issue of shares in excess of the par value has been classified as securities premium.

20.3 Retained earnings*

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Opening Balance | 102.30 | 67.14 |
| Adjustments | | |
| Profit attributable to owners of the Company | 46.36 | 36.92 |
| Dividends distributed to Equity Shareholders | (2.59) | (1.41) |
| Remeasurement of net defined benefit liability or asset (Net of taxes) (Refer note 42.3) | 0.04 | (0.35) |
| Closing balance | 146.11 | 102.30 |

Note:-

- (i) In accordance with Notification G.S.R 404(E), dated 6 April 2016, remeasurement of defined benefit plans is recognised as part of retained earnings.
- (ii) In respect of the year ended 31st March 2024, the directors propose that a final dividend of Rs.2.50 per share to be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares.

21 Borrowings (Non-Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Borrowings measured at amortized cost: (Secured Borrowings) | | |
| Term Loans- Banks (Refer Note (21.1) below) | 44.46 | 35.77 |
| Total | 44.46 | 35.77 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

21.1 Details of Term Loan from Banks / Others - Secured

The details of tenor, interest rate, repayment terms of the same are given below:

| S.No. | Original Tenor (in Months) | Interest Rate | No. of Instalments outstanding as at | | Repayment Terms | Loan Amount As at 31 March 2024 | Loan Amount As at 31 March 2023 |
|---|----------------------------|---------------|--------------------------------------|---------------|------------------------------|---------------------------------|---------------------------------|
| | | | 31 March 2024 | 31 March 2023 | | | |
| I - Term Loans from Axis Bank (Refer Note (i) below) | | | | | | | |
| 1 | 19 | Repo + Spread | 0 | 7 | Principal / Interest Monthly | - | 2.27 |
| 2 | 120 | Repo + Spread | 96 | 96 | Principal / Interest Monthly | 50.81 | 35.82 |
| | | | Sub-Total | | | 50.81 | 38.09 |
| II - GECL Loan from Axis Bank (Refer Note (ii) below) | | | | | | | |
| 1 | 29 | Repo + Spread | 5 | 17 | Principal / Interest Monthly | 0.49 | 1.67 |
| | | | Sub-Total | | | 0.49 | 1.67 |
| III - Vehicle Loans from Axis Bank | | | | | | | |
| 1 | 60 | 9% | 0 | 14 | Principal / Interest Monthly | - | 0.13 |
| | | | Sub-Total | | | - | 0.13 |
| Total of borrowings from Banks | | | | | | 51.30 | 39.89 |
| Less : Current Maturities of long-term borrowings (Refer Note 21) | | | | | | (6.84) | (4.12) |
| Long-term Borrowings from Banks | | | | | | 44.46 | 35.77 |

(a) Security

(i) Axis bank Term Loan and Overdraft facility

The details of Security provided are as follows:

Primary Security

1. Hypothecation of the entire current assets of the company.
2. First and exclusive charge on the Plant and Machinery owned by the company other than those funded by other banks/NBFCs.
3. Term loan – Hypothecation of movable fixed assets proposed/existing purchased out of term loans.

Collateral Security

Collateral Security common for all facilities

1. Paripassu charge (with HDFC Limited for a loan taken by Dr. Agarwal Eye Institute) on the landed property of 9.68 grounds belonging to Dr Agarwal Eye Institute and proposed building to be constructed there on at No. 19, Cathedral Road, Gopalapuram, Chennai, 600086.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

Corporate Guarantor

1. Personal Guarantees of Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal, Dr. Ashvin Agarwal, Dr. Agarwal's Health Care Limited and Dr. Agarwal Eye Institute.

(ii) The Government of India under "Emergency Credit Line Guaranteed Scheme (ECLGS) has directed the banks to provide Guaranteed emergency Credit Line (GECL) by way of working capital term loan (WCTL). This facility is covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Ltd - Ministry of Finance). The amount sanctioned is INR 3.52 Crore with a moratorium period of 12 months, further Security provided against GECL loan are as follows:

1. Second charge on all primary & collateral securities mentioned above.
2. 100% Guarantee from NCGTC"

(b) As at 31 March 2024, the Company has not complied with a financial covenant relating to current ratio specified in the sanction letter. Subsequent to the year end, the Company has obtained a written acknowledgement from the bank that the non-compliance will not impact the term and the repayment terms as per the original schedule will hold good. There have been no non compliance with the repayment of principal and interest as well as other terms and conditions of the borrowing availed by the Company during the year.

22 Lease liabilities (Non-Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------|--------------------------|--------------------------|
| Lease Liabilities | 203.59 | 177.97 |
| Total | 203.59 | 177.97 |

23 Other financial liabilities (Non-Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Acquisition Liabilities | - | 0.48 |
| Other Financial Liabilities | | |
| Retention money payable | 1.35 | 0.74 |
| Other Financial Liabilities measured at Fair Value | 1.01 | 0.36 |
| Total | 2.36 | 1.58 |

24 Provisions (Non-Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Provision for Employee Benefits: | | |
| Gratuity Payable (Refer note 42.3) | 5.76 | 4.64 |
| Compensated Absences (Refer note 42.2) | 1.67 | 1.56 |
| Total | 7.43 | 6.20 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

25 Borrowings (Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Loans repayable on demand | | |
| Current Maturities of Long-Term Borrowings | | |
| Secured Borrowings-Bank (Refer note (ii)) | 6.84 | 4.12 |
| Overdraft facility (Refer note (i)) | - | 3.94 |
| Total | 6.84 | 8.06 |

Notes: (i) The details of interest rate, repayment and other terms of the Short Term Borrowings are as follows:

| Type | Name of the Party | Interest Rate | Repayment Terms | As at 31st March 2024 | As at 31st March 2023 |
|--------------------|-------------------|---------------|-----------------|-----------------------------|-----------------------------|
| Overdraft facility | Axis Bank | Repo + Spread | On demand | - | 3.94 |

26 Lease liabilities (Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|-------------------|--------------------------|--------------------------|
| Lease Liabilities | 13.13 | 10.67 |
| Total | 13.13 | 10.67 |

27 Trade payables

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Dues of Micro Enterprises and Small Enterprises (Refer Note 39) | 4.62 | 2.28 |
| Dues of Creditors Other than Micro Enterprises and Small Enterprises (Refer note 49.4) | 27.22 | 24.41 |
| Total | 31.84 | 26.69 |

27.1 Trade payables ageing schedule - current period

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | | | | | Total |
|------------------------|--|------------------|-------------|-------------|-------------------|--------------|
| | Outstanding for following periods from due date of payment | | | | | |
| | Not Due | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| MSME | 4.59 | 0.03 | - | - | - | 4.62 |
| Others | 23.42 | 2.09 | 1.13 | 0.30 | 0.28 | 27.22 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 28.01 | 2.12 | 1.13 | 0.30 | 0.28 | 31.84 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

27.2 Trade payables ageing schedule-previous period

| Particulars | As at 31st March 2023 Outstanding for following periods from due date of payment | | | | | Total |
|------------------------|---|------------------|-------------|-------------|-------------------|--------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| MSME | - | 2.28 | - | - | - | 2.28 |
| Others | 18.86 | 4.74 | 0.30 | 0.20 | 0.31 | 24.41 |
| Disputed dues - MSME | - | - | - | - | - | - |
| Disputed dues - Others | - | - | - | - | - | - |
| Total | 18.86 | 7.02 | 0.30 | 0.20 | 0.31 | 26.69 |

28 Other financial liabilities (Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Payables towards purchase of Property, Plant and Equipment | 11.52 | 4.00 |
| Interest Accrued but not due From Related Parties | 0.04 | 0.02 |
| Acquisition Liabilities(Refer Note below) | - | - |
| Payable to Related Party (Refer Note 49.4) | 0.48 | 0.42 |
| Unpaid dividend | 8.15 | - |
| | 0.09 | 0.08 |
| Total | 20.28 | 4.52 |

Note: Acquisition Liabilities represents the estimated fair value of the contingent consideration relating to the acquisition of eye hospital which was acquired upto 31st March 2024

29 Other current liabilities

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------------------|-----------------------|-----------------------|
| Contract liabilities | 1.84 | 1.08 |
| Statutory remittances | 2.19 | 1.99 |
| Gratuity Payable (Refer note 42.3) | 1.16 | 1.03 |
| Total | 5.19 | 4.10 |

30 Provisions (Current)

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Provision for Employee Benefits: | | |
| Compensated Absences (Refer note 42.2) | 1.02 | 0.77 |
| Provision for Contingencies (Refer note 30.1 below) | 0.27 | 0.27 |
| Total | 1.29 | 1.04 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

30.1 (i) The Company carries a 'provision for contingencies' towards various claims against the Company not acknowledged as debts (Refer Note 41), based on Management's best estimate.

(ii) Whilst the provision as at 31st March 2024 is considered as current in nature, the actual outflow with regard to said matters depends on the exhaustion of remedies available under the law based on various developments. No recoveries are expected against the provision.

31 Revenue from operations

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Sale of Products (Refer Note (31.1) below) | 74.87 | 64.80 |
| Sale of Services (Refer Note (31.1) below) | 241.67 | 201.93 |
| Other Operating Revenues | 2.76 | 1.37 |
| Total | 319.30 | 268.10 |

31.1 Disaggregation of the revenue information

The tables below present disaggregated revenues from contracts with customers for the year ended 31st March 2024 by offerings. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Sale of Products comprises the following:

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Traded | | |
| Opticals | 48.16 | 42.16 |
| Pharmaceutical Products | 25.12 | 21.07 |
| Contact Lens and Accessories | 1.59 | 1.57 |
| Total - Sale of Products | 74.87 | 64.80 |

Sale of Services comprises the following :

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Income from Surgeries | 200.82 | 166.38 |
| Income from Consultation | 12.43 | 11.85 |
| Income from Treatments and Investigations | 28.42 | 23.70 |
| Total - Sale of Services | 241.67 | 201.93 |

Note: The services are rendered to various patients and there are no patients who represent more than 10% of the total revenue. However, the Hospital also serves patients who are covered under insurance/health schemes run by insurance companies, corporates and the central/state government agencies, wherein the services rendered to the patient is on credit to be reimbursed by the said insurance company, corporate or government agency.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

31.2 Trade receivables and contract balances

The group classifies the right to consideration in exchange for deliverables as receivable. The Company classifies the right to consideration in exchange for deliverables as receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue is recognized as and when the related goods / services are delivered / performed to the customer. Trade receivable are presented net of impairment in the Balance Sheet. Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

31.3 Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in IND AS - 115, the Company has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

31.4 Geographical revenue breakdown

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--------------|---------------------------------------|---------------------------------------|
| Within India | 319.30 | 268.10 |
| Total | 319.30 | 268.10 |

32 OTHER INCOME (Net of recoveries)

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Interest Income on financial assets carried at amortised cost | | |
| Interest Income - Bank deposits | 1.26 | 0.20 |
| Interest Income - Security deposits | 0.69 | 0.58 |
| Profit on sale of Property, Plant and Equipment | - | 0.03 |
| Liabilities no longer required - Written Back | 1.72 | 0.24 |
| Miscellaneous Income | 1.30 | 0.50 |
| Total | 4.97 | 1.55 |

33 Purchases of stock-in-trade

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|------------------------------|---------------------------------------|---------------------------------------|
| Opticals | 18.25 | 15.41 |
| Pharmaceutical Products | 16.22 | 13.36 |
| Contact Lens and Accessories | 1.03 | 1.51 |
| Purchase for food item | 0.45 | 0.40 |
| Total | 35.95 | 30.68 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

34 Changes in inventories of finished goods, stock-in-trade and work-in-progress

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Inventories at the beginning of the year: | | |
| Opticals | 2.07 | 2.08 |
| Pharmaceutical Products | 1.50 | 1.14 |
| Contact Lens and Accessories | 0.91 | 0.39 |
| | 4.48 | 3.61 |
| Inventories at the end of the year: | | |
| Opticals | 3.53 | 2.07 |
| Pharmaceutical Products | 2.17 | 1.50 |
| Contact Lens and Accessories | 1.03 | 0.91 |
| | 6.73 | 4.48 |
| Total | (2.25) | (0.87) |

35 Employee benefits expense

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Salaries and Bonus | 55.46 | 47.46 |
| Contributions to Provident and Other Funds (Refer note 42.1 & 42.3) | 4.05 | 3.48 |
| Staff welfare expenses | 1.80 | 1.36 |
| Employee Stock option expense (Refer note 45.4) | 2.47 | 0.96 |
| Total | 63.78 | 53.26 |

Note :- Salaries and Bonus to an extent of Rs. 2.47 crores and Employee Stock Option expense of Rs. 2.47 crores cross charged from Dr. Agarwal's Health Care Limited.

36 Finance costs

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Interest expense | | |
| Interest on Term loan - Bank | 0.18 | 0.95 |
| Interest on Deferred Consideration | 0.08 | 0.14 |
| Interest Others | 0.05 | 0.13 |
| Interest on lease liability (Refer note 44.3) | 6.79 | 5.58 |
| Other Borrowing Costs | 0.07 | 0.07 |
| Total | 7.17 | 6.87 |

Note :- Other Borrowing Costs represents the corporate guarantee charges which is payable to Dr. Agarwal's Health Care Limited.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

37 Depreciation and amortisation expenses

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Depreciation on Tangible Assets (Refer note 5) | 13.01 | 9.29 |
| Amortization on Intangible Assets (Refer note 8) | 0.35 | 0.52 |
| Depreciation on Right-of-use assets (Refer note 6) | 13.25 | 10.37 |
| Total | 26.61 | 20.18 |

38 Other expenses

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Power and Fuel | 5.60 | 3.29 |
| Water Consumption | 0.14 | 0.11 |
| Rent | 3.22 | 3.22 |
| Repairs & Maintenance | | |
| Repairs & Maintenance - equipments | 1.31 | 1.93 |
| Repairs & Maintenance -Others | 2.78 | 2.92 |
| Hospital maintenance charges and Security charges | 6.11 | 5.02 |
| Insurance | 0.21 | 0.10 |
| Rates and Taxes | 0.12 | (0.05) |
| Communication | 1.05 | 0.92 |
| Travelling and Conveyance | 3.84 | 3.58 |
| Printing and Stationery | 1.36 | 1.24 |
| Legal and Professional Charges | 2.20 | 2.19 |
| Software Maintenance Charges | 1.13 | 1.62 |
| Business Promotion and Entertainment | 3.19 | 2.82 |
| Marketing Expenses | 9.55 | 7.41 |
| Payment to Auditors (Refer note 38.1 below) | 0.48 | 0.48 |
| Bank charges | 1.13 | 1.17 |
| Net Loss on Foreign Currency Transactions and Translation | - | 0.11 |
| Loss on Sale of property, plant and equipment | 0.23 | - |
| Allowance for expected credit losses | 0.86 | 0.80 |
| Bad Receivables Written off | 0.21 | 0.23 |
| Less: Utilisation of allowances other Allowance for expected credit losses | (0.21) | (0.23) |
| Expenditure on Corporate Social Responsibility (Refer note 38.2 below) | 0.65 | 0.43 |
| Miscellaneous Expenses | 0.38 | 1.12 |
| Total | 45.54 | 40.43 |

Note :- Repairs and maintenance to an extent of Rs. 0.42 crores cross charged from Dr. Agarwal's Health Care Limited and Software maintenance charges of Rs. 0.87 crores cross charged to Dr. Agarwal's Health Care Limited.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

38.1 Payment to auditors

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| As Auditors: | | |
| For Statutory Audit (including Limited Review Fees) | 0.40 | 0.40 |
| Reimbursement of Expenses | 0.01 | 0.01 |
| Goods and Service Tax | 0.07 | 0.07 |
| Total | 0.48 | 0.48 |

38.2 Corporate social responsibility (CSR)

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Amount required to be spent by the company during the year" | 0.65 | 0.43 |
| Amount approved by the Board to be spent during the year" | 0.65 | 0.43 |
| (a) Healthcare services | 0.11 | 0.24 |
| b) Promotion of education | 0.47 | 0.19 |
| (c) Others | 0.07 | - |

39 Disclosures required under section 22 of the micro, small and medium enterprises development act, 2006

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Principal amount remaining unpaid to any supplier as at the end of the accounting year | 4.62 | 2.28 |
| Interest due thereon remaining unpaid to any supplier as at the end of the accounting year | 0.02 | 0.10 |
| The amount of interest due and payable for the year | 0.02 | 0.10 |
| The amount of interest accrued and remaining unpaid at the end of the accounting year | 0.02 | 0.10 |
| The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid | - | 0.01 |

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

40 Capital commitments

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| The estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for | 27.84 | 36.44 |
| Towards construction of property | 21.11 | 36.17 |
| Others | 6.73 | 0.27 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

41 Contingent liabilities

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Consumer Claims against the Company not acknowledged as debt | 1.98 | 2.08 |

Notes:

(i) Based on Professional Advice / Management's assessment of all the above claims, the company expects a favorable decision in respect of the above claims and hence no specific provision has been considered for the above claims.

(ii) The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately.

42 Employee benefits

42.1 Defined contribution plans

(c) Expenses recognized :

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Included under 'Contributions to Provident and Other Funds' (Refer Note 35) | | |
| Contributions to provident and pension funds | 2.46 | 2.08 |
| Contributions to Employee State Insurance | 0.25 | 0.28 |
| Total | 2.71 | 2.36 |

42.2 Compensated absences

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Included under 'Salaries and Bonus' (Refer Note 35) | 0.15 | 0.74 |
| Particulars | 31st March 2024 | 31st March 2023 |
| Net asset / (liability) recognized in the Balance Sheet | (2.69) | (2.33) |
| Current portion of the above (Refer Note 30) | (1.02) | (0.77) |
| Non - current portion of the above (Refer Note 24) | (1.67) | (1.56) |

The Key Assumptions used in the computation of provision for compensated absences are as given below:

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--------------------------------|---------------------------------------|---------------------------------------|
| Discount rate (% p.a) | 7.20% | 7.30% |
| Future Salary Increase (% p.a) | 9.00% | 10.00% |
| Withdrawal rate | 22% at all ages | 22% at all ages |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

42.3 Defined benefit plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death or disability while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

In respect of the plan, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31st March 2024 by M/s Kapadia Global Actuaries for the Company. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

(a) Amount recognized in the statement of profit & loss (including other comprehensive income) in respect of the defined benefit plan are as follows : (Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|--------------------------|--------------------------|
| Amounts recognized in Statement of Profit & Loss in respect of these defined benefit plans are as follows: | | |
| Service Cost [Refer Note(i) below] : | | |
| Current Service Cost (Refer note (i) below) | 1.03 | 0.88 |
| Net interest expense (after netting off interest income on plan assets INR 0.19 crores) | 0.31 | 0.24 |
| Components of defined benefit costs recognized in the Statement of Profit and Loss | 1.34 | 1.12 |
| Remeasurement on the net defined benefit liability: | | |
| Return on plan assets (excluding amount included in net interest income) | 0.02 | 0.04 |
| Actuarial gains and loss arising from changes in Financial assumptions | (0.23) | 0.13 |
| Actuarial gains and loss arising from experience adjustments | 0.16 | 0.31 |
| Components of defined benefit costs recognized in other comprehensive income | (0.05) | 0.48 |
| Total defined benefit cost recognized in Statement of Profit and Loss and Other Comprehensive Income | 1.29 | 1.60 |

(i) The current service cost and interest expense for the year are included in Note 35 - 'Employee Benefit Expenses' in the Statement of Profit & Loss under the line item 'Contribution to Provident and Other Funds'

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

(b) The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Net Asset/(Liability) recognized in the Balance Sheet | | |
| 1. Present value of defined benefit obligation | 8.93 | 7.97 |
| 2. Fair value of plan assets | (2.01) | (2.32) |
| Net asset / (liability) recognized in the Balance Sheet | 6.92 | 5.65 |
| Current portion of the above | 1.16 | 1.03 |
| Non - current portion of the above | 5.76 | 4.64 |

(c) Movement in the present value of the defined benefit obligation are as follows :

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Present value of defined benefit obligation at the beginning of the year | 7.97 | 6.65 |
| Expenses Recognized in Statement of Profit and Loss: | | |
| Current Service Cost | 1.03 | 0.88 |
| Interest Expense/(Income) | 0.50 | 0.35 |
| Recognized in Other Comprehensive Income: | | |
| Remeasurement gains / (losses) | | |
| Actuarial (Gain)/ Loss arising from: | | |
| Financial Assumptions | (0.23) | 0.13 |
| Experience Adjustments | 0.16 | 0.30 |
| Benefit payments | (0.50) | (0.34) |
| Present value of defined benefit obligation at the end of the year | 8.93 | 7.97 |

(d) Movement in fair value of plan assets are as follows :

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Fair value of plan assets at the beginning of the year | 2.30 | 2.28 |
| Adjustment to Opening Balance | | |
| Expenses Recognized in Statement of Profit and Loss: | | |
| Interest income | 0.19 | 0.11 |
| Recognized in Other Comprehensive Income: | | |
| Remeasurement gains / (losses) | | |
| Return on plan assets (excluding amount included in net interest income) | (0.02) | (0.04) |
| Contributions by employer | 0.04 | 0.30 |
| Benefit payments | (0.50) | (0.35) |
| Fair value of plan assets at the end of the year | 2.01 | 2.30 |

(e) The fair value of plan assets plan at the end of the reporting period are as follows:

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|-----------------------|-----------------------|
| Investment Funds with Insurance Company | | |
| Life Insurance Corporation of India | 2.01 | 2.30 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

The plan assets comprise insurer managed funds. None of the assets carry a quoted market price in active market or represent the entity's own transferable financial instruments or property occupied by the entity

(f) The Actual return on plan asset for the period ended 31st March 2024 was Rs.0.17 Crores (For the year ended - 31st March 2023: Rs.0.07 Crores).

(g) Actuarial assumptions

Investment Risk:

The present value of defined benefit plan liability is calculated using a discount rate which is determined by reference to the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Interest Risk:

A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's Investments.

Longevity Risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries. In particular, there is a risk for The Company that any adverse salary growth can result in an increase in cost of providing these benefits to employees in future.

The principal assumptions used for the purpose of actuarial valuation were as follows :

The principal assumptions used for the purpose of actuarial valuation were as follows :

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|----------------------------------|----------------------------------|
| Discount rate | 7.20% | 7.30% |
| Expected rate of salary increase | 9.00% | 10.00% |
| Expected return on plan assets | 7.30% | 7.30% |
| Expected Attrition rate based on Past Service (PS) (% p.a) | 22.00% | 22.00% |
| Mortality | Indian Assured Lives (2012-2014) | Indian Assured Lives (2012-2014) |

1. The discount rate is based on the prevailing market yields of Indian Government securities as at balance sheet date for the estimated term of the obligation.

2. The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are maintained with an insurer managed fund (maintained by the Life Insurance Corporation ("LIC")) and is well diversified.

Sensitivity Analysis:

The benefit obligation results of a such a scheme are particularly sensitive to discount rate, salary growth and employee attrition, if the plan provision do provide for such increases on commencement of pension.

The following table summarizes the impact in financial terms on the reported defined benefit obligation at the end of the reporting period arising on account changes in these four key parameters:

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

(Amount in INR Crores)

| Increase / (Decrease) on the Defined benefit Obligation | 31st March 2024 | 31st March 2023 |
|---|-----------------|-----------------|
| Discount Rate | | |
| Increase by 50 bps | 8.78 | 7.83 |
| Decrease by 50 bps | 9.09 | 8.11 |
| Salary growth rate | | |
| Increase by 50 bps | 9.06 | 8.09 |
| Decrease by 50 bps | 8.81 | 7.85 |
| Attrition rate | | |
| Increase by 50 bps | 8.87 | 7.90 |
| Decrease by 50 bps | 9.00 | 8.05 |

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations 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 defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

(h) Asset-Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, The Company is exposed to movement in interest rate.

(i) Effect of Plan on Entity's Future Cash Flows

a) Funding Arrangements and Funding Policy

-The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) The Company expects to make a contribution of Rs. 1.16 crores during the next financial year.

c) The weighted average duration of the benefit obligation at 31st March 2024 is 3.84 years (as at 31st March 2023 is 3.86 years).

d) Maturity profile of defined benefit obligation:

(Amount in INR Crores)

| Expected cash flows over the next (valued on undiscounted basis): | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Within 1 year | 2.52 | 2.27 |
| 2 to 5 years | 4.87 | 4.29 |
| 6 to 10 years | 3.06 | 2.74 |
| Total | 10.45 | 9.30 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

43 Segment reporting

The company is engaged in providing eye care and related services provided from its hospitals which are located in India. Based on the "management approach" as defined in Ind-AS 108 - Operating Segments, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by the overall business segment, i.e. Eye care related sales and services.

As the allocation of resources and profitability of the business is evaluated by the CODM on an overall basis, with evaluation into individual categories to understand the reasons for variations, no separate segments have been identified. Accordingly no additional disclosure has been made for the segmental revenue, segmental results and the segmental assets & liabilities. All of the Company's on current assets and fixed assets are in India.

Amount in Rs. Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---------------------------------|-----------------------|-----------------------|
| Segment Revenue Within India | 319.30 | 268.10 |
| Total Revenue | 319.30 | 268.10 |
| Segment Assets Within India | 417.40 | 326.58 |
| Total Assets | 417.40 | 326.58 |

44 Leases

44.1 The following is the breakup of current and non-current lease liabilities

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Current lease liabilities (Refer Note 26) | 13.13 | 10.67 |
| Non-current lease liabilities (Refer Note 22) | 203.59 | 177.97 |
| Total | 216.72 | 188.64 |

44.2 The contractual maturities of lease liabilities on an undiscounted basis is as follows:

(Amount in INR Crores)

Expected Minimum Lease Commitment

| Lease Obligation | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Payable - Not later than one year | 27.24 | 21.90 |
| Payable - Later than one year but not later than five years | 92.69 | 73.05 |
| Payable - Later than five years | 361.33 | 355.00 |
| Total | 481.26 | 449.95 |

44.3 Amounts recognised in the statement of profit and loss

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| Interest on lease liabilities (Refer Note 36) | 6.79 | 5.58 |
| Expenses relating to short term leases (Refer Note 38) | 3.22 | 3.22 |
| Depreciation on right-of-use assets (Refer Note 37) | 13.25 | 10.37 |
| Total | 23.26 | 19.17 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

Note: Interest on lease liabilities transferred to Capital-work-in-progress amounts to INR 8.78 crores for the year ended 31 March 2024 and Depreciation on Right-of-use assets transferred to Capital-work-in-progress amounts to INR 4.05 crores for the year ended 31 March 2024.

44.4 Amounts recognised in the cash flow statement

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Total cash outflow for leases | (18.89) | (8.44) |

* Excludes INR 5.93 crores included in Capital work in progress

45 Share-based payments

45.1 Awards from the Holding Company

The Company is covered under the employee stock option scheme of Dr. Agarwal's Health Care Limited, India (the holding company). Under the plan, the employees and doctors of the Company are granted shares and other stock awards of the holding company, in accordance with the terms and conditions as specified in the plan. The plan is assessed, managed and administered by the holding company, whose shares and share based benefits have been granted to the employees and doctors of the Company. The holding company currently operates an employee stock option ("ESOP") and a share appreciation rights ("SAR"). The Company has accounted for the amount of expense under Ind AS 102 considering the invoice received from the holding company and has made the related disclosures required under INDAS 102 based on information obtained from the holding company.

45.2 ESOP

The stock awards granted generally vest over a four service period. The annual stock awards are granted effective of the 28th November 2022; this effective date is the "award date" used for stock plan administration purposes and shown in the awards agreement. [The maximum number of shares in a stock award is, not exceeding 2% of the Paid Up Capital of the Holding Company, as on August 12, 2022, comprising 1,58,522 Options to or for the benefit of the employees of the Group.]

The following reconciles the share options at the beginning and at the end of the year:

(Amount in INR Crores)

| Particulars | Number of options as on 31st March '24 | Weighted average price of option as on 31st March '24 | Number of options as on 31st March '23 | Weighted average price of options on 31st March '23 |
|---|--|--|--|--|
| Options outstanding as at the beginning of the period | 34,880.00 | 1,593.06 | - | - |
| Add: Options granted during the period | 11,680.00 | 2,128.59 | 34,880.00 | 1,593.06 |
| Less: Options lapsed/forfeited during the period | (1,108.00) | 1,593.06 | - | - |
| Less: Options exercised during the period | (1,568.00) | 1,593.06 | - | - |
| Less: Options Transferred during the period | - | - | - | - |
| Options outstanding as at the year end | 43,884.00 | 1,735.59 | 34,880.00 | 1,593.06 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

*Weighted average price of options of Series - 1 is Rs. 1,593.06 (outstanding number of options 32,204)

*Weighted average price of options of Series - 2 is Rs. 2,128.59 (outstanding number of options 11,680)

The fair value has been calculated using the Black - Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options granted during the year are as follows:

| Particulars | Series - 1 | Series - 2 |
|--------------------------------|---------------------------|------------------------|
| Option grant date | 28th November 2022 | 18th March 2024 |
| Option price at the grant date | 1,593.06 | 2,128.59 |
| Option life | 4 Years | 3 Years |
| Exercise price | 2,548.00 | 3,896.48 |
| Risk-free interest rate | 7.45% | 6.95% |
| Expected volatility | 46.23% | 39.83% |

45.3 SAR

The Share Appreciation Rights (SAR) gives consultant doctors of the Company the opportunity to receive a cash bonus equal to the appreciation in the value of the units which shall, for each unit, be the difference between fair market value of the equity shares as at payment event trigger (PET) of Dr. Agarwal's Health Care Limited (the holding company) and exercise price as stated under the Plan.

However, the payment timing shall not exceed 4 (four) years from the date of grant. If PET occurred only after 4 (four) years from the date of grant, then the 100% of the payment will be made at the end of the fourth year.

(Amount in INR Crores)

| Particulars | Number of options as on 31st March '24 | Weighted average price of option as on 31st March '24 | Number of options as on 31st March '23 | Weighted average price of options on 31st March '23 |
|--|--|---|--|---|
| SARs outstanding as at the beginning of the period | 15,876.00 | 2,827.26 | - | - |
| Add: SARs granted during the period | 2,544.00 | - | 15,876.00 | 2,827.26 |
| Less: SARs lapsed/forfeited during the period | (6,080.00) | - | - | - |
| Less: SARs exercised during the period | - | - | - | - |
| Less: SARs Transferred during the period | - | - | - | - |
| Options outstanding as at the period end | 12,340.00 | 2,827.26 | 15,876.00 | 2,827.26 |

The fair value of each award was estimated on the date of year end using the following assumptions:

| Particulars | Series 1 | Series 2(a) | Series 2(b) |
|------------------------------------|--------------------|-----------------|-----------------|
| Option grant date | 28th November 2022 | 18th March 2024 | 18th March 2024 |
| Option price at the reporting date | 2,827.26 | 2,128.59 | 2,351.63 |
| Option life | 4 Years | 3 Years | 4 Years |
| Exercise price | 2,548.00 | 3,896.48 | 3,896.48 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

*Weighted average price of options of Series - 1 is Rs. 3,054.76 (outstanding number of options 9,796)

*Weighted average price of options of Series - 2(a) is Rs. 2,128.59 (outstanding number of options 1,544)

*Weighted average price of options of Series - 2(b) is Rs. 2,351.63 (outstanding number of options 1,000)

45.4 Total expense accounted for by the company on account of the above are given below:

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|--|---------------------------------------|---------------------------------------|
| ESOP cost accounted by the company (Refer note 35) | 2.47 | 0.96 |
| SAR cost accounted by the company (included in Consultancy charges to Doctors) | 0.65 | 0.37 |
| Total | 3.12 | 1.33 |

46 Earnings per share

(Amount in INR Crores)

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 |
|---|---------------------------------------|---------------------------------------|
| Earnings Per Share - Basic – Rs. | 98.64 | 78.55 |
| Earnings Per Share - Diluted – Rs. | 98.64 | 78.55 |
| Profit / (Loss) after Tax - Amount in Rs. Crs | 46.36 | 36.92 |
| Net Profit attributable to Equity Shareholders - Rs. in Crs (Basic and Diluted) | 46.36 | 36.92 |
| Weighted Average Number of Equity Shares (Face Value of Rs. 10 Each) - Basic (Nos.) | 47,00,000 | 47,00,000 |
| Weighted Average Number of Equity Shares (Face Value of Rs. 10 Each) - Diluted (Nos.) | 47,00,000 | 47,00,000 |

47 Financial instruments

47.1 Capital management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes Equity Share Capital and Other Equity including share of non-controlling Interest and Debt includes Borrowings and Other Financial Liabilities excluding Payables towards PPE net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of The Company compared to last year.

Gearing Ratio :

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|--|--------------------------|--------------------------|
| Borrowings and Other Financial Liabilities | 279.14 | 234.57 |
| Cash and Bank Balance | (33.74) | (28.10) |
| Net Debt (A) | 245.40 | 206.47 |
| Total Equity (B) | 157.15 | 113.34 |
| Net Debt to equity ratio (A/B) | 1.56 | 1.82 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

47.2 Categories of financial instruments

The carrying value of the financial instruments by categories as on 31st March 2024 and 31st March 2023 is as follows:

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|----------------------------|-----------------------|-----------------------|
| Financial Assets | | |
| Measured at amortized cost | | |
| Cash and Cash Equivalents | 32.88 | 27.38 |
| Other Bank balances | 0.86 | 0.72 |
| Trade receivables | 12.93 | 10.11 |
| Other financial assets | 10.46 | 9.19 |
| | 57.13 | 47.40 |

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|---|-----------------------|-----------------------|
| Financial Liabilities : | | |
| Measured at fair value through P&L | | |
| Other financial liabilities | 1.01 | - |
| Measured at amortized cost | | |
| Borrowings | 51.30 | 43.83 |
| Trade Payables | 31.84 | 26.69 |
| Payables towards PPE | 11.52 | 4.00 |
| Other financial liabilities | 10.11 | 2.10 |
| Lease Liabilities | 216.72 | 188.64 |
| | 322.50 | 265.26 |

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument 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 value/amortized cost

- (i) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables
- (ii) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

Fair Value Hierarchy

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs.)

Details of financial assets and financial liabilities which were valued at fair value as of 31st March 2024 and 31st March 2023 are disclosed in Note 47.1

Financial risk management framework

The Company's board of directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyze exposure by degree and magnitude of risk. The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes."

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains **adequate reserves and banking facilities**, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Amount in INR Crores)

| Particulars | Less than 1 year | 1 to 5 years | 5 years and above | Total |
|------------------------------|------------------|---------------|-------------------|---------------|
| As at 31st March 2024 | | | | |
| Interest bearing | 34.58 | 118.10 | 380.38 | 533.06 |
| Non-interest bearing | 51.64 | 2.36 | - | 54.00 |
| Total | 86.22 | 120.46 | 380.38 | 587.06 |
| As at 31st March 2023 | | | | |
| Interest bearing | 30.46 | 96.85 | 367.47 | 494.78 |
| Non-interest bearing | 30.79 | 1.10 | - | 31.89 |
| Total | 61.25 | 97.95 | 367.47 | 526.67 |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

(Amount in INR Crores)

| Particulars | Less than 1 year | 1 to 5 years | 5 years and above | Total |
|------------------------------|------------------|--------------|-------------------|--------------|
| As at 31st March 2024 | | | | |
| Interest bearing | - | 4.60 | 3.90 | 8.50 |
| Non-interest bearing | 48.63 | - | - | 48.63 |
| Total | 48.63 | 4.60 | 3.90 | 57.13 |
| As at 31st March 2023 | | | | |
| Interest bearing | 12.77 | - | 7.11 | 19.88 |
| Non-interest bearing | 27.55 | - | - | 27.55 |
| Total | 40.32 | - | 7.11 | 47.43 |

(b) 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. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk."

"Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment."

Refer Note 31 and Note 14 for the details in respect of revenue and receivable from top customers.

Credit risk on current investments and cash & cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(b.1) Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of the reporting period :

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | As at 31st March 2023 |
|------------------------------------|--------------------------|--------------------------|
| From banks - Working capital limit | 4.00 | 0.06 |

(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest Rate sensitivity analysis:

A change (decrease/increase) of 100 basis points in interest rates at the reporting date would increase/ (decrease) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Impact on Profit and loss for the reporting period

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|--|-----------------------|--------------------|-----------------------|--------------------|
| | Increase by 100bps | Decrease by 100bps | Increase by 100bps | Decrease by 100bps |
| Impact on Profit and loss for the reporting period | (0.51) | 0.51 | (0.44) | 0.44 |

Impact on total equity as at the end of the reporting period

(Amount in INR Crores)

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|--|-----------------------|--------------------|-----------------------|--------------------|
| | Increase by 100bps | Decrease by 100bps | Increase by 100bps | Decrease by 100bps |
| Impact on total equity as at the end of the reporting period | (0.51) | 0.51 | (0.44) | 0.44 |

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to The Company at the end of the reporting period.

47.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

47.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

48 Ratios

| Particulars | For the year ended 31st March 2024 | For the year ended 31st March 2023 | Variance |
|---|---------------------------------------|---------------------------------------|----------|
| i Current Ratio | 0.74 | 0.84 | -12% |
| ii Debt-Equity Ratio | 1.71 | 2.05 | -17% |
| iii Debt Service Coverage Ratio | 2.37 | 2.33 | 2% |
| iv Return on Equity Ratio | 34% | 39% | -11% |
| v. Inventory Turnover Ratio | 8.96 | 10.39 | -14% |
| vi Trade Receivables Turnover Ratio (i.e. Debtors Turnover Ratio)" | 27.71 | 28.52 | -3% |
| vii Trade Payables Turnover Ratio | 2.54 | 2.34 | 9% |
| viii Net Capital Turnover Ratio ¹ | (15.25) | (31.39) | -51% |
| ix Net Profit Ratio | 0.15 | 0.14 | 5% |
| x Return on Capital Employed (Adjusted) | 30.16% | 32.48% | -7% |
| xi Return on Capital Employed | 16.36% | 16.33% | 0% |
| xii Return on Investment | NA | NA | |

Note:

Net Capital Turnover Ratio is decreased mainly due to increase in payable towards purchase of Property, plant and equipment.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

Formulae for computation of ratios are as follows -

| | | | |
|------|---------------------------------------|---|---|
| i | Current Ratio | = | $\frac{\text{Current Assets}}{\text{Current Liabilities (Including Current maturities of Non-Current Borrowings)}}$ |
| ii | Debt/ Equity Ratio | = | $\frac{\text{Total debt (includes total lease liabilities)}}{\text{Equity Share Capital + Other Equity}}$ |
| iii | Debt Service Coverage Ratio | = | $\frac{\text{Earnings available for Debt Service}}{\text{Debt Service}}$ |
| iv | Return on Equity Ratio | = | $\frac{\text{Profit for the year attributable to Owners of the Company}}{\text{Equity Share Capital + Average Other Equity}}$ |
| v | Inventory Turnover Ratio | = | $\frac{\text{Cost of Materials Consumed}}{\text{Average Inventories of Goods}}$ |
| vi | Trade Receivables Turnover Ratio | = | $\frac{\text{Revenue from Operations}}{\text{Average Trade Receivables}}$ |
| vii | Trade Payables Turnover Ratio | = | $\frac{\text{Purchases}}{\text{Average Trade Payables}}$ |
| viii | Net Capital Turnover Ratio | = | $\frac{\text{Revenue from Operations}}{\text{Working Capital}}$ |
| ix | Net Profit Margin (%) | = | $\frac{\text{Profit/ (Loss) after Tax}}{\text{Revenue from operations}}$ |
| x | Return on Capital Employed | = | $\frac{\text{Earnings before Interest and Tax}}{\text{"Equity Share Capital + Other Equity + Borrowings - Goodwill - Other Intangible Assets (Includes total lease liabilities)"}}$ |
| xi | Return on Capital Employed (Adjusted) | = | $\frac{\text{Earnings before Interest and Tax}}{\text{Equity Share Capital + Other Equity + Total debt - Goodwill - Other Intangible Assets}}$ |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

49 Related Party Disclosure

49.1 Names of Related Parties and Nature of Relationships

| | Nature of Relationship | 2023-2024 | 2022-2023 |
|------|--|---|---|
| (i) | Holding company | Dr. Agarwal's Health Care Limited (AHCL) | Dr. Agarwal's Health Care Limited (AHCL) |
| (ii) | Fellow Subsidiaries | Aditya Jyot Eye Hospital Private Limited(AJE) | Aditya Jyot Eye Hospital Private Limited(AJE) |
| | | Elisar Life Sciences Private Limited(Elisar) | Elisar Life Sciences Private Limited(Elisar) |
| | | Orbit Healthcare Services (Mauritius) Limited | Orbit Healthcare Services (Mauritius) Limited |
| | | Orbit Health care services (Tanzania) Limited | Orbit Health care services (Tanzania) Limited |
| | | Orbit Healthcare Services Limited, Rwanda | Orbit Healthcare Services Limited, Rwanda |
| | | Orbit Healthcare Services Ghana Limited | Orbit Healthcare Services Ghana Limited |
| | | Orbit Healthcare Services Mozambique Limited | Orbit Healthcare Services Mozambique Limited |
| | | Orbit Healthcare Services SARL, Madagascar | Orbit Healthcare Services SARL, Madagascar |
| | | Orbit Healthcare Services Uganda Limited | Orbit Healthcare Services Uganda Limited |
| | | Orbit Healthcare Services Zambia Limited | Orbit Healthcare Services Zambia Limited |
| | Orbit Healthcare Services Kenya Limited | Orbit Healthcare Services Kenya Limited | |
| | Associate Company of Holding Company | IdeaRx Services Private Limited | IdeaRx Services Private Limited |
| (iv) | Entity having significant influence over the holding company | Claymore Investments (Mauritius) Pte. Ltd | Claymore Investments (Mauritius) Pte. Ltd |
| | | Hyperion Investments Pte. Ltd | Hyperion Investments Pte. Ltd (w.e.f 05 May 2022) |
| | | Arvon Investments Pte. | Arvon Investments Pte. (w.e.f 05 May 2022) |
| (v) | Enterprise over which the Key Management Personnel (of the Company and the Holding Company) is in a position to exercise control/joint control | Dr. Agarwal's Eye Institute | Dr. Agarwal's Eye Institute |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

| | | | |
|------|----------------------------------|----------------------------------|----------------------------------|
| (vi) | KMP of Company / Holding Company | Dr. Amar Agarwal | Dr. Amar Agarwal |
| | | Dr. Athiya Agarwal | Dr. Athiya Agarwal |
| | | Mr. Balakrishnan Venkataraman | Mr. Balakrishnan Venkataraman |
| | | Mr. Sanjay Dharambir Anand | Mr. Sanjay Dharambir Anand |
| | | Dr. Ashvin Agarwal | Dr. Ashvin Agarwal |
| | | Dr. Ashar Agarwal | Dr. Ashar Agarwal |
| | | Dr. Adil Agarwal | Dr. Adil Agarwal |
| | | Dr. Anosh Agarwal | Dr. Anosh Agarwal |
| | | Mr. Shiv Agrawal | Mr. Shiv Agrawal |
| | | Mrs. Meenakshi Jayaraman (AEHL) | Mrs. Meenakshi Jayaraman (AEHL) |
| | | Ms. Lakshmi Subramanian (AEHL) | Ms. Lakshmi Subramanian (AEHL) |
| | | Mr. B. Udhay Shankar (Group CFO) | Mr. B. Udhay Shankar (Group CFO) |

*Related party relationships are as identified by the Management and relied upon by the auditors.

49.2 Transactions carried out with related parties referred to above in the ordinary course of business during the Year:

(Amount in INR Crores)

| Particulars | Related Party | 2023-2024 | 2022-2023 |
|---|--|-----------|-----------|
| Transactions during the Year | | | |
| Expenses | | | |
| Corporate Guarantee charges | Dr. Agarwal's Health Care Limited | 0.07 | 0.07 |
| Maintenance | Elisar Life Sciences Private Limited | 0.07 | - |
| Other Expenses | Elisar Life Sciences Private Limited | - | 0.05 |
| Purchases | IdeaRx Services Private Limited | 9.91 | 7.88 |
| Employee expenses (ESOP) | Dr. Agarwal's Health Care Limited | 2.47 | 0.96 |
| Rent Expenses | Dr. Agarwal's Eye Institute | 7.00 | 6.64 |
| | Dr. Ashvin Agarwal - Guesthouse | 0.39 | 0.36 |
| Salary | Dr. Agarwal's Health Care Limited | 1.43 | - |
| Consultancy charges | Dr. Agarwal's Health Care Limited | 2.02 | - |
| Repairs & Maintenance | Dr. Agarwal's Health Care Limited | 0.42 | 0.34 |
| Sale of Asset | Dr. Agarwal's Eye Institute | - | 0.04 |
| Sales | Aditya Jyot Eye Hospital Private Limited | - | 0.01 |
| Recovery of Expenses | | | |
| Interest | Dr. Agarwal's Health Care Limited | 0.01 | 0.02 |
| Salary | Dr. Agarwal's Health Care Limited | - | 1.12 |
| Software maintenance expenses | Dr. Agarwal's Health Care Limited | 0.87 | 0.70 |
| Others | | | |
| Collection received by the Company on behalf of related party (Net of settlement) | Dr. Agarwal's Health Care Limited | 3.26 | - |
| Dividend Paid | Dr. Agarwal's Health Care Limited | 1.85 | 1.01 |
| | Dr. Sunita Agarwal | 0.00 | 0.00 |
| | Mr. Pankaj Sondhi | 0.00 | 0.00 |
| Purchase of Asset | Elisar Life Sciences Private Limited | 0.20 | 0.03 |
| Asset Sale | Dr. Agarwal's Health Care Limited | 0.71 | - |
| | Dr. Agarwal's Eye Institute | 0.36 | - |

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

Notes:

- (i) The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2024 and 31 March 2023, there are no further amounts payable to / receivable from them, other than as disclosed above. The Group incurs certain costs on behalf of related parties. These costs have been allocated/recovered from the related parties on a basis mutually agreed with them.
- (ii) An extension of paripasu charge on a property owned by Dr. Agarwal's Eye Institute has also been provided to HDFC Limited and Axis Bank as a security in respect of the Term loan and Overdraft facility availed by the Dr Agarwal's Eye Hospital Limited.
- (iii) Also refer note 45.4 for SAR expenses.
- (iv) Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal, Dr. Anosh Agarwal, Dr. Ashar Agarwal, Dr. Ashwin Agarwal and Dr. Agarwal's Eye Institute have provided personal guarantees for term loans taken by the Group.

49.3 Compensation of key management personnel

(Amount in INR Crores)

| Particulars | Related Party | 2023-2024 | 2022-2023 |
|--|-------------------------|-----------|-----------|
| Short-term employee benefits (Refer Note (i)) Remuneration | Dr. Amar Agarwal | 2.36 | 2.36 |
| | Dr. Athiya Agarwal | 0.92 | 0.92 |
| | Ms. Meenakshi Jayaraman | 0.16 | 0.11 |
| | Mr. B. Udhay Shankar | 0.76 | 1.24 |
| | Dr. Amar Agarwal | 0.00 | 0.00 |
| | Dr. Athiya Agarwal | 0.00 | 0.00 |
| | Ms. Meenakshi Jayaraman | 0.00 | 0.00 |
| | Mr. Balakrishnan | 0.01 | 0.01 |
| | Mr. Sanjay Anand | 0.01 | 0.01 |
| | Ms. Lakshmi Subramanian | 0.01 | 0.01 |
| Consultancy | Dr. Ashvin Agarwal | 1.01 | 0.88 |
| Reimbursement of Expenses | Dr. Amar Agarwal | 0.55 | 0.93 |
| | Dr. Ashvin Agarwal | 0.54 | 0.62 |

Notes:

- (i) Excludes gratuity and compensated absences which cannot be separately identifiable from the composite amount advised by the actuary.
- (ii) The remuneration payable to key management personnel of Dr. Agarwal's Eye Hospital Limited and Dr. Agarwal's Health Care Limited is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends
- (iii) There were no balances outstanding to be paid / received as at the year end.
- (iv) The above remuneration for key managerial personnel does not include vehicle, communication expenses & other expenses.
- (v) Since the figures are reported in crores, please note that '-' denotes NIL balance and '0' denotes nominal figures.
- (vi) All the figures disclosed above are excluding Goods and Service Tax.

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

49.4 Balances outstanding as at year end

(Amount in INR Crores)

| Particulars | Related Party | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------|--|------------------------|------------------------|
| Assets | | | |
| Other Financial Assets | Aditya Jyot Eye Hospital Private Limited | - | 0.01 |
| | Dr. Agarwal's Eye Institute | 4.58 | 4.58 |
| Other Current Financial Assets | Dr. Agarwal's Health Care Limited | - | 0.25 |
| Liabilities | | | |
| Trade Payable | Idea Rx Services Private Limited | 2.22 | 0.93 |
| | Dr. Agarwal's Health Care Limited | - | 0.07 |
| | Dr. Amar Agarwal | - | 0.22 |
| | Mr. B. Udhay Shankar | - | 0.10 |
| | Ms. Meenakshi Jayaraman | - | 0.01 |
| | Dr. Agarwal's Eye Institute | 0.55 | 0.49 |
| Other financial liabilities | Dr. Agarwal's Health Care Limited | 8.15 | 0.37 |

Notes:-

(i) The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

50 Undisclosed Income

The Company does not have any transaction which are not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

51 Transactions with companies whose name is struck-off

The company has not entered into any transactions with entities whose name has been struck off under Section 248 of the Act or section 560 of Companies Act, 2013 except for a company named "F2 connect Private Limited" for which outstanding payable is Nil as at 31 March 2024.

52 Audit Trail & Backup of accounting records

(i) "The Company has used accounting softwares for maintaining its books of account for the year ended 31 March 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares except in respect of maintenance of payroll records wherein the Company has used payroll software which is operated by a third party software service provider for which independent auditor's system and organization controls report covering the audit trail requirement at the database level is not available with the Company.

The audit trail feature is not tampered in respect of accounting softwares for which the audit trail feature was enabled and operating. The company is in the process of evaluating options to comply with the audit trail requirements.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March 2024."

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

- (ii) The Company has maintained backup on daily basis of its accounting records which is in electronic mode. The backup is maintained in servers physically located outside India.

53 Other disclosures

- (i) The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- (ii) The Company neither has any owned immovable property nor any title deeds of owned Immovable Property not held in the name of the Company.
- (iii) During the financial year, the Company has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.
- (iv) "The Company has not granted any Loans or Advances to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment"
- (v) The Company does not have any intangible assets under development as at 31st March 2024 and 31st March 2023, and hence disclosure under Schedule III is not applicable.
- (vi) There are no proceedings which have been initiated or pending against the company as at 31st March 2024 and 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vii) The Company has not been sanctioned working capital limits in excess of INR 5 crores, in aggregate, at any point of time during the year from banks or financial institutions on the basis of security of assets. Hence, the Company is not required to file quarterly returns or statement of current assets with banks or financial institutions.
- (viii) The Company has not been declared as a wilful defaulter by any bank or financial Institution or other lender
- (ix) The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31st March 2024 and 31st march 2023.
- (x) As at 31 March 2024, the Company has no subsidiaries and hence clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 not applicable.
- (xi) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall :-
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (xii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:-
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

Notes forming part of the Financial Statements for the Year Ended 31st March 2024

- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (xiii) The Company neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year.
- (xiv) The Company does not have any investment properties as at 31st March 2024 and 31st March 2023 as defined in Ind AS 40.

54 Approval of Financial Statements

The Board of Directors of the Company has reviewed the realizable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 25th April 2024.

- 55 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification /disclosure.

For and on behalf of Board of Directors

| | | | |
|--|---|--|---|
| sd/- Dr. Amar Agarwal Chairman & Managing Director DIN: 00435684 | sd/- Dr. Athiya Agarwal Whole-time Director DIN: 01365659 | sd/- Mr. B. Udhay Shankar Chief Financial Officer | sd/- Ms. Meenakshi Jayaraman Company Secretary |
| Place: Chennai Date: 25 April 2024 | Place: Chennai Date: 25 April 2024 | Place: Chennai Date: 25 April 2024 | Place: Chennai Date: 25 April 2024 |

Dr Agarwals

Eye Hospital

Write to investor@dragarwal.com | Follow us on:    