



Thyrocare®

Think Thyroid. Think Thyrocare.

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Late Smt. Sumathi Velumani

Former Non-Executive Director, Thyrocare Technologies Limited

(December 17, 1960 to February 13, 2016)

Your life has been an inspiration to all of us with the passion and focus
you demonstrated in every task that you undertook.

We remain thankful for your invaluable contribution towards
the growth of the Company.

While you may not be with us today, your memories shall always remain
in our hearts as a cherished treasure.

We will continue to move steadfastly towards achieving the higher goals
you had set for our Company,
your vision and values guiding us all at Thyrocare.

In fond memory

From the entire team of Thyrocare

Corporate Information

Registered Office

Thyrocare Technologies Limited
D/37-1, TTC Industrial Area, MIDC Turbhe, Navi Mumbai - 400 703.
Tel: +91 22 2762 2762 | Fax: +91 22 2768 2409
Website: www.thyrocare.com | E-mail: investor_relations@thyrocare.com
Corporate Identity Number: U85110MH2000PLC123882

Corporate Office

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

Registrar & Share Transfer Agent

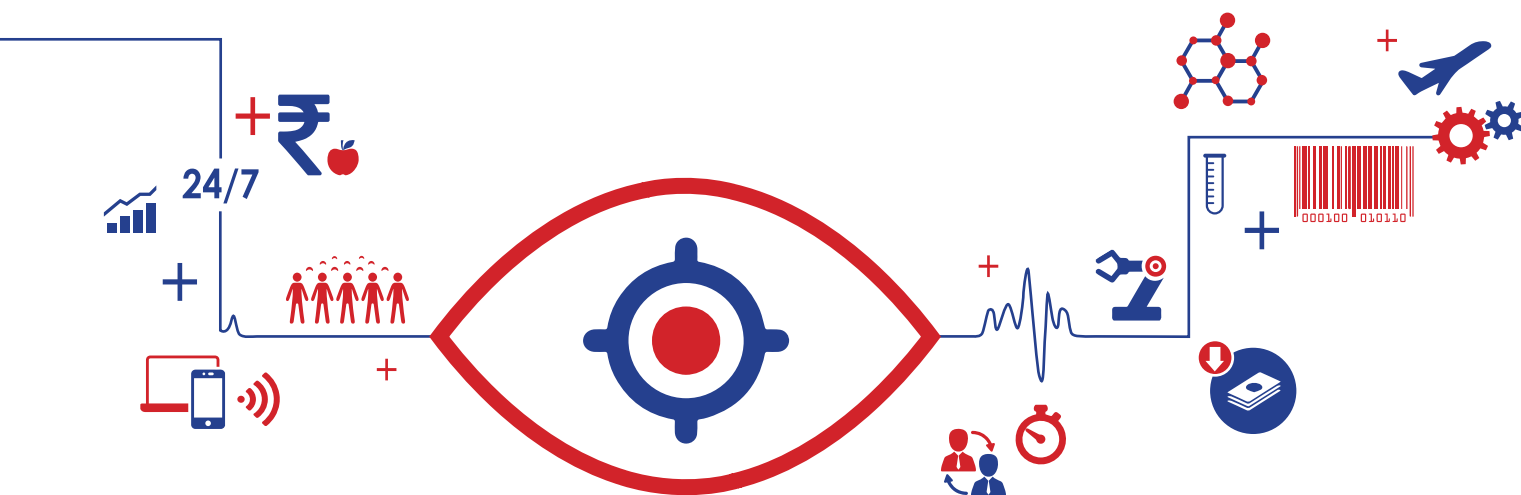
Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West)
Mumbai - 400 078, Maharashtra, India.
Tel: +91 22 6171 5400 | Fax: +91 22 2596 0329
Website: www.linkintime.co.in
E-mail: rnt.helpdesk@linkintime.co.in

Bankers

Axis Bank Limited
IDBI Bank Limited
ICICI Bank Limited
Citibank

Statutory Auditors

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



It has been 20 years since we commenced operations as a healthcare service provider with a vision.

A **vision** that *focused* on providing wellness and preventive diagnostic services to the common man at the most affordable rates; *enabled* us to disrupt the dynamics of the industry through focus on high volumes, low pricing, franchising concept, use of advanced technologies and speed of delivery; *propelled* us to become the undisputed leader in the segment; *contributed* to our exponential growth during these years.

However, at Thyrocare, our vision is not just about the destination that we have arrived at. It is about the journey that we made to come here, the path that we took and the challenges we faced and more importantly, it is about our passion to become the world's largest preventive care laboratory that provides world-class quality to the masses.

The story in numbers

Income from operations growth

30.6%

Over 2014-15

21.2%

CAGR FY12-16



EBITDA growth

28.8%

Over 2014-15

17.8%

CAGR FY12-16



PAT growth

20.8%

Over 2014-15

13.8%

CAGR FY12-16



Samples growth

27.5%

Over 2014-15

20.6%

CAGR FY12-16



Total investigations growth

28.6%

Over 2014-15

29.3%

CAGR FY12-16



Total assets growth

41.3%

Over 2014-15

32.1%

CAGR FY12-16



Promoters' holding

64.96%

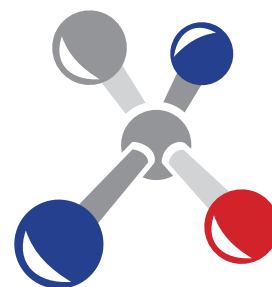
as on
March 31, 2016



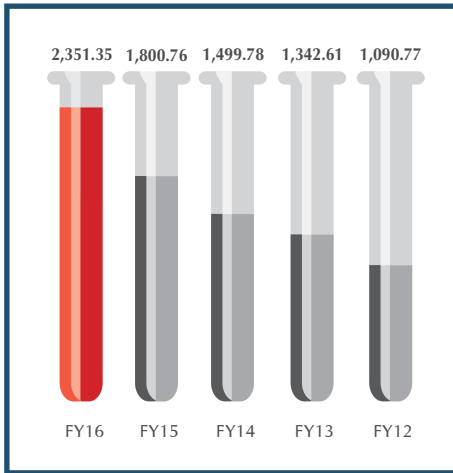
Earnings per share (₹)

11.42

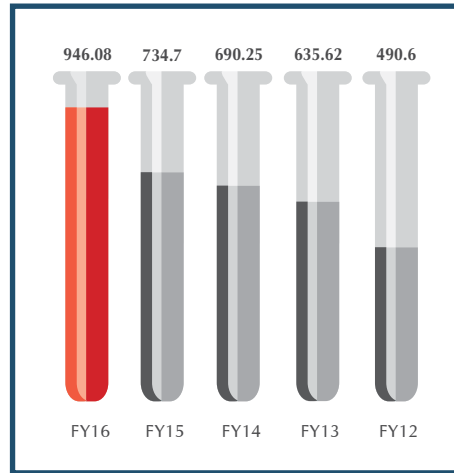
as on
March 31, 2016



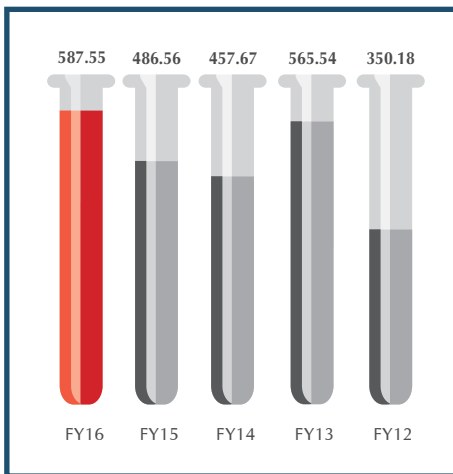
INCOME FROM OPERATIONS (₹ in Mn)



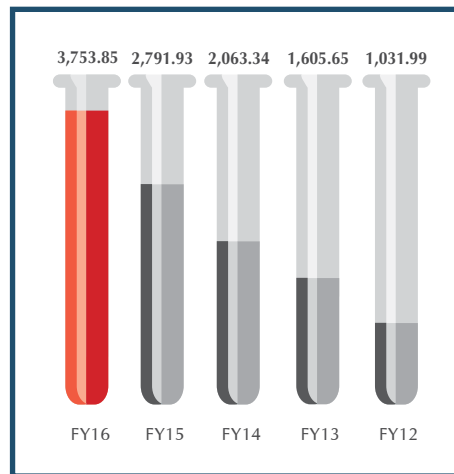
EBIDTA (₹ in Mn)



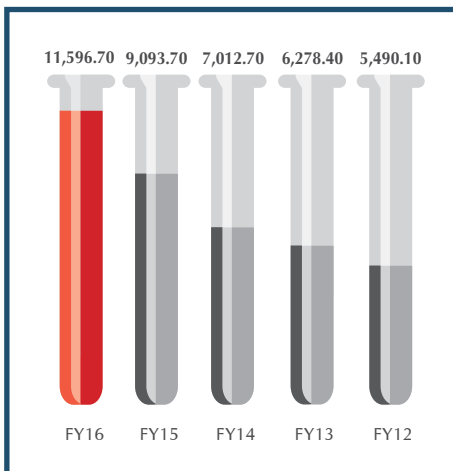
PAT (₹ in Mn)



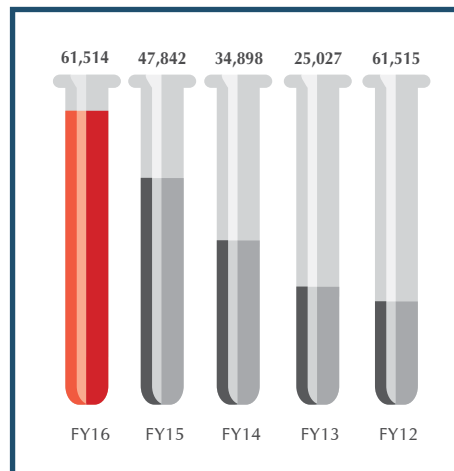
NET WORTH (₹ in Mn)



SAMPLES PROCESSED (in '000)



TOTAL INVESTIGATIONS (in '000)



Thyrocare - a snapshot

Thyrocare is a reputed and reliable pan-India diagnostic solutions provider, offering high quality services at affordable prices. Steered by deep domain expertise and well-established competencies, the Company has emerged among India's fastest growing and leading companies in the healthcare sector.

A combination of strong vision, disruptive business ideas, and sharp entrepreneurial skills has spearheaded the success of the Company. The Company positions itself as a front-end laboratory that uses state-of-the-art equipment with a robust back-end IT system to manage its extensive volume of business and provide value-added services to customers. Driven by a team of skilled and dedicated employees, the Company continues to reinforce the trust and belief reposed by its expanding customer base.





LEGACY

- Founded in 1996 by the visionary Dr. A Velumani (an ex-scientist at Bhabha Atomic Research Centre)
 - Currently valued at more than USD 400 million
 - Private equity investors include Agalia Private Limited, Samara Capital, Norwest Venture Partners and Emerging India Fund
 - Listed in the National Stock Exchange and Bombay Stock Exchange
-



VISION

- Thyrocare should serve to 50% of world's population, 50% of their diagnostic needs at 50% of the costs
 - Thyrocare should be the biggest client for top 20 diagnostic manufacturing companies in the globe
-



MISSION

- Being in the healthcare industry, it is the patient who is both our primary customer and concern
- Ensuring that the right value is given at the right time to the right patient is the test we undergo everyday successfully

KEY OFFERINGS

The Company leveraged its experience and expertise in the diagnostic testing industry to develop the brand. It took this initiative a step further by creating various brands to provide a wide range of tests and profiles for testing. These brands include:

Thyrocare®

Think Thyroid. Think Thyrocare.

Services offered

Diagnostic Testing

Metabolic disorders and Thyroid testing

Aarogyam®

Think Wellness. Think Aarogyam

Services offered

Wellness and Preventive Care

Liver, cholesterol, kidney, thyroid, iron deficiency, testosterone, cardiac markers, pancreas, electrolytes, arthritis, folic acid, toxic elements, diabetic screening, complete hemogram and vitamin deficiency profile

Nuclear®

NATIONWIDE NETWORKED

All in Nuclear Medicine & Only Nuclear Medicine

Services offered

Cancer monitoring

Full body and Brain scans

WHATERS

Let it be pure | www.whaters.com

Services offered

Water Testing

Physical and chemical contaminants, elements, microbiology, pesticides and volatile organic compounds testing

ACCREDITATIONS



ISO 9001:2008



NABL (National Accreditation Board for Testing and Calibration Laboratories)



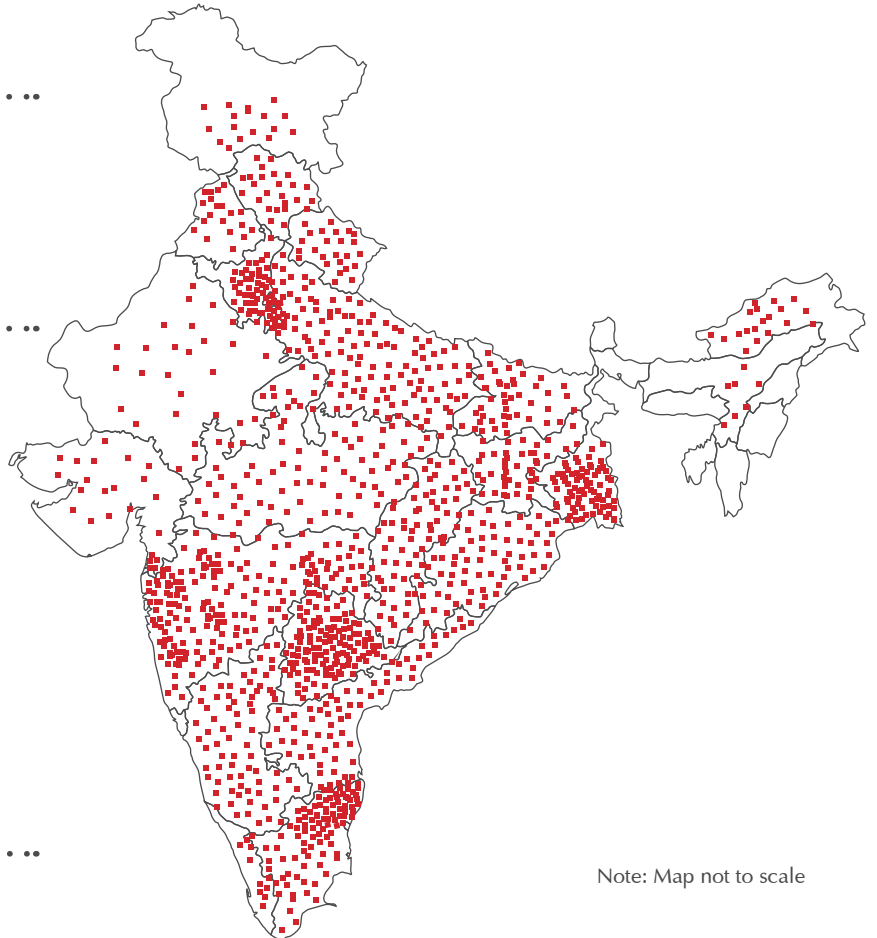
CAP (College of American Pathologists)

cap

GEOGRAPHIC SPREAD

Headquartered
in Navi Mumbai

Six operational
Regional Processing
Laboratories (RPLs) in
New Delhi, Bhopal,
Kolkata, Hyderabad,
Coimbatore and
Bengaluru



Note: Map not to scale

Thyrocare is driven by the goal to make available affordable diagnostic services a reality for every Indian. As of date, the network includes presence of 1,041 authorised service providers (ASPs) in 566 cities scattered across the country, to cater to the requirements of clients even in remote areas of the country. The Company is continually exploring new formats to further expand its business model.

- Headquartered in Navi Mumbai (India) with a state-of-the-art fully automated 200,000 sq. ft. Central Processing Laboratory (CPL) having the most advanced testing equipment
- Six operational Regional Processing Laboratories (RPLs) in New Delhi, Bhopal, Kolkata, Hyderabad, Coimbatore and Bengaluru

INFRASTRUCTURE AND TECHNOLOGY PARTNERS

Thyrocare houses some of the most advanced testing and automation equipment, which are either developed in-house with the assistance of third party vendors as per specific requirements or procured from leading international technology suppliers like Siemens, Transasia Bio Medicals and Roche Diagnostics India.

1996

- Commenced operations under the name Thyrocare Diagnostics Pvt. Ltd. with only seven tests in its menu

1997- 2000

- Introduced various new tests, upgraded systems and infrastructure
- Moved to a 2,500 sq. ft. premises and added about 50 service providers to its network
- Thyrocare Technologies Limited is incorporated
- Increased test menu to 50 and upgraded infrastructure with ERP software and automation system
- Launched integrated air-cargo logistics system with email reporting facility
- Launched the first monthly magazine in diagnostic industry

2001- 04

- Received ISO and CRISIL certification
- Entered into agreement with Bayer Diagnostics (presently Siemens) for instrument supply and launched Thyroid tests by CLIA technology
- Undertook various laboratory upgradation that include bi-directional interfacing system, unique barcoding system and procurement of advanced instruments



2005-2008

- Received accreditation from 'NABL'
- Launched a comprehensive preventive care profile under the brand Aarogyam
- Launched Direct Selling Associates (DSA) model for promoting preventive care profile
- Issued fully convertible debentures aggregating ₹ 250 million to BCCL
- Received accreditation from 'CAP'
- Shifted to a 50,000 sq. ft. Central Processing Laboratory with modern infrastructure
- Introduced SugarScan glucose monitor for Point of Care Diabetic screening



2009-2010

- Launched Nueclear Healthcare Limited for providing detection and effective monitoring of cancer
- Issued compulsorily convertible debentures aggregating ₹ 250 million to Agalia
- Agalia acquired equity shares aggregating ₹ 1,250 million in a secondary transaction



Our journey

2014

- Installed Apto, India's first and world's longest track automation system at 93.5 metres from Siemens
- Commissioned cyclotron at Navi Mumbai
- Inaugurated PET-CT scanning centres in New Delhi and Hyderabad in 2014
- Franchisee network crossed 1,000



2015

- Opened RPLs in Delhi, Coimbatore, Hyderabad and Kolkata
- Commissioned the brand "WHATERS" that focusses on testing water samples
- Completed over 10,000 PET-CT scans each at centres in New Delhi and Navi Mumbai



2013

- Thyrocare goes international with partners in Gulf, Bangladesh and Nepal
- Commenced operations at PET-CT scanning centre in Navi Mumbai
- EIF acquired equity shares aggregating to ₹ 250 million in a secondary transaction



2016

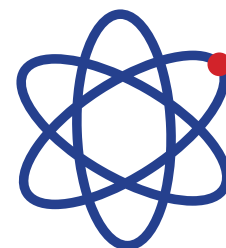
- Went public with IPO being oversubscribed 75 times
- Launched RPLs in Bhopal and Bengaluru



2011- 2012

- Migrated to 'Total Laboratory Automation System' installed by Siemens
- Moved to a 200,000 sq. ft. facility in Turbhe, Navi Mumbai
- NVP acquired equity shares aggregating ₹ 1,200 million in a secondary transaction





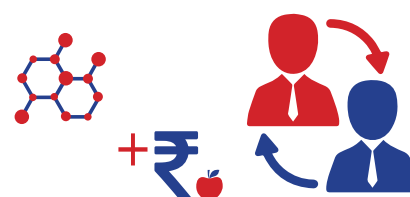
Board of Directors



Dr A. Velumani
Chairman & Managing Director
and CEO



Mr A. Sundararaju
Executive Director &
Chief Financial Officer





Mr Sohil Chand
Non-Executive Nominee Director



Mr Gopalkrishna Shivaram Hegde
Independent Director



Mr Vishwas Kulkarni
Independent Director



Dr Neetin Desai
Independent Director



Mr N. Palanisamy
Independent Director

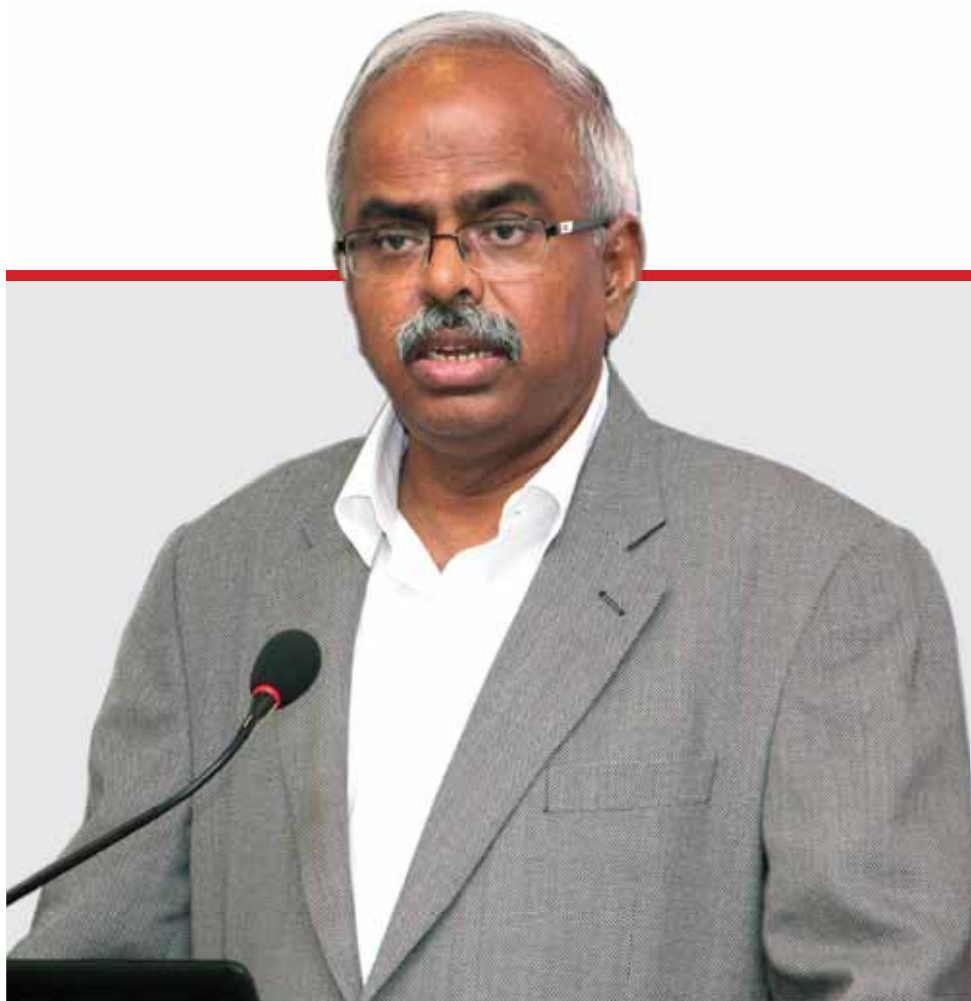


Ms Amruta Velumani
Non-Executive Director
(from 22-02-2016)

Chairman's review

Thyrocare, an innovative laboratory concept, has been serving the society by offering quality laboratory services at the most affordable cost for more than two decades now. Thyrocare as a unique organisation serves its clients at the lowest possible rates in the industry and yet offers great returns to its investors. It also continues to please almost all big global vendors in the diagnostic segment – by providing volumes to their fantasy. It continues to hire young talents, mostly freshers, trains them on tests and technologies and empowers them to lead their career and family. The organisation which started with a focus on Radioimmunoassays as the only Technology and Thyroid as the only disorder has added many technologies and metabolic disorders and also achieved many milestones in quality and turnaround time in these years, by disrupting the precedents set by conventional pathology laboratories before even the tech era actually began. FY 2015-16 has been the most exciting year for management, employees and also for our network – consisting of our service providers, laboratories, doctors and clients – when our organisation became the second diagnostic company to be listed on the recognised stock exchanges in India. As on May 2016, it was also the first time in six years of stock market history since April 2010 that a company managed to get this level of oversubscription.

Since inception, your Company has been debt-free and has been always enriched with sufficient cash flows to manage the business operations. It was with the objective of providing an exit to the existing private equity investor, who were the first to trust the Company and the management, the initial



public offering was brought out. The nine months' period during IPO preparation has augmented our knowledge on how investor community, stakeholders, corporate houses, financial institutions, retail shareholders and our customers foresee the Company and its prospects. The opportunity to interact with our prospective shareholders during the course of preparation of IPO has enabled us to understand as to how rigorously we are being followed by various classes of the investment community. The escalation in the market capitalisation of the Company post the date of filing of red herring prospectus would not have been possible without the trust that has been placed on us by the investor community, despite being the youngest amongst the organised players in the diagnostic industry.



Thyrocare as a unique organisation, serves its clients at the lowest possible rates in the industry and yet offers great returns to its investors.



During the year, your company grew its annual revenues

by **30.6%** to

₹ 2,351 million

During the year, your Company grew its annual revenues by 30.6% to ₹ 2,351 million, while EBITDA grew by 28.8% to ₹ 735 million. The CAGR over the last six fiscals was more than 24% and your Company aspires to carry the same momentum in the coming years by maintaining the margins to revenue at over 40%. The growth over the last several years, coupled with the operating margins that are continuously above the industry average of the organised players in the diagnostic space underscores the focus of the management and operating efficiencies evolved over the years. Your Company has continued to nurture its unique business model, successfully implemented and developed new business verticals through innovative marketing to augment the business volumes. Our capability to provide utmost quality in every stage of service, our efficiency to control and monitor all operations through IT,

our ability to integrate men, machines and methods, the trust bestowed on us by small laboratories to use us as their backend laboratory, the support rendered by tens of thousands of doctors, our volumes and its cost benefits have all made us one of the most envied companies in the healthcare industry.

While the total revenue from operations of your Company is well diversified from all the regions of the country, your Company has focussed on strengthening its footprint in newer geographies. With specimen load often touching 50,000 specimens a night, accounting for more than 200,000 investigations, using multiple technologies and multiple analysers for each technology and winding up in time is a challenge the growth has thrown on our operations team. The first of its kind innovative track automation – Aptio from

Siemens, a technological marvel – which runs for 93.5 metres on our floor, the longest in the world, has helped us to take up the volume challenge error-free and stress-free.

Your Company through its subsidiary Nuclear Healthcare Limited, had ventured into Cancer Screening and Monitoring (Nuclear medicine) and within a span of less than three years, it has managed to capture a sizeable market share. The PET-CT Imaging network driven by our Medical Cyclotron at a crucial location is likely to place Nuclear at the top of this business segment too. Nuclear has performed more than 29,000 cancer imaging scans since its inception, of which more than 15,000 are reported in the fiscal 2016. Our focus on nuclear medicine diagnostic business is likely to lead us to two-fold growth in terms of revenue and margins in the coming years. Presently, Nuclear operates Imaging centres at Navi Mumbai, New Delhi and Hyderabad and soon will be launching in the states of Gujarat, Rajasthan and Chhattisgarh.

By going public, your Company is now at the beginning of a new age where responsibilities are casted on the management to grow the organisation better than the industry average, maintain the profitability margin higher than the industry standards, develop all business segments of your Company and the subsidiary. Your Company has been on the leading edge over the past several years on various fronts like that of yearly growth, profitability, innovative marketing, statutory compliances, etc. and the management is confident to prevail through newer challenges expected in the new age by focussing on the core strengths of this organisation.

The last fiscal carried a lot of memories of your Company and I take this opportunity to share some of these with you:

- Your Company did a marathon run when it completed its maiden IPO and got itself listed on the recognised stock exchanges. The response gave enough excitement to all Thyrocareans when the issue was oversubscribed more than 74 times higher than the highest oversubscribed IPO in the previous 6 six years



- Your Company did a stellar performance on the listing day with surging demands for the equity shares of your Company that pushed the prices upwards, which helped the investors to augment returns of more than 40% on the first day of listing itself and within less than 4 days from the date of allotment
- Your Company has processed more than 115 lakh tests and performed over 615 lakh investigations in the fiscal 2016, setting new benchmark for the years to come
- The first two PET-CT centres at Navi Mumbai and New Delhi have crossed 13,000 scans each since inception of which 6,500 scans each were performed in fiscal 2016. The PET-CT centre at Hyderabad has crossed over 2,400 PET scans since inception of which more than 1,700 PET scans were performed in fiscal 2016
- Your Company has completed setting up five regional processing laboratories during this fiscal to cater to the needs of the respective regions



During the most memorable fiscal of your Company, we lost our most valuable resource – Mrs. Sumathi Velumani – co-founder, who mothered this organisation from the inception till it filed its papers for the IPO. On behalf of your Company and all Thyrocareans, I wish to recognise the dedicated efforts put in by her, in closely knitting the promoters, employees, franchisees, vendors, clients and well-wishers seamlessly to chase the organisation's goals.

I believe, I have raised the expectations of all stakeholders on the performance of Thyrocare and that makes me to look forward for your support and encouragement to fulfil it. I would also place on record my sincere thanks to all our well-wishers, associates, vendors, customers and employees who were/are with us over several years and contributed to the success of your Company. Lastly, I would also like to thank all Thyrocareans for their loyalty and continuous focus that made us one of the most valuable companies in the eyes of lakhs of investors in this country and abroad.

Your Company has processed more than

115 lakh

tests and performed over

615 lakh

investigations in the fiscal 2016

With warm regards,

Dr A Velumani

Chairman and Managing Director

June 11, 2016

20 years of

Translating Vision Into Reality

Thyrocare revolutionised the healthcare services industry with a novel vision to become a leader and make facilities affordable to the masses.

Thyrocare is more than just a leading diagnostics service provider. It is a pioneer that entered the segment with a revolutionary vision and created several disruptions to achieve it. It broke the conventional ways of doing business and earned a reputation for introducing a number of innovative solutions for the first time in the country. It is a Company that has always been way ahead of its time, every time.

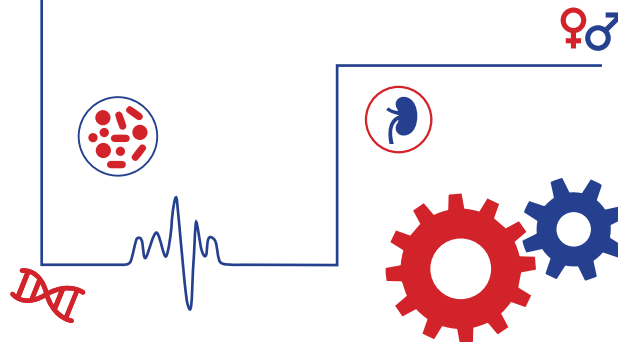


IT IS THE FIRST ONE IN THE HEALTHCARE SECTOR –

- to introduce the concept of **night time processing**. In the initial days, samples were collected in the day and processed at night for a quick turnaround. Later on, the same concept was adopted when the Company started procuring specimens from across the country, flying them to the state-of-the-art CPL at Mumbai the same night, enabling report delivery the next day. The idea was feasible as transporting huge specimen volume resulted in significantly lower logistics cost per specimen.

- to adopt **revolutionary technologies**. The Company's CPL is amongst the most advanced in the country housing advanced automation equipment driven by a robust IT system through bar-coding and bi-directional interfacing that enhances operational efficiencies. The bi-directional system facilitates interaction between the analysers and the IT serves through an indigenously developed Laboratory Information System (LIS), thus ensuring minimal human intervention. The bar-coded vials are put in an automatic sample sorter, which segregates the samples as per the technologies. Once loaded onto the automated track, the specimen travels on it to different analysers connected to the track and is automatically picked up by them with a robotic arm. Then, the LIS transmits information to the analysers on the test to be conducted against a particular bar-coded vial. Post analysis, the results are automatically sent back to the LIS as reports. The service providers connect to the CPL servers through a username/password access which allows these reports to be instantly accessed by them. Moreover, the customers can also get their e-reports immediately through the mobile or web application developed by the Company.

These technologies enable the Company to handle huge volumes, reduce overheads substantially, achieve faster turnaround and reduce pre-analytical and analytical errors.



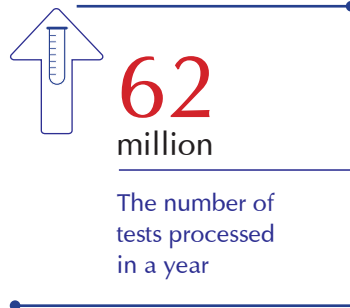
- to introduce the **franchisee business model** that focussed on partnering with entrepreneurs across the country on a margin sharing basis. These service providers act as aggregators of test specimens and send it to the CPL for processing.
- to focus on the **preventive healthcare** testing concept (rather than sick care) to enable customers benefit from timely detection of diseases, if any. This in turn enhances the effectiveness of their treatment.

The result: Thyrocare's valuation grew from scratch to above USD 400 million in just 20 years. Besides, the business model works on the concept of advance payment collection resulting in a significant fund flow, zero debt and cash profit generation of ₹ 60-70 odd Crores yearly.

20 years of

Translating Strategies Into Volumes

Thyrocare created a price disruption in the industry which helped in amplifying the volumes.



Thyrocare took the specimen testing industry by storm as it focussed on high volumes and low margins as compared to the contrary followed by others. It was a concept which the industry players believed would not be sustainable. However, a prudent combination of advanced automation systems (a 93.5-metre long automated track equipped with robotic arms to handle vials, bar code scanners), robust IT infrastructure (a bi-directional system allowing the analysers and the computers to interact) and efficient logistics management enabled the Company to develop a business model that could smoothly handle large scale of volumes from across the country and provide testing services at the lowest cost to make healthcare services affordable for a common man.

THE INITIATIVES UNDERTAKEN BY THE COMPANY TO GENERATE VOLUMES INCLUDE:

- Focussed on the wellness and preventive care concept, rather than sick care concept. Under the sick care concept, the customer comes for testing only when they are ill, resulting in limited number of customers as well as the number of tests done by each customer. Whereas, the Company's concept focussed on preventive care, where the sick as well as healthy customers would come for tests. The Company was quick to recognise that changing lifestyle and rising awareness of preventive healthcare that promotes the benefits of timely diagnosis would drive the business in future. Further, the Company provided various packages comprising a number of tests. Thus, the model not only enhanced customer volume, it also generated more test volumes from each customer.
- Undertook B2B marketing through tying up with various laboratories across the country for conducting tests on specimens provided by them at a discounted rate. It also focussed on B2C marketing through tie-ups with corporates, developing franchisee partners and direct marketing of Aarogyam test packages.



The result: The sample volumes processed by the Company grew manifold from 4.64 million in FY 2010-11 to 11.60 million in FY 2015-16. The Company's Aarogyam brand accounts to nearly 44% of the total revenues.

20 years of

Translating Technologies To Gain Velocity

Thyrocare redefined the industry norms through its unmatched velocity of operations.

A fast turnaround time is one of the most sought after laboratory services and is a key parameter to evaluate laboratory performance. Thyrocare's unique logistics model (collecting samples at various hubs and flying them to CPL), high adoption of process automation and a 24x7 operational laboratory has earned it the reputation of being the fastest specimen processor in the entire country. At a time when 2-3 days was considered a normal turnaround time for providing test results, the Company created disruption by reducing it to just one day.

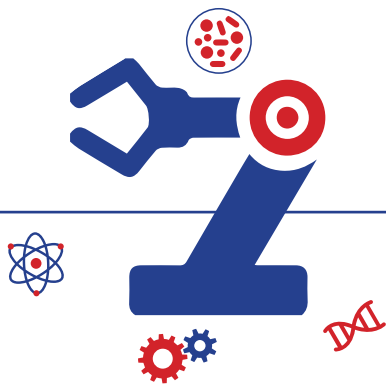


24x7

A 24x7 operational laboratory has earned it the reputation of being the fastest specimen processor in the entire country.

THE INITIATIVES UNDERTAKEN BY THE COMPANY TO PROVIDE UNMATCHED AND SUSTAINABLE SPEEDS WITH MINIMAL BUFFER AND HIGHEST ACCURACY INCLUDE:

- Complete automation of processes right from specimen collection to processing to generating reports. The Company pioneered the concept of pre-bar-coded specimen vials that allowed the collection centres to input the customers personal information and type of test to be conducted against that particular barcode right at the time of sample collection. This information is immediately received by the CPL through network even before the specimen reaches it. At the CPL, the use of advanced bi-directional IT tools and automation systems enables data sorting and processing without any human interface, with minimal errors. A combination of these factors resulted in Thyrocare achieving the fastest turnaround time.
- The Company's massive scale of operations makes it feasible to transport huge volumes of specimen from across the country via air cargo at the lowest cost per unit. This allows the specimen to be delivered to the CPL on the same day before midnight. The Company also has Regional Processing Laboratories (RPLs) in New Delhi, Bhopal, Kolkata, Hyderabad, Coimbatore and Bengaluru, equipped with necessary infrastructure that facilitates specimen processing for certain types of test. This enables the Company to quickly process specimen acquired from remote locations at the RPLs rather than sending them to CPL, saving time and costs.



The result: More than 80% of the specimen reaches the lab floor within 4-8 hours and reports are generated within 2-3 hours of receipt of samples. This speed and accuracy has enhanced the Company's brand value and made it one of the most trusted players in the industry.

Accelerating through brands

The Company has ventured into the business of cancer diagnosis and water testing through its brands Nueclear and Waters respectively. Despite the compelling urgency to make cancer diagnostic facilities easily available, cancer diagnosis centres have grown very slowly in India and remain elusive for many patients given the high costs involved. Thus, the Company aims to provide accessible and affordable cancer diagnostic facility by expanding operations based on the parent Company's philosophies of high volumes and low cost. The low-cost model would provide many patients an opportunity for diagnosis and reduce the shortfall in cancer diagnostic services.

Water sample testing is again an important business area as most of the rural, semi-urban and even parts of urban areas in India do not have access to clean water resulting in widespread diseases and related deaths. This business is also designed to work on the concept of high volumes and low cost.

THE DETAILS OF OPERATION OF OUR SUBSIDIARY IS AS FOLLOWS:

NUECLEAR HEALTHCARE LIMITED (NHL)

NHL, incorporated in 2011, now a fully owned subsidiary of Thyrocare, is engaged in the business of Cancer Imaging, using a fusion imaging technology i.e. PET-CT (Positron Emission Tomography-Computed Tomography). Nueclear's objective and mission is to serve cancer patients in their disease management by providing them a high-quality, reliable and affordable 18F-FDG (FluoroDeoxyGlucose) Whole Body PET-CT Imaging service. The PET-CT Imaging is undertaken primarily;

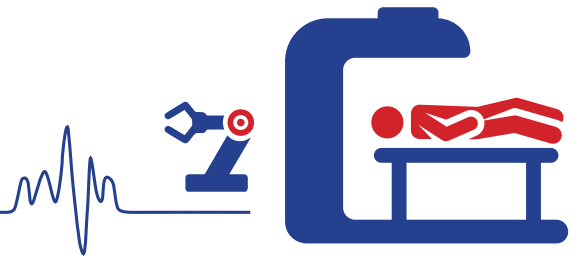
- to establish how advanced the cancer is and whether it has spread to other parts of the body
- to determine early on whether chemotherapy or radiation therapy or other treatments are effective as intended
- for physicians and patients to decide on courses of treatment that are tailored to patients' individual conditions and needs
- to detect whether the disease is recurring after treatment is completed and help physicians in determining a site that is appropriate for biopsy, if necessary.

A cancer patient in India, today, spends on an average ₹ 20,000-25,000 for an 18F-FDG Whole Body PET-CT scan at a private diagnostic Centre or a Hospital. The cost of the scan being high and unaffordable by a large segment

Nueclear, with its present network of Centres in the cities of Mumbai, Delhi and Hyderabad provides PET-CT Imaging services at **₹ 9,999/- only**

of cancer patients, most of the oncologists, therefore, hesitate and avoid recommending PET-CT investigations to patients genuinely deserving and likely to benefit from the procedure. Nueclear, with its present network of centres in the cities of Mumbai, Delhi and Hyderabad provides PET-CT Imaging services at ₹ 9,999/- only, as on March 2016.

The immediate expansion plan of Nueclear is to have PET-CT Franchisee Collaborated Centres operational in additional cities across the country. Networked Imaging Centres across locations, would require a good synergy between Medical Cyclotron facility and the proposed PET-CT Centres. A single Cyclotron currently functioning at Navi Mumbai may not be able to cater to the entire FDG needs of the country and thus would require geographically strategic installation of 3 more Medical Cyclotron facilities in future.



NUECLEAR'S GOAL

- One PET-CT scan for every 1 million population
- One Cyclotron for every 10 million population
- To involve all stakeholders in Oncology to create awareness about PET-CT imaging



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WHATERS

In 2015, the Company diversified its business into a new vertical with the launch of its water testing laboratory under the brand Whaters. Whaters conduct various tests on water samples through advanced equipment for determining the level of contamination. In a country with a fast pace of industrialisation and dense population, access to quality drinking water has always been a challenge. For an accurate measure of the quality of drinking water, a branded and cost-effective service will prove to be successful. Whaters will provide its tests across various parameters like physical and chemical contaminants, elements, pathogens, pesticides and volatile organic compounds. Various technologies are

used to identify host of pollutants as well as life-threatening carcinogenic substances in the given water specimen. Whaters shares the Thyrocare logistics network to ensure samples can be collected from all major towns and cities in the country.

The Whaters laboratory is fully automated and uses cutting-edge technology like Automated Wet Chemistry Analyser working under the principle of Continuous Flow Analysis (CFA), Robotic Analyser, ICP (Inductively Coupled Plasma) and GC (Gas Chromatography) with MS (Mass Spectrometry) and FID (Flame Ionisation Detector). With availability of such advanced technologies in the laboratory, testing of varied parameters in water with utmost accuracy and sensitivity has become a possibility. During 2015-16, the Company conducted a total of 2,277 water tests.

Nurturing intellectual capital



The Company, being engaged in the space of bio-chemistry considers skilled and technically competent human resource as an important element contributing to its success. The Company has a strong team of committed employees, mostly freshers from reputed colleges and institutions who look forward to gain practical training through onsite experiences. Before 2015, the Company primarily focussed on hiring employees for its laboratories as there was no major requirement for field-staff. However, with the expanding scale of operations, the Company focussed on strengthening its field staff to market test packages.

HR INITIATIVES:

- **Recruitment:** The Company primarily recruits freshers from colleges and institutions. It has also tied-up with various external consultancies and job hiring platforms to search for deserving candidates.
- **Training:** The employees are regularly provided various training right from the stage of induction focussed on enhancing their work skills and personal development. The Company maintains a pre-defined yearly training calendar under which every employee from each department are provided a minimum of four hours of training every month. Moreover, with any change in policies or processes and introduction of new technologies, the Company ensures that the employees are provided the necessary training to upgrade their skills and knowledge.
- **Motivation:** The Company ensures that the employees are fairly remunerated as per industry norms and as per their performance. The Company has also devised stock

option plans to remunerate the loyal employees in line with the growth of the Company. Special emphasis is laid on structured employee engagement through organising various events (painting, chess and other athletic competitions), celebrating festivals and organising unofficial meetings (*Power Breakfast* and *Coffee Unclutter* with the CEO to enhance employee motivation.)

Our commitment to nurture young talent and assist them in developing a strong career path has made us an employer of choice that individuals are proud to associate with. We shall continue to upgrade our HR practices to keep the team motivated, driven and growing along with the fast-paced growth of the Company.

BOARD'S REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their 16th Annual Report, along with the audited stand-alone and consolidated financial statements of the Company for the Financial Year ended March 31, 2016.

1. Financial Results:

The Stand-alone and Consolidated financial results for the financial year 2015-16 are given below:

(₹ In Million)

Financial results	Stand-alone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
1 Revenue				
(a) Revenue from Operations	2351.35	1800.76	2409.65	1829.58
(b) Other Income	52.04	76.95	65.43	81.09
Total Income	2403.39	1877.71	2475.07	1910.67
2 Expenses:				
(a) Cost of materials consumed	596.60	486.56	630.33	492.62
(b) Purchase of Stock in trade	66.42	66.70	66.42	66.70
(c) Change in inventories of stock-in-trade	6.83	(1.03)	6.82	(1.03)
(d) Employee benefit expense	242.86	169.64	256.98	174.81
(e) Depreciation & amortisation expense	113.52	107.09	182.37	128.65
(f) Other expenses	492.56	344.19	514.12	372.76
Total Expenses	1518.80	1173.15	1657.04	1234.51
3 Profit before exceptional items and tax	884.59	704.56	818.03	676.16
4 Exceptional item - Profit on sale of undertaking	2.98	17.79	-	-
5 Profit before tax	887.57	722.35	818.03	676.16
6 Profit from continuing operations before tax]	-	-	-	-
7 Tax expense	(300.03)	(235.79)	(300.03)	(235.79)
8 Net Profit / (Loss) from Ordinary activities after tax	587.54	486.56	518.00	440.37
9 Minority interest	-	-	-	11.79
10 Net Profit / (Loss) after tax, minority interest	587.54	486.56	518.00	452.17
11 EPS – Basic	11.42	9.95	10.06	9.14
12 EPS – Diluted	11.41	9.95	10.06	9.14

Dividend:

Your Company has already paid two Interim Dividends at the rate of ₹ 3.75/- each, totaling to ₹ 7.50 per share aggregating to a total amount of ₹ 379.02 Million, and paid Dividend Distribution Tax amounting to ₹ 77.16 Million thereon, as approved by the Board at its meetings held on June 29, 2015 and September 26, 2015.

Based on Company's performance, your Board of Directors are pleased to recommend a final dividend of ₹ 2.50 per share, taking the total dividend amount to ₹ 10/- per share, i.e. 100%, for the financial year 2015-16.

Transfer of unclaimed dividend to Investor Education & Protection Fund:

Since there was no unpaid/unclaimed Dividend relating to previous year(s), the provisions of Section 205-A and 205-C of the Companies Act, 1956 do not apply.

Share Capital:

During the year under review, your Company issued 31,87,562 equity shares at a premium of ₹ 295.95/- per share, towards consideration for acquiring 46,11,000 equity shares of M/s. Nuclear Healthcare Limited from remaining six shareholders, so that it becomes our wholly-owned subsidiary. Consequent on this

issue, the paid up equity capital of the Company has gone up from ₹ 50,53,59,710/- made up of 5,05,35,971 equity shares of ₹ 10/- each to ₹ 53,72,35,330/- made up of 5,37,23,533 equity shares of ₹ 10/- each, and the Reserves went up by ₹ 943.36 Million.

Reserves & Surplus:

With the current year's profit of ₹ 587.54 Million, the amount in Profit & Loss Account went up to 2483.63 Million, out of which a sum of ₹ 618.59 Million would be absorbed towards payment of dividend and dividend distribution tax for the year 2015-16, as mentioned above, leaving a balance of ₹ 1865.04 Million.

With the above, the total Reserves & Surplus stand at ₹ 3216.61 Million.

Deposits:

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

Performance of the Subsidiary Company, included in the consolidated financial statement:

Your company had promoted Nueclear Healthcare Limited (NHL) in the year 2011. NHL is engaged in the business of diagnostic imaging, i.e. PET-CT Scanning. NHL has since become our wholly owned subsidiary company with effect from December 16, 2015.

PET-CT Scanning has revolutionized medical diagnosis by exposing the precise spot of the disease, but the charges were very high and it has remained a costly diagnostic tool. The other scanning centres are charging around ₹ 25,000/- per PET-CT Scan. However, true to our business ethos, NHL has fixed a very nominal fee of ₹ 10,000 per scan for PET- CT Scans, and you will be happy to know that within a short time, it has achieved a market share of about 10% of all the PET-CT Scans being taken in the country. Within 3 years of our launch, and 2 years of actual operation, we do 60 scans per day while the entire country just does 600 scans per day. We are planning to increase this to 120 scans per day in the next two years.

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

Subsequent to the closure of the financial year under review, the Company came out with an Initial Public Offer (IPO), to fulfill its contractual obligation to one of the overseas PE Investor to give an exit route within the agreed time. A total number of 1,07,44,708 equity shares were offered for sale to the Public at an Issue Price of ₹ 446/-. However, there is no change in the Authorized or Paid-up Share Capital of the Company. The process for the IPO started during the year under review.

The Issue opened on April 27, 2016 and closed on April 29, 2016 and it was a grand success with an over-subscription of more than 75

times, the highest in healthcare industry in India. The Company has now become a listed company, and the Company's equity shares are now listed in National Stock Exchange and Bombay Stock Exchange.

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

Auditors' Report:

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

Appointment of Auditors:

It is proposed to re-appoint M/s. B S R & Co. LLP, as Auditors of the Company for a period of five years, from the conclusion of this Annual General Meeting till the conclusion of 21st Annual General Meeting.

M/s. B S R & Co. LLP have confirmed their willingness to be appointed as Auditors of the Company and issued a certificate that they fulfill the criteria provided in the Companies Act, 2013. Their appointment is being placed before the Members for their approval.

Internal Auditors:

M/s. M. Chinnaswamy Jai Vinoth & Associates, Chartered Accountants, Coimbatore, appointed as Internal Auditors of the Company, conducted Internal Audit for the financial year 2015-16 as per the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014. Their reports were reviewed by the Audit Committee and follow-up measures taken wherever necessary.

Cost Auditor:

The Board has appointed Mr. S. Thangavelu, Cost and Management Accountant, Coimbatore, as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2015-16. The approval of Members is sought by way of ratification for the remuneration payable to him, as required under the provisions of Companies Act, 2013.

Secretarial Audit Report:

The Secretarial Audit Report issued by Mr. V. Suresh, Practising Company Secretary, Chennai, in Form MR-3 is furnished in **Annexure-1**, attached to this report. The Secretarial Auditor has not made any qualification, reservation, adverse remark or disclaimer.

Directors:

A) Changes in Directors and Key Managerial Personnel:

During the year under review, Mrs. Sumathi Velumani, one of the founder-directors of the Company, and wife of Dr. A. Velumani, Chairman & Managing Director of the Company, passed away after a brief illness.

The Board has appointed Miss. Amruta Velumani as Director in the casual vacancy caused by the sad demise of Mrs. Sumathi Velumani. Miss. Amruta Velumani will hold office until the date when retirement of Mrs. Sumathi Velumani would otherwise fall due.

The Board of Directors presently consists of Eight (8) Directors, viz. three Promoter-Directors (including a woman director), one Nominee Director (nominee of a Non-resident Investor Company) and four Independent Directors. This meets with the requirements of the Companies Act, 2013 and rules framed thereunder.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Memorandum & Articles of Association of the Company, Mr. A. Sundararaju, Executive Director & CFO, retires by rotation at this Annual General Meeting and being eligible offers himself for re-election.

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

B) Declaration by Independent Directors:

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

C) Formal Annual Evaluation of Board and Directors:

As per the Companies Act, 2013 a formal annual evaluation was made by the Board of its own performance and that of its Committees and individual directors.

Performance evaluation of Independent Directors was done by the entire Board of Directors, excluding the director being evaluated.

The performance of the Board as well as that of the Committees was evaluated based on the criteria such as frequency and duration of meetings, adherence to the statutory provisions, flow of information, exchange of ideas, constructive nature of discussions, etc.

The performance of the individual directors was evaluated based on criteria such as attendance and contribution at Board /committee meetings, understanding of the issues involved, ability to bring in new ideas and initiatives, commitment to fulfill the obligations and responsibilities of a director, etc.

Number of meetings of the Board of Directors:

During the year under review, the Board of Directors met on 12 occasions as follows:

(i) 22-06-2015, (ii) 29-06-2015 (iii) 26-09-2015, (iv) 08-12-2015, (v) 16-12-2015, (vi) 19-12-2015, (vii) 24-12-2015, (viii) 23-01-2016, (ix) 06-02-2016 (x) 11-02-2016 (xi) 22-02-2016 and (xii) 26-03-2016.

Audit Committee:

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

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. Vishwas Kulkarni, Independent Director	Member
3.	Mr. Sohil Chand, Nominee Director	Member.

The composition of the Audit Committee meets with the requirement of the Section 177 of the Companies Act, 2013. All the recommendations of the Audit Committee were accepted by the Board, and there was no instance where Board did not accept the recommendation of the Audit Committee during the year under review.

Corporate Social Responsibility (CSR) Committee:

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

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

During the year under review, the Company has spent a total sum of ₹ 0.04 Million on the CSR proposals as approved by the CSR Committee and Audit Committee.

Disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the **Annexure-2**, attached to this report.

Nomination and Remuneration Committee:

The Company has constituted a Nomination & Remuneration Committee consisting of two Independent Directors and one Nominee Director as follows:

1.	Mr. Gopalkrishna Shivaram Hegde, Independent Director	Chairman
2.	Mr. Vishwas Kulkarni, Independent Director	Member
3.	Mr. Sohil Chand, Nominee Director	Member.

The composition of the Nomination and Remuneration Committee meets with the requirements of the Section 178 of the Companies Act, 2013. The policy formulated by Nomination and Remuneration Committee is given in the **Annexure-3**, attached to this report.

Stakeholders Relationship Committee:

The Company has constituted a Stakeholders Relationship Committee consisting of one Independent Director, one Executive Director and one Non-Executive Director as follows:

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

Code of Conduct:

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been communicated to all the Directors and Senior Management Personnel. The Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year 2015-16.

Statement of particulars of appointment and remuneration of managerial personnel:

The Statement of particulars of appointment and remuneration of managerial personnel, who were in receipt of remuneration of not less than the limit mentioned under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure-4**, attached to this report.

Subsidiaries, Joint Ventures and Associate Companies:

Your company was holding 65,00,000 equity shares in M/s. Nueclear Healthcare Limited (NHL) at the beginning of the financial year 2015-16 representing 58.50% of its paid-up equity share capital. During the year, it acquired 46,11,000 equity shares of ₹ 10/- each in December 2015, with which it has acquired the entire equity share capital of the Company aggregating to 1,11,11,000 equity shares. Consequently, NHL has become a wholly owned subsidiary company with effect from December 16, 2015.

Your company is holding 5,440 equity shares in Thyrocare International Holding Company (TIHC), Mauritius, valued at ₹ 16.15 Million, which is about 9.09% of the total equity share capital of the said company. TIHC is holding 51% of the equity share capital of Thyrocare Gulf Laboratories WLL, Bahrain.

A statement containing the salient features of the financial statement of the Company's subsidiary and joint venture, pursuant to the first proviso to sub-section (3) of Section 129 has been given in Form No. **AOC-1**, as **Annexure-5**, attached to this report.

Particulars of contracts or arrangements with related parties:

The particulars of the contracts and arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013, which were on arms' length basis as provided under Explanation (b) to the third proviso thereto and the details have been furnished in Form No. **AOC-2**, as **Annexure-6**, attached to this report.

Particulars of loans, guarantees or investments under Section 186:

The Company has not given any Loan or furnished any Guarantee but has made Investment in Nueclear Healthcare Limited during the financial year under the provisions of Section 186 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, and the details have been disclosed in the financial statements.

Employees Stock Purchase / Option Schemes:

The Company had allotted 33,650 equity shares in the year 2014 to Thyrocare Employees Stock Option Trust, as approved by the shareholders, which got multiplied to 1,34,600 equity shares subsequent to the Bonus issue made in 2014. These shares would vest on the eligible employees on April 01, 2017 subject to their continuing in service.

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

Accordingly, last year, the Company has issued Stock Options equivalent to 40,434 Equity Shares, which would vest on the eligible employees on April 01, 2018, subject to their continuing in service.

This year, it is proposed to grant Stock Options equivalent to 50,537 Equity Shares, which would vest on the eligible employees on April 01, 2019, subject to their continuing in service, and the proposal is being placed before the Members for their approval. The employees would be eligible to exercise the options after three years from the date of granting, subject to their continuing in the service. The disclosure as per rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 relating to Employees Stock Option Scheme is enclosed as **Annexure-7**, attached to this report.

Change in the nature of business:

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

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

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

Extract of the Annual Return:

As per the provisions of Sub-Section 3 of Section 92 of the Companies Act 2013, read with rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in Form MGT-9 is furnished as **Annexure-8**, attached to this report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo, pursuant to the provisions of Clause (m) of Sub-Section 3 of Section 134 of the Companies Act,

2013, read with Companies (Accounts) Rules 2014, are given in the **Annexure-9**, attached to this report.

Insurance:

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

Risk management policy:

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

Policy on prevention of Sexual Harassment:

The Company has formed a Committee to attend to any complaint of sexual harassment. During the financial year ended March 31, 2016, the Company has not received any complaint from any employee pertaining to any sexual harassment.

Internal Financial Controls:

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

Directors' Responsibility Statement:

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

Acknowledgements:

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

Thanks are also due to our Customers for their continued patronage and the Franchisees / Authorised Service Provider and Vendors for their co-operation.

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

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

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

Dr. A. Velumani

Chairman & Managing Director
DIN: 00002804

Place: Navi Mumbai
Date: 11-06-2016

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year 2015-16

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

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

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

Based on my verification of **M/s. THYROCARE TECHNOLOGIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. THYROCARE TECHNOLOGIES LIMITED** ("the Company") for the financial year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(NOT APPLICABLE)**

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(NOT APPLICABLE)**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(NOT APPLICABLE)**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(NOT APPLICABLE)**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE)**

Other Law specifically applicable to this Company is as follows:

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company. **(NOT APPLICABLE)**

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

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.

I further report that, during the audit period,

1. The Company compounded the breach of provision of Section 67(3) of the Companies Act, 1956, with the Company Law Board, Western Region Bench, Mumbai.
2. The Company has issued stock options to 119 eligible employees as per the ESOP guidelines 1999.
3. The Company acquired 46,11,000 Equity shares of Nueclear Healthcare Limited by which it became a wholly-owned Subsidiary of Thyrocare Technologies Limited
4. The Members have approved Restated Articles of Association of the Company, on the eve of the Company's IPO.

5. The Company filed Draft Red Herring Prospectus (DRHP) relating to IPO by way of Offer for Sale of 1,02,07,472 Equity Shares by a Strategic Investor and 5,37,236 Equity Shares by 3 shareholders belonging to the Promoter Group.

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

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

V Suresh

Practising Company Secretary

FCS No. 2969

C.P.No. 6032

Place: Navi Mumbai

Date : 10-06-2016

BOARD'S REPORT

REPORT ON CSR ACTIVITIES**1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

The Company's CSR Policy is based on the principle of extending support to the underprivileged segments of the Society and to render service to achieve selected goals for the common benefit of the entire society.

The Company has identified four thrust areas for implementation of its CSR Policy, viz. (i) Environment-oriented (ii) Society-oriented (iii) Education-oriented and (iv) Health-care oriented.

CSR Policy may be viewed at the Company's website, www.thyrocare.com.

2. The composition of the CSR Committee:

The Company has a CSR committee of directors comprising of

Mr. Gopalkrishna Shivaram Hegde,	Chairman
Independent Director	
Mr. Vishwas Kulkarni, Independent Director	Member
Mr. A. Sundararaju, Executive Director & CFO	Member.

	₹in millions	
3	Average net profit of the Company for the three financial years:	722.50
4	Prescribed CSR expenditure at 2% of the above amount	14.45

5-a	Total amount spent during the year 2015-16	0.04
5-b	Amount unspent	14.41
5-c	Manner in which the amount spent during the financial year	Mentioned in Annexure Attached

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report.

The balance amount could not be spent pending identification of another suitable project.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company.

We hereby affirm that the implementation and monitoring of the CSR Policy, as approved by the Board, is in compliance with the Objectives and Policy of the Company.

Dr. A. Velumani (Chairman & Managing Director) DIN:00002804	G. S. Hegde (Chairman, CSR Committee) DIN: 00157676
--	--

Place: Navi Mumbai
Date: 11-06-2016

BOARD'S REPORT

ANNEXURE 2.1

DETAILS OF CSR PROJECT OF THE COMPANY

(₹ in Millions)

Sl. No	CSR Project / Activity identified	Sector in which the project is covered	Projects / Programs:		Amount outlay (Budget) project / program wise	Amount spent on the project / programs		Cumulative expenditure upto the reporting period	Amount spent	
			1. Local area/others.	2. Specify the state / district (Name of the District(s) / State(s) where project / program was undertaken		1. Direct expenditure on project	2. Overheads		Direct	Through Implementing Agency
1	Educational	Promotion of education	-	Tamil Nadu	14.45	0.04		0.04	0.04	

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

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

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

Place: Navi Mumbai
Date: 11-06-2016

BOARD'S REPORT

Nomination & Remuneration Committee

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

- | | | |
|----|--|----------|
| 1. | Mr. Gopalkrishna Shivaram Hegde, | Chairman |
| | Independent Director | |
| 2. | Mr. Vishwas Kulkarni, Independent Director | Member |
| 3. | Mr. Sohil Chand, Nominee Director | Member. |

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

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulating of criteria for evaluation of performance of the independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- Analysing, monitoring and reviewing various human resource and compensation matters;
- Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
- Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;

- Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee."

Nomination & Remuneration Policy:

The objectives of the Policy

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (Executive and Non-executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

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

For and on behalf of **Thyrocare Technologies Limited**,

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

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

Place: Navi Mumbai
Date: 11-06-2016

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

Sr. No.	Name of the employee	Designation of the Employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualification & experience of the employee	Date of Commencement of employment	Age of the employee	The last employment held by employee before joining the Company	The % of equity shares held by the employee in the company	Whether employee is a relative of any directors or manager of the company and if so, name of such director or manager	(₹ in Millions)	
											1	10
1	Dr. A. Velumani	Chairman & Managing Director	10.80	Contractual	Qualification: PhD in Applied Thyroid Biochemistry -- Experience: 38 Years	August 16, 2001	58 Years	Scientific Officer – Bhabha Atomic Research Centre	27.57	1. Mrs. Sumathi Velumani (since deceased) (Spouse) 2. Mr. A. Sundataraju (Brother) 3. Miss. Amruta Velumani (Father)	9	10

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

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

Place: Navi Mumbai
Date: 11-06-2016

Form AOC-1

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ millions, except shareholding)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Nuclear Healthcare Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as the Holding Company's reporting period, viz. 31-03-2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital – Authorised – ₹ in Million	150.00
	Paid up Capital	111.11
5.	Reserves & surplus	685.84
6.	Total Assets	928.26
7.	Total Liabilities	928.26
8.	Investments	221.39
9.	Turnover	165.92
10.	Profit before taxation	-70.78
11.	Provision for taxation	--
12.	Profit after taxation	-70.78
13.	Proposed Dividend	-
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- | | | |
|----|--|-----|
| 1. | Names of subsidiaries, which are yet to commence operations: | Nil |
| 2. | Names of subsidiaries, which have been liquidated or sold during the year: | Nil |

Part “B”: Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates/Joint Ventures	Thyrocare International Holding Company.
1. Latest audited Balance Sheet Date	31-12-2015
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	5,440
Amount of Investment in Associates/Joint Venture in US\$. *	16.15
Extent of Holding %	9.09 %
3. Description of how there is significant influence	N.A.
4. Reason why the associate/joint venture is not consolidated	The Company does not have any significant influence over the Investee Company
5. Net worth attributable to shareholding as per latest audited Balance Sheet	
6. Profit/Loss for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	-

*Exchange rate as on 31/12/2015: 1 USD= ₹ 66.3260

- | | |
|--|-----|
| 1. Names of associates or joint ventures which are yet to commence operations: | Nil |
| 2. Names of associates or joint ventures which have been liquidated or sold during the year: | Nil |

For and on behalf of the Board,

Thyrocare Technologies Limited

Ramjee D
Company Secretary
FCS-2966

Navi Mumbai
11-06-2016

Dr. A. Velumani
Chairman & Managing Director
DIN- 00002804

Navi Mumbai
11-06-2016

A. Sundararaju
Executive Director & CFO
DIN- 00003260

Navi Mumbai
11-06-2016

Form No. AOC-2

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

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

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

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

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

Sr. No.	Name(s) of related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration's of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Nueclear Healthcare Limited (Subsidiary Company)	To Sub-lease the land and building where erstwhile Cyclotron business is carried on	The sub-lease will be initially for the period of 25 years from the date of execution of the lease deed, to be renewed thereafter.	The sub-lease will be for a period of 25 years from the date of execution of the lease deed, to be renewed for further period(s) thereafter. NHL will pay us a monthly lease rent of ₹ 5,36,000 which will be increased by 15% every five years.	08-12-2015	₹ 1,15,00,000 non-interest bearing, refundable Security Deposit, to be refunded on expiry of the lease.
2	1. Dr. A. Velumani 2. Late Mrs. Sumathi Velumani 3. A. Velumani HUF 4. Mr. A.Sundararaju 5. Mr. Anand Velumani 6. Miss Amruta Velumani	No contract as such was entered into with them. But the transaction pertains to purchase of shares of Nueclear Healthcare Limited and allotment of company shares.	One-time transaction.	The Company acquired a total number of 46,11,000 equity shares held by them in Nueclear Healthcare Limited valued at ₹ 975.23 Million and issued a total number of 31,87,562 equity shares of the Company towards consideration.	16-12-2015	No advance paid.
3	Dr. A. Velumani Chairman & Managing Director	The Company would acquire right to use the trademark "WHATERS" owned by Dr. A. Velumani, against payment of royalty	The arrangement will be a permanent one unless and until the Company decides to acquire ownership rights of the trademark(s), when a separate agreement would be entered into	The Company and the Subsidiary have been using the trademarks, "WHATERS" and " NUCLEAR", respectively, which are owned by Dr. A. Velumani without paying any consideration. The Company and the Subsidiary will pay for each of the trademark a royalty of ₹ 25,00,000/- p.a., or 1% of the turnover generated from using the relevant trademark, calculated annually, whichever is lower. This arrangement would be applicable for any trademark(s) owned by the promoters and utilised by the Company or the subsidiary.	22-02-2016	No advance would be paid or received under the contract

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

Place: Navi Mumbai
Date:11-06-2016

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

BOARD'S REPORT

ANNEXURE 7

STATEMENTS ON EMPLOYEES STOCK OPTION SCHEME

Sr. No.	Particulars	Details		
		2014	2015	2016
		Shares	Options	Options
a.	Options granted	1,34,600 (including Bonus)	40,434	50,537
b.	Options vested	Not yet due	Not yet due	Not yet due
c.	Options exercised	Not Applicable	Not Applicable	Not Applicable
d.	The total number of shares arising as a results of exercise of option	Not Applicable	Not Applicable	Not Applicable
e.	Options lapsed	Not Applicable	Not Applicable	Not Applicable
f.	The exercise price (Already determined)	₹10/-	₹10/-	₹10/-
g.	Variations of terms of options	Not Applicable	Not Applicable	Not Applicable
h.	Money realized by exercise of options	Not Applicable	Not Applicable	Not Applicable
i.	Total number of options in force	1,34,600	40,434	50,537
j.	Employee wise details of options granted to:-			
i.	Key Managerial Personnel	Nil	Nil	Nil
ii.	Any other employee who receives a grant in any one year of option amount to 5% or more of options granted during the year			
1	Dr. Caesar Sengupta, General Manager-Operations.	4,949	6,076	3,520
2	Mr. M. Chandrasekhar, General Manager-Infrastructure	3,032	4,411	2,520
3	Mr. S. Krishnakumar, Dy.General Manager-Laboratory	1,867	2,155	1,020
4	Mr. Rajkumar S. Kushawaha, Dy.Gen.Manager-Laboratory	1,837	1,973	810
5	Mr. Kallathikumar, Dy.General Manager-Laboratory	1,747	2,209	1,020
6	Mr. Sachin Salvi, General Manager-Finance	873	1,376	2,020
7	Mr. M. Santhosh, General Manager-Business Development	1,676	2,151	1,220
iii.	Identified employees who were granted option during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None	None	None

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

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

Place: Navi Mumbai
Date:11-06-2016

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	U85110MH2000PLC123882
2	Registration Date	28-01-2000
3	Name of the Company	THYROCARE TECHNOLOGIES LIMITED
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non-Government Company
5	Address of the Registered office & contact details	D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai (MH)-400703 Ph. No. 022-2762 2762
6	Whether listed company	No.
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W) Mumbai-400078 Ph. 022- 25946970

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Independent diagnostic/pathological laboratory services	86905	88.93

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Nuclear Healthcare Limited, D/37-1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703.	U74120MH2011PLC212839	Wholly owned subsidiary company	100	Section 2(87)
2	Thyrocare International Holding Company, c/o Cim Fund Services Ltd., 33 Edith Cavell Street, Port Louis, Mauritius.	-	Joint Venture	9.09	Section 2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	17,122,704	-	17,122,704	33.88	20,310,266	-	20,310,266	37.81	3.93
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	14,588,715	-	14,588,715	28.87	14,588,715	-	14,588,715	27.15	-1.72
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	31,711,419	-	31,711,419	62.75	34,898,981	-	34,898,981	64.96	2.21
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	-	-	-	-	-	-	-	-	-
TOTAL (A)	31,711,419	-	31,711,419	62.75	34,898,981	-	34,898,981	64.96	2.21
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	1,241,480	-	1,241,480	2.46	1,241,480	-	1,241,480	2.31	-0.15
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	17,448,472	-	17,448,472	34.53	17,448,472	-	17,448,472	32.48	-2.05
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	134,600	-	134,600	0.25	134,600	-	134,600	0.25	0
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	18,824,552	-	18,824,552	37.25	18,824,552	-	18,824,552	34.79	-2.21
Total Public (B)	18,824,552	-	18,824,552	37.25	18,824,552	-	18,824,552	34.79	-2.21
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	50,535,971	-	50,535,971	100.00	53,723,533	-	53,723,533	100.00	-

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Dr. A. Velumani	11,248,060	22.26	-	14,809,317	27.57	-	5.31
2	Mr. A. Sundararaju	239,296	0.47	-	249,669	0.46	-	-0.01

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

S. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Dr. A. Velumani						
	At the beginning of the year	1-Apr-15		11,248,060	22.26%		
	Addition	16-Dec-15	Transfer	4		11,248,064	22.26%
	Addition	16-Dec-15	Allot	2,965,284		14,213,348	26.46%
	Addition	15-Mar-16	Transfer	595,969		14,809,317	27.57%
	At the end of the year	31-Mar-16				14,809,317	27.57%
2	Mr. A. Sundararaju						
	At the beginning of the year	1-Apr-15		239,296	0.47%		
	Addition	30-Nov-15	Transfer	4		239,300	0.47%
	Addition	16-Dec-15	Allot	10,369		249,669	0.46%
	At the end of the year	31-Mar-16				249,669	0.46%

(iv) Shareholding Pattern of top ten Shareholders

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

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Agalia Private Limited						
	At the beginning of the year	1-Apr-15		11,294,540	22.35%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				11,294,540	21.02%
2	Thyrocare Publications LLP						
	At the beginning of the year	1-Apr-15		6,534,500	12.93%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				6,534,500	12.16%
3	Thyrocare Properties and Infrastructure Pvt. Ltd.						
	At the beginning of the year	1-Apr-15		5,217,800	10.32%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				5,217,800	9.71%
4	Norwest Venture Capital VII-A, Mauritius						
	At the beginning of the year	1-Apr-15		5,064,880	10.02%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				5,064,880	9.43%

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
5	A. Sundararaju HUF						
	At the beginning of the year	1-Apr-15		2,596,540	5.14%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				2,596,540	4.83%
6	Sumathi Infra Project LLP						
	At the beginning of the year	1-Apr-15		1,576,415	3.12%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				1,576,415	2.93%
7	Mahima Advertising LLP						
	At the beginning of the year	1-Apr-15		1,260,000	2.49%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				1,260,000	2.35%
8	Samara Capital Partners Fund I Ltd. Mauritius						
	At the beginning of the year	1-Apr-15		1,089,052	2.16%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				1,089,052	2.03%
9	Emerging India Fund						
	At the beginning of the year	1-Apr-15		941,480	1.86%		
	Changes during the year			Nil			
	At the end of the year	31-Mar-16				941,480	1.75%
10	A. Velumani HUF						
	At the beginning of the year	1-Apr-15		893,744	1.77%		
	Addition	16-Dec-15	Allot	198,084		198,084	
	At the end of the year	31-Mar-16				1,091,828	2.03%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Dr. A. Velumani						
	At the beginning of the year	1-Apr-15		11,248,060	22.26%		
	Addition	16-Dec-15	Transfer	4		11,248,064	22.26%
	Addition	16-Dec-15	Allot	2,965,284		14,213,348	26.46%
	Addition	15-Mar-16	Transfer	595,969		14,809,317	27.57%
	At the end of the year	31-Mar-16				14,809,317	27.57%
2	Late Mrs. Sumathi Velumani						
	At the beginning of the year	1-Apr-15		589,056	1.17%		
	Addition	16-Dec-15	Allot	6,913		595,969	1.11%
	Reduction	15-Mar-16	Transfer	(595,969)	-	-	-
	At the end of the year	31-Mar-16		-	-	-	-
3	Mr. A. Sundararaju						
	At the beginning of the year	1-Apr-15		239,296	0.47%		
	Addition	30-Nov-15	Transfer	4		239,300	0.47%
	Addition	16-Dec-15	Allot	10,369		249,669	0.46%
	At the end of the year	31-Mar-16				249,669	0.46%

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
4	Mr. Sohil Chand						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-
5	Mr. Gopalkrishna Shivaram Hegde						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-
6	Mr. Vishwas Kulkarni						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-
7	Dr. Neetin Desai						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-
8	Mr. N. Palanisamy						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-
9	Miss. Amruta Velumani						
	At the beginning of the year	1-Apr-15		749,056	1.48%		
	Addition	16-Dec-15		3,456		752,512	1.40%
	At the end of the year	31-Mar-16				752,512	1.40%
10	Mr. Ramjee Dorai						
	At the beginning of the year	1-Apr-15		-	-	-	-
	Changes during the year						
	At the end of the year	31-Mar-16		-	-	-	-

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

The Company has neither taken any Secured/Unsecured loans nor accepted any deposits during the financial year 2015-16.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration Name Designation	Name of MD/WTD/ Manager		Total Amount (₹/Million)
		Dr. A. Velumani Chairman & Managing Director	Mr. A. Sundararaju Executive Director & CFO	
1	Gross salary	10.80	5.16	15.96
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission			-
	- as % of profit			-
	- others, specify			-
5	Others, please specify			-
	Total (A)	10.80	5.16	15.96
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount (₹in Million)
		Mr. G.S. Hegde	Mr.Vishwas Kulkarni	Dr. Neetin Desai	Mr. N. Palanisamy	
1	Independent Directors					
	Fee for attending board committee meetings	0.14	0.12	0.05	0.06	0.36
	Commission	-	-	-	-	-
	Others, please specify					-
	Total (1)	0.14	0.12	0.05	0.06	0.36
2	Other Non-Executive Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	0.14	0.12	0.05	0.06	0.36
	Total Managerial Remuneration					-
	Overall Ceiling as per the Act					

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹/Million)
	Name	Mr. Ramjee Dorai			
	Designation	CS			
1	Gross salary	1.54			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-			
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-			
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-			
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

During the year under review, the Company and two Executive Directors of the Company viz. Dr. A. Velumani, Chairman & Managing Director and Mr. A. Sundararaju, Executive Director & Chief Financial Officer has paid a penalty of ₹ 20,000, ₹ 50,000 and ₹ 50,000 respectively as imposed by the CLB, New Delhi, for the violation of the provision of sub-section 3 of Section 67 of the Companies Act, 1956 that took place in the year 2005. The offence has been compounded.

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

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

Place: Navi Mumbai
Date:11-06-2016

BOARD'S REPORT

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

(A) CONSERVATION OF ENERGY:-**(i) the steps taken or impact on conservation of energy:**

We have taken the following steps: Replacement of conventional CLF bulbs with LED bulbs, Upgradation of AFC Panel with IGBT based, digitally controlled, Active Harmonic Filter with Detund reactor, and re-engineered KVAR ARFC panels.

(ii) the steps taken by the company for utilising alternate sources of energy:

We have installed 80 KW solar panels for exploiting alternate sources of energy.

(iii) the capital investment on energy conservation equipment: ₹ 9.7.Million**(B) TECHNOLOGY ABSORPTION:-****(i) the Efforts made towards technology absorption:**

We have absorbed various state-of-art technologies as follows:

- i) We have introduced full range Steroid Hormones, Fat Soluble and Water Soluble Vitamin testing panels for early detection of hormone disorders and deficiencies
- ii) We have introduced advanced Cardiac markers and macro nutrient elements analysis for early risk for both heart attack and stroke and deficiencies.
- iii) We have have introduced Digital Pathology, Auto-Immune Micro-biology for clinical and non-clinical diagnosis.
- iv) We have introduced Cytogenetic analysis, a highly specialized study of chromosomes and diseases / disorders caused by their abnormalities.
- v) We have added many tests under Drugs of Abuse and Therapeutic Drug Monitoring.

(ii) the Benefits derived like product improvement, cost reduction, product development or import substitution:

These technologies help us expand our menu, reduce our costs and improve the efficiency.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

(a)	the details of technology import	N.A
(b)	the year of import	
(c)	whether the technology been fully absorbed	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reason thereof	

(iv) the expenditure incurred on Research and Development: ₹ 15,00,000/-**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:-**

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows-

Actual Inflow and Outgo during the year

(Currency in ₹ Million)

Particulars	31-03-2016	31-03-2015
Actual Inflow	16.68	27.1
Actual Outflow	61.06	90.58

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

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

Place: Navi Mumbai
Date: 11-06-2016

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY:

The Company's philosophy on code of governance is to ensure highest levels of transparency and accountability in all facets of its operations, and equity and ethics in all its interactions with all its stakeholders, including shareholders, employees, clients, the government and vendors

The Company's basic goal is to enhance the overall shareholders value, and all its business decisions and actions are oriented towards achieving this basic goal.

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors:

The Board of Directors of the Company consists of eight directors including two Executive Directors, one Nominee Director, one Non-Executive Director and four Independent Directors.

During the year under review, Mrs. Sumathi Velumani, one of the founder directors of the Company, passed away after a brief illness. The Board of Directors has appointed Miss. Amruta Velumani as a Director in the casual vacancy caused due to the sad demise of Mrs. Sumathi Velumani.

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

S. No.	Name	Designation	Category
1	Dr. A. Velumani	Chairman & Managing Director	Executive Director – Promoter
2	Mr. A. Sundararaju	Executive Director & Chief Financial Officer	Executive Director – Promoter
3	Mr. Sohil Chand	Nominee Director	Non-Executive Director - Nominee of Norwest Venture Partners Fund VII A
4	Mr. Gopalkrishna Shivaram Hegde	Director	Independent Director
5	Mr. Vishwas Kulkarni	Director	Independent Director
6	Dr. Neetin Desai	Director	Independent Director
7	Mr. N. Palanisamy	Director	Independent Director
8	Mrs. Sumathi Velumani	Director (upto 13-02-2016)	Non-Executive Director - Promoter Group
9	Miss. Amruta Velumani	Director (from 22-02-2016)	Non-Executive Director - Promoter Group

b) Attendance of Directors at the meetings:

The details of attendance of the Directors at the Board Meetings held during the year ended March 31, 2016 and at the last Annual General Meeting are given below:

S. No.	Name	Board Meetings		Attendance at AGM held on 26-09-2015
		Held during the tenure of the Director	Attended	
1	Dr. A. Velumani	12	11	Yes
2	Mr. A. Sundararaju	12	12	Yes
3	Mr. Sohil Chand	12	5	Yes
4	Mr. Gopalkrishna Shivaram Hegde	12	12	Yes
5	Mr. Vishwas Kulkarni	12	10	Yes
6	Dr. Neetin Desai	12	8	Yes
7	Mr. N. Palanisamy	12	11	Yes
8	Mrs. Sumathi Velumani *	10	10	Yes
9	Miss. Amruta Velumani \$	2	2	N.A.

* Upto 13-02-2016. \$ From 22-02-2016.

c) Other Directorships & Committee Memberships/Chairmanships:

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

S. No.	Name	In Other Public Companies		
		No. of Directorships	No. of Committee Membership	No. of Committee Chairmanship
1	Dr. A. Velumani	3	-	-
2	Mr. A. Sundararaju	3	-	-
3	Mr. Sohil Chand	1	2	-
4	Mr. Gopalkrishna Shivaram Hegde	1	-	2
5	Mr. Vishwas Kulkarni	-	-	-
6	Dr. Neetin Desai	-	-	-
7	Mr. N. Palanisamy	-	-	-
8	Mrs. Sumathi Velumani	-	-	-
9	Miss. Amruta Velumani	-	-	-

d) No. of Board Meetings:

During the financial year 2015-16, there were twelve Board Meetings, held on (i) 22-06-2015, (ii) 29-06-2015 (iii) 26-09-2015, (iv) 08-12-2015, (v) 16-12-2015, (vi) 19-12-2015, (vii) 24-12-2015, (viii) 23-01-2016, (ix) 06-02-2016 (x) 11-02-2016 (xi) 22-02-2016 and (xii) 26-03-2016.

The maximum gap between any two consecutive Board Meetings did not exceed 120 days.

e) Disclosure of relationship of Directors inter-se:

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

f) Shares held by Non-Executive Directors:

S. No.	Name	No. of Equity Shares (Face value of ₹10/- each held in the Company)
1	Mr. Sohil Chand	-
2	Mr. Gopalkrishna Shivaram Hegde	-
3	Mr. Vishwas Kulkarni	-
4	Dr. Neetin Desai	-
5	Mr. N. Palanisamy	-
6	Mrs. Sumathi Velumani	5,95,969 (since transmitted)
7	Miss. Amruta Velumani	7,52,512

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

Details of familiarization programmes conducted for the Independent directors would be disclosed in Company's website www.thyrocare.com/investor_relations

3. AUDIT COMMITTEE:**a) Brief description of terms of reference:**

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

1. Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;
2. Recommending to the Board the appointment, remuneration and terms of appointment of the auditors of the Company;
3. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

4. Approval of payments to statutory auditors for any other services rendered by the statutory auditors;
5. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013, as amended;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
7. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/application of the funds raised through the proposed Offer by the Company;
8. Approval of any transactions of the Company with Related Parties, including any subsequent modifications thereof.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Monitoring the end-use of funds raised through public offers and related matters;
13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
14. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussing with internal auditors on any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
18. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

20. Reviewing the functioning of the whistle blower mechanism;
21. Approving the appointment of the chief financial officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate; and
22. Carrying out such other function as may be required in pursuance of any decision of the Board of Directors or any provision under the Companies Act and Stock Exchange Listing Regulations or any other applicable law.”

The Audit Committee shall mandatorily review the following information:

1. Management’s discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
6. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the Listing Regulations.”

The Audit Committee shall have the following powers:

- i. To investigate any activity within its terms of reference;
- ii. To seek information from any employee;
- iii. To obtain outside legal or other professional advice; and
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.”

(b) Composition, name of members and chairperson;

The Audit Committee was constituted with an Independent Director as Chairman, and another Independent Director and the Non-Executive Nominee Director as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Independent Director	Member
3	Mr. Sohil Chand	Non-executive Nominee Director	Member

c) Meetings and attendance during the year:

During the year, there were eleven meetings of Audit Committee, held on (i) 22-06-2015, (ii) 29-08-2015 (iii) 26-09-2015 (iv) 08-12-2015, (v) 19-12-2015, (vi) 24-12-2015, (vii) 23-01-2016, (viii) 06-02-2016 (ix) 11-02-2016 (x) 22-02-2016 and (xi) 26-03-2016.

The details of attendance at the Committee are as follows:

S. No.	Name	Committee Meetings	
		Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	11	11
2	Mr. Vishwas Kulkarni	11	9
3	Mr. Sohil Chand	11	5

4. NOMINATION & REMUNERATION COMMITTEE:

a) Brief description of terms of reference:

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

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of the independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who qualify to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analysing, monitoring and reviewing various human resource and compensation matters;
7. Determining the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 or the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as applicable;
11. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
 - (iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; or
 - (iv) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
12. Performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee."

b) Composition, name of members and chairperson;

The Nomination & Remuneration Committee was constituted with an Independent Director as Chairman, and another Independent Director and the Non-Executive Nominee Director as Members as shown below:

S. No.	Name	Category of Director	Position in Committee
1	Mr. Gopalkrishna Shivaram Hegde	Independent Director	Chairman
2	Mr. Vishwas Kulkarni	Independent Director	Member
3	Mr. Sohil Chand	Non-executive Nominee Director	Member

c) Meetings and attendance during the year:

During the year, there were two meetings of Nomination & Remuneration Committee, held on 29-08-2015 and 14-03-2016. Details of attendance of Members of Nomination & Remuneration Committee are given below:

S. No.	Name	Nom & Rem. Committee Meetings	
		Held	Attended
1	Mr. Gopalkrishna Shivaram Hegde	2	2
2	Mr. Vishwas Kulkarni	2	2
3	Mr. Sohil Chand	2	1

(d) Performance evaluation criteria for independent directors:

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

5. REMUNERATION TO DIRECTORS.

- a) There were no pecuniary transactions with any of the non-executive directors of the Company, other than sitting fees paid to the Independent Directors.
- b) The Independent Directors are paid sitting fee for the meetings attended by them, as approved by the Board of Directors.

The details of sitting fees paid to them for the year under review are given below:

₹ In millions

S. No.	Name of the Independent Director	Sitting Fee paid during the year
1	Mr. Gopalkrishna Shivaram Hegde	0.14
2	Mr. Vishwas Kulkarni	0.12
3	Dr. Neetin Desai	0.05
4	Mr. N. Palanisamy	0.06

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

₹ In millions

	Dr. A. Velumani, Chairman & Managing Director	Mr. A. Sundararaju, Executive Director & Chief Financial Officer
Salary	10.80	5.16
Benefits	-	-
Bonuses	-	-
Pension	-	-
Commission	-	-
Total	10.80	5.16
Service Contract	Appointed for a term of three years from April 01, 2014.	Appointed for a term of three years from April 01, 2014.
Notice Period	As per rules of the Company.	As per rules of the Company.

Both the Chairman & Managing Director and the Executive Director & Chief Financial Officer have been appointed for a term of three years from April 01, 2014. They chose not to draw any remuneration for the period from April 01, 2014 to September 30, 2014. The salary and other benefits being paid to them from October 01, 2014, are as per the terms and conditions contained in the Resolutions passed by the Board of Directors and the Shareholders at the general meeting. No stock options have been issued to either of them. No formal service contract has been entered into with them, and no notice period has been specified. There is no severance fee payable to them.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**a) Composition:**

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

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

b) Name and designation of compliance officer:

Mr. Ramjee Dorai, Company Secretary.

c) Number of shareholders' complaints received so far;

During the year ended March 31, 2016, the Company did not receive any complaint.

d) Number not solved to the satisfaction of shareholders;

Not applicable

e) Number of pending complaints:

Not applicable

7. GENERAL BODY MEETINGS:**a) Location and time, where last three annual general meetings held;**

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

AGM Detail	Venue	Time & Date
13th Annual General Meeting	Registered Office of the Company at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703	4.00 P.M. on September 27, 2013.
14th Annual General Meeting	Registered Office of the Company at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703	2.00 P.M. on August 21, 2014.
15th Annual General Meeting	Corporate Office of the Company at D-37/3, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703	2.00 P.M. on September 26, 2015.

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

General Meeting	Special Resolutions, if any, passed for
13th Annual General Meeting:	No special resolution was passed.
14th Annual General Meeting:	<ol style="list-style-type: none"> Acquisition of 56,11,000 equity shares of Nueclear Healthcare Limited and issue of 9,68,681 equity shares in our company as consideration for the said acquisition. Increase in Authorised Share Capital from ₹15 crores to ₹100 crores, and amendment of Capital Clause of Memorandum of Association. Alteration of Capital Clause in the Articles of Association of the Company for the above increase Conversion of 3,77,500 Nos. of Compulsorily Convertible Debentures issued in the year 2010 into 15,10,000 equity shares of our company at the rate of 4 equity shares for one CCD.
15th Annual General Meeting:	<ol style="list-style-type: none"> Appointment of M/s. B S R & Co. LLP as Auditors of the Company from the conclusion of 15th AGM till the conclusion of 16th AGM, in the place of M/s. B S R and Co., retiring auditors. Issue of Stock Options equivalent to 40,434 equity shares to the eligible employees of the Company.

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

No special resolution was passed through Postal Ballot during the year under review.

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

None of the items to be transacted at the ensuing Annual General Meeting is required to be passed through Postal Ballot during the year under review.

8) MEANS OF COMMUNICATION:**(a) quarterly results (b) newspapers wherein result normally published (c) any website, Where displayed (d) Whether it also displays Official news releases; and (e) Presentations made to institutional investors or to the analysts.**

The Company became a listed company from May 09, 2016 only. The quarterly, half-yearly and annual results of the Company would be published in leading newspapers in India such as Financial Express, LokSatta, Jansatta, etc., and would also be displayed on the Company's website "www.thyrocare.com/investor relations". Any Press Releases, as well as any Presentations made to the institutional investors and analysts, would also be displayed on the Company's website. Besides, the Company has uploaded in its website a list of frequently asked questions (FAQs) giving details about the Company and its shares.

9) GENERAL SHAREHOLDERS INFORMATION:

a	16th Annual General Meeting	
	Date	September 12, 2016
	Day	Monday
	Time	2.30 P.M.
	Venue	Hotel Yogi Midtown, Plot no. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai-400705
b	Financial Year	1st April, 2015 to 31st March, 2016
	Financial Calendar for the year 2016-17 Board Meetings (Tentative, subject to change)	
	Results of the quarter ended 30th June 2016	Over. Results furnished to NSE & BSE, & published in newspapers.
	Results of the quarter ended 30th September 2016	October - November 2016
	Results of the quarter ended 31st December 2016	January - February 2016
	Results of the year ended 31st March 2017	May – June 2017
	17th Annual General Meeting	August - September 2017
c	Dividend Payment Date	The Final Dividend, if approved by the Shareholders, will be paid / credited on or after September 19, 2016.
d	Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s);	National Stock Exchange of India Limited, Exchange Plaza, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051 BSE Limited, 1st Floor, Phiroze Jeejeebhoy. Towers, Dalal Street, Fort, Mumbai-400 001 Annual Listing fee has been paid to both the exchanges.
e	Stock Code	NSE – THYROCARE BSE – 539871
f	Market price data	Not applicable, as the Company's equity shares were listed only on May 09, 2016
g	Performance in comparison to broad-based indices such as BSE sensx, CRISIL Index, etc.	-do-
h	Reasons for suspension, if any	Not applicable
I	Registrar to an issue and share transfer agents;	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup West, Mumbai-400 078
J	Share Transfer System	100% of shares are presently in demat form. Transfer of shares is done through depositories based on appropriate Instruction Slip issued by the Transferor. If any shareholder rematerialises his shares, the share transfer form, along with the physical share certificate, should be sent to the Registrars at the address given above. The transfer will be effected within 15 days, subject to the transfer documents being valid and complete in all respects.
K	Distribution of shareholding; Shareholding Pattern as on June 10, 2016	

S.No.	Category	No.of shares	Percentage of shareholding
1	Promoters	34361745	63.96
2	Mutual Funds	5715821	10.64
3	Banks, Financial Institutions & Insurance Companies	51413	0.10
4	FIIIs	762335	1.42
5	Private Corporate Bodies	2070049	3.85
6	Indian Public	1706692	3.18
7	NRIIs and OCBs	8421704	15.68
8	Others	633774	1.18
	TOTAL	53723533	100

Distribution of Shareholding as on June 10, 2016.

S. No.	SHAREHOLDING RANGE	NO. OF SHAREHOLDERS	PERCENTAGE OF TOTAL	TOTAL SHARES	PERCENTAGE OF TOTAL
1	1 to 500	33401	98.51	1306691	2.43
2	501 to 1000	175	0.52	136528	0.25
3	1001 to 2000	107	0.32	161645	0.30
4	2001 to 3000	62	0.18	152899	0.28
5	3001 to 4000	23	0.07	80304	0.15
6	4001 to 5000	19	0.06	85365	0.16
7	5001 to 10000	40	0.12	276830	0.52
8	10001 to *****	79	0.23	51523271	95.90
Total		33906	100	53723533	100

l) Dematerialization of shares and liquidity;

The Company's shares are dematerialised. As on date, 100% of the shares are held in dematerialised form only.

The International Securities Identification Number (ISIN No.) allotted to the Company under the Depository System is INE594H01019.

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

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

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

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

o) Plant locations;

The Company does not have any 'plants'.

The Company has a Central Processing Laboratory, which is located at D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai-400 703.

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

1. New Delhi.
2. Hyderabad.
3. Coimbatore.
4. Kolkata.
5. Bhopal
6. Bangaluru

p) Address for correspondence

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

Phone: 022-2762 2762

Fax: 022-2768 2409

Email: investor_relations@thyrocare.com

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

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

I confirm that the Company has, in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the employees in the General Manager cadre as on March 31, 2016.

Place: Navi Mumbai

Date: June 11, 2016

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

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

- a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Navi Mumbai

Date: June 11, 2016

A. Sundararaju
Executive Director & CFO
DIN: 00003260

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

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion and Analysis

1. Healthcare – India and World

According to the World Bank, expenditures for availing healthcare services by the Indian population amounted to approximately 4% of GDP in 2013. In the year 2013, India's nominal GDP was approximately 113 trillion; accordingly, the total healthcare expenditure in India during 2013 can be estimated at around 4.1 trillion. When compared to certain other countries, healthcare in India remains underpenetrated. India trails not just developed countries such as the United States and the United Kingdom, but also developing countries, such as Brazil, China, and Thailand in terms of health care spending as a proportion of GDP. Under-penetration of the Indian healthcare industry is also evidenced by the low per capita healthcare expenditure in India. The majority of India's healthcare expenditure is private as opposed to public and a significant portion of India's private healthcare expenditure was in the form of out-of-pocket expenditure, both on a percentage basis and as compared to other developing and developed countries.

2. Diagnostic Industry

The healthcare in India is presently serviced by three industries - Hospitals, Pharmaceutical and Diagnostic. Diagnostic industry in India is pivotal to provide essential information to both Hospital and Pharmaceutical industry for research as well as treatment of diseases and disorders. The diagnostic industry particularly pathology segment is highly fragmented in India, predominantly dominated by unorganized regional and local players. The absence of stringent regulations coupled with low-entry barriers has further fueled the growth of these regional and unorganized standalone diagnostic centres. However over the years, the diagnostic chains, representing the organized diagnostic segment in pathology, have gathered momentum by extending services across the country, to curtail the scope of these unorganized regional and local players. The increase in healthcare spending, wider insurance coverage, health awareness, nationwide network supported by strong IT, logistics and infrastructure set-up and brand recognition has further supplemented these diagnostic chains to prosper and increase the quantum of their presence in this highly fragmented and unorganized industry.

3. Our Business

Thyrocare Technologies Limited (hereafter referred to as Thyrocare or Company) is a leading pan-India diagnostic chain conducting an array of medical diagnostic investigations that center on early detection and management of disorders and diseases. We conduct medical diagnostic investigations

to detect a number of disorders, including thyroid disorders, growth disorders, metabolism disorders, auto-immunity, diabetes, anemia, cardiovascular disorders, infertility and various infectious diseases. We primarily operate our testing services through a fully-automated centralized processing laboratory and have recently expanded our operations to include a network of regional processing laboratories. Through our wholly owned subsidiary, Nuclear Healthcare Limited, we also operate a network of molecular imaging centers in New Delhi, Navi Mumbai and Hyderabad, focused on early and effective cancer monitoring. We have a nationwide presence with over 30,000 source points for sample collection, managed by our pan-India network of authorized service providers spread over more than 2000 towns across more than 450 cities and in 29 states.

Thyrocare is focused on preventive diagnostic segment, i.e., our focus is on disorders rather on diseases. Our special emphasis on preventive diagnostic segment has enabled us to emerge as a leader in the segment. With about 1.7 million samples of preventive diagnostic related tests that account for more than 53% of our total revenue from diagnostic services, we are clearly spearheading the growth potential in the preventive diagnostic segment. Our revenue from preventive diagnostic segment is growing at CAGR 35.8% in last five years contributed mainly by the only preventive diagnostic brand – Aarogyam. The number of Aarogyam samples processed in the last three financial years has evidenced growth of CAGR 35.2%, which signifies its recognition as a premium brand in the preventive diagnostic segment all over the country.

4. Our Initial Public Offering

Thyrocare filed the Red Herring Prospectus (RHP) with Securities Exchange Board of India (SEBI) on 11 April, 2016 for the offer for sale of its equity shares. Our maiden Initial Public Offering (IPO) received remarkable response from all categories of the subscribers. The Company received total bids about 75 times of the equity shares offered for sale with the Retail Individual Investors (RII) category subscribed about 9 times of the reserved equity shares offered for sale, Qualified Institutional Buyers (QIB) category subscribed about 74 times of the reserved category and the Non Institutional Investors category subscribed about 225 times of the reserved equity shares offered for sale for the stated category. Subsequently, the Company got stellar listing on 9 May, 2016 with stock prices zooming more than 45% of the higher price band of share price within a few minutes of commencement of trading in the stock exchanges. The market value of the equity shares of Thyrocare has sustained since listing and till date is above the higher price band of the share price at the IPO.

5. Business Strategies

The business of Thyrocare is anchored in the strengths of quality, system, reach, cost and speed and unwavering focus towards the preventive diagnostic segment. We thus remain committed to defining our business strategies revolving around these strengths.

Our focus on the preventive diagnostic segment has put us at the forefront in the healthcare industry with our revenue from this segment crossing the half way mark of our total revenue from diagnostic services. Being proactive and progressive in inventing, simplifying, correcting and developing processes and technologies, we have already commenced activities to expand our test offerings through the acquisition of new technologies like cytogenetics, anachem, water testing, amongst others.

Our strategy for further strengthening our customer reach has been supplemented by the recent setting-up of regional processing laboratories. These have been set up at locations that offer both time and cost benefits. The initiative has helped us to improve our turnaround time to our customers with no additional burden on our costs... To strengthen our pan-India reach, we are enhancing our presence by tapping the collection centres, authorized service providers, sample and patient giving clients (local hospitals, clinics, nursing homes etc) in the patches of various states where our presence is relatively minimal. Our approach is thus on both identifying the locations for regional processing laboratory to provide our customers better, quick and efficient services as well as reaching out to those set of customers that are not touched by us in the past years. We remain upbeat that this expansion strategy shall substantiate the growth in coming years.

With our increased stake in our wholly owned subsidiary – Nueclear Healthcare Limited, we continue to focus on molecular imaging business. Since inception, our strategy has been to continually expand our presence in the highly capex oriented imaging business. By offering top class services, the number of scans that we perform at each of our facilities has been registering steady growth, which will enable us to reach breakeven shortly. The recognition of our Nueclear brand supported by our own Thyrocare brand, together with our expansion plans through various other channels without having true impact on our EBITDA continues to be our emphasis in the coming years.

We continue to evaluate various business verticals through which we source our samples and our clients. The online client system recently underway enables us to source samples from the technicians having the expertise to collect blood samples, without directly having association with us and while remaining loyal to other service providers. The vertical has also given an option to these technicians to avail our quality services on the

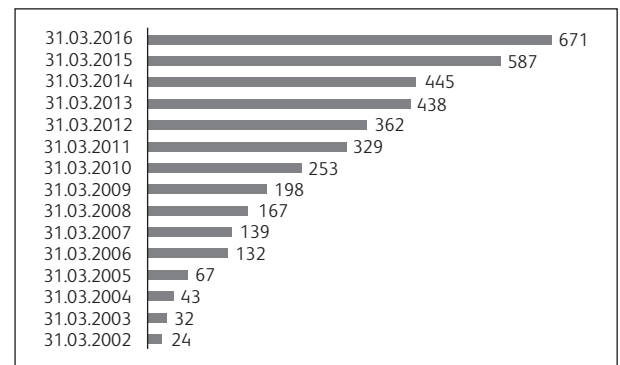
go and provide satisfaction to their associated patients. The Thyrocare Metabolic Clinic is another vertical initiated by us wherein healthcare professionals are provided a platform for making available their services to patients while providing us a source to samples and clients. The development and execution of newer verticals to source sample, patient, patient giving client, or corporate client remains our strategy to grow our business in the coming years.

6. Human resources

The human resource function of the Company is focused on hiring candidates straight from colleges and institutions. In fact, it has been observed over the years that for most employees of the Company, Thyrocare is their first employer. With our focus on hiring fresh graduates and imparting practical training through onsite experiences, we are committed to remaining among the leading employers in the diagnostic industry for these job aspirants at the threshold of their careers.

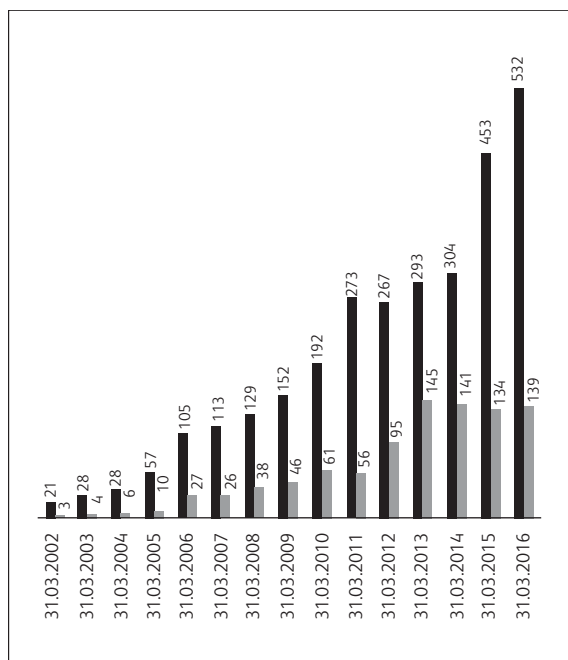
During Fiscal 2016, Thyrocare employed around 671 employees net of attrition. The mean age of our human resource has been 26 years for last several years. During Fiscal 2016, we received 42,200 employment applications, of which 4,205 applicants were interviewed. From the list of interviewee applicants, offer of employment was extended to 2,160 applicants.

Our employee base net of attrition has evolved over last several years with our growth as explained in the graph below:



Post their recruitment into the Company, the freshers are continuously trained in their respective domain throughout the year. The rate of attrition is alarming for the industry and for Thyrocare too, the attrition is high at entry-level positions. However, with training, development, compensation and work culture, we believe we shall be able to control the rate of attrition in this segment.

We have witnessed gender diversity in our employee base. We believe that the progressive policies for female employees have helped us to maintain the ratio over several years. The gender diversity over several years is mentioned in the graph below:



7. Financial Performance

I. Standalone Financial Performance

The Management Discussion and Analysis given below relate to the audited financial statements of Thyrocare Technologies Limited. The discussion should be read in conjunction with the financial statements and related notes to the financial statements for the year ended March 31, 2016.

Summary

Revenue from operations of Thyrocare aggregated to ₹ 2351.35 million in Fiscal 2016 as compared to ₹ 1800.76 million in Fiscal 2015, registering a growth of 30.58%.

Earnings before interest, tax, depreciation and amortization (EBITDA) of Thyrocare aggregated to ₹ 946.08 million in Fiscal 2016 as compared to ₹ 734.70 million in Fiscal 2015, registering a growth of 28.77%.

Profit after tax and after exceptional items (PAT) of Thyrocare aggregated to ₹ 587.54 million in Fiscal 2016 as compared to ₹ 486.56 million in Fiscal 2015, registering a growth of 20.76%.

Total Assets of Thyrocare after net off of current liabilities aggregated to ₹ 3852.71 million in Fiscal 2016 as compared to ₹ 2867.73 million in Fiscal 2015, registering a growth of 34.35%.

Dividend

Thyrocare has determined that as a matter of policy, the net cash surplus after providing for tax, capital expenditure expected to be incurred during the next financial year, and any other anticipated requirement of funds, may be distributed among the shareholders as dividend for the financial year concerned. The decision on dividend is based on the standalone financials i.e. excluding the performance of the subsidiary/subsidiaries. The Board of Directors decides on interim dividend based on the performance of Thyrocare during the course of the year. Thyrocare has declared two interim dividends during the course of the current Fiscal. These two interim dividends constitute a total payout of ₹ 7.50 per equity share (75% on the face value of ₹ 10/- each) for Fiscal 2016. The Board of Directors have recommended a payment of final dividend of ₹ 2.50 (Rupees Two and Paise Fifty only) per equity share of the face value of ₹ 10 each for the Fiscal 2016. Post approval of final dividend of ₹ 2.50 per equity share by the shareholders, the total dividend for the Fiscal 2016 including the final dividend will be ₹ 10/- (Rupees Ten only) per equity share.

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

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of Income	% growth compared to Fiscal 2015	₹ In million	% of Income	% growth compared to Fiscal 2014
Income from Operations	2,351.35	100.00	30.58	1,800.76	100.00	20.20
Expenses						
Cost of Materials consumed/ traded	669.86	28.49	21.30	552.23	30.67	29.91
Employee benefits expense	242.86	10.33	43.16	169.64	9.42	44.42
Other expenses	492.56	20.95	43.11	344.19	19.11	28.91
Total Expenses	1,405.28	59.76	31.82	1,066.06	59.20	31.69
Earnings before interest, tax, depreciation and amortisation (EBITDA)	946.07	40.24	28.77	734.70	40.80	6.70

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of Income	% growth compared to Fiscal 2015	₹ In million	% of Income	% growth compared to Fiscal 2014
Other income (net) excluding dividend & income from current investments	24.97	1.06	32.76	18.81	1.04	(20.02)
Dividend & income from current investments	27.07	1.15	(53.44)	58.14	3.23	55.91
Depreciation and amortization expense	113.52	4.83	6.00	107.09	5.95	68.31
Profit before exceptional item and tax	884.59	37.62	25.55	704.56	39.13	2.74
Exceptional Items	2.98	0.13	(83.26)	17.79	0.99	-
Profit before tax (PBT)	887.57	37.75	22.87	722.35	40.11	5.33
Tax expense	300.03	12.76	27.25	235.79	13.09	3.36
Profit for the year (PAT)	587.54	24.99	20.75	486.56	27.02	6.32

Revenue from operations

Revenue from operations increased from ₹ 1800.76 million in Fiscal 2015 to ₹ 2351.35 million in Fiscal 2016, registering a growth of 30.58% (20.20% in Fiscal 2015).

Revenue from diagnostic services in Fiscal 2016 was ₹ 2047.63 million over ₹ 1597.51 million in Fiscal 2015, registering a growth of 28.18% (15.60% in Fiscal 2015). Revenue from imaging services in Fiscal 2016 was ₹ 97.24 million. Revenue from sale of product for Fiscal 2015 includes sale of radioactive pharmaceutical of ₹ 22.35 million, which was discontinued in Fiscal 2016, after transfer of our cyclotron division.

The increase in revenue from diagnostic services in Fiscal 2016 is mainly on account of increased focus on our preventive care offerings, improvement in turnaround time by newly set-up regional processing laboratories, enhancement in brand awareness, realization of revenue from newly introduced verticals and our media campaigns. The revenue from our preventive care offerings alone has grown at 30.00% in Fiscal 2016 (27.73% in Fiscal 2015).

Expenses

Cost of material consumed

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of revenue from diagnostic services	% growth compared to Fiscal 2015	₹ In million	% of revenue from diagnostic services	% growth compared to Fiscal 2014
Cost of materials consumed						
Opening stock	56.32			49.78		
Add: Purchases	631.83			493.10		
	688.15			542.88		
Less: Closing stock	91.55			56.32		
Cost of material consumed [A]	596.60	29.14	22.62	486.56	30.46	34.37
Material consumed comprises:						
Reagents/ Diagnostics material	584.19	28.53		480.06	30.05	
Consumables	12.41	0.61		6.50	0.41	
	596.61	29.14		486.56	30.46	

Cost of material consumed increased from ₹ 486.56 million in Fiscal 2015 to ₹ 596.60 million in Fiscal 2016; however the cost of material consumed to revenue from diagnostic services was 29.14% (30.46% in Fiscal 2015). Cost of material consumed includes the cost of reagents, diagnostic materials and other consumables instrumental to processing samples. The improvement in the cost of material consumed over the previous Fiscal 2015 is mainly on account of the increase in volumes and processing of samples at our regional processing laboratories.

Cost of material traded

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of revenue from sale	% growth compared to Fiscal 2015	₹ In million	% of revenue from sale	% growth compared to Fiscal 2014
Purchase of stock-in-trade						
Glucose strips/ Gluco meter	25.35			25.12		
Others	41.07			41.58		
	66.42			66.70		
Changes in inventories of stock-in-trade						
Inventories at the end of the year:						
Glucose strips/ Gluco meter	0.47			3.15		
Others	6.87			11.02		
	7.34			14.17		
Inventories at the beginning of the year:						
Glucose strips/ Gluco meter	3.15			0.77		
Others	11.02			12.37		
	14.17			13.14		
Net change	6.83			(1.03)		
Cost of material traded [B]	73.25	65.84	11.54	65.68	54.78	4.25

Cost of material traded increased from ₹ 65.68 million in Fiscal 2015 to ₹ 73.25 million in Fiscal 2016. The cost of material traded to revenue from sale was 65.84% (54.78% in Fiscal 2015). Cost of material traded includes the sale of glucometers & strips, other laboratory consumables and promotional material. The increase in the cost of material traded to revenue from sale over the previous Fiscal 2015 is mainly on account of the increase in discounted dispatches of consumable and promotional material to service providers to promote the business and generate higher revenue.

Cost of Materials consumed/ traded

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of Income	% growth compared to Fiscal 2015	₹ In million	% of Income	% growth compared to Fiscal 2014
Cost of Materials consumed/ traded [A]+[B]	669.86	28.49	21.30	552.24	30.67	29.91

The overall cost of material consumed/ traded thus has increased from ₹ 552.24 million in Fiscal 2015 to ₹ 669.86 million in Fiscal 2016; however the cost of material consumed/ traded to income from operations was 28.49% (30.67% in Fiscal 2015)

Employee benefits expense

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Salaries, wages and bonus	175.81	7.48	132.22	7.34
Contributions to provident and other funds	13.82	0.59	9.51	0.53
Employees stock compensation expense	17.73	0.75	8.18	0.45
Gratuity	2.05	0.09	2.80	0.16
Compensated absences*	23.92	1.02	13.57	0.75
Staff welfare expenses	9.53	0.41	3.36	0.19
	242.86	10.33	169.64	9.42

Total employee benefits expenses were ₹ 242.86 million in Fiscal 2016, increasing from ₹ 169.64 million in Fiscal 2015. The employees' benefits expenses as percentage of income from operations were 10.33% in Fiscal 2016 (9.42% in Fiscal 2015). The increase in the employees' benefits expenses over the previous Fiscal 2015 is mainly on account of increased headcount, increase in the salary cost with appraisals, apportionment of employees stock options related cost and enhanced provisions for compensated absence in the current fiscal.

Other expenses

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Outlab processing	119.00	5.06	24.84	1.38
Service charges	84.23	3.58	63.26	3.51
Sales incentive	40.34	1.72	49.42	2.74
Printing and stationery	39.19	1.67	34.01	1.89
Power, fuel and water	37.34	1.59	35.91	1.99
Business promotion	32.64	1.39	26.59	1.48
Advertisement expenses	29.08	1.24	18.38	1.02
Others	110.73	4.71	91.77	5.10
	492.56	20.95	344.19	19.11

Other expenses as percentage of revenue increased from 19.11% in Fiscal 2015 to 20.95% in Fiscal 2016, mainly on account of the increase in the outlab processing cost for the imaging business. There was a marginal increase in the service charges paid to authorized service providers and the advertisement expenses of the current fiscal.

Earnings before interest, tax, depreciation and amortization (EBITDA)

In Fiscal 2016, EBITDA was ₹ 946.08 million (40.24% of income from operations) as compared to ₹ 734.70 million (40.80% of income from operations) in Fiscal 2015. There is a marginal decrease in the EBITDA of 0.56% as a percentage of income from operations during Fiscal 2016.

Other income (net)

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Dividend income from current investment	22.17	0.94	51.21	2.84
Net gain on sale of current investments	4.90	0.21	6.93	0.38
Technical assistance/ trade mark assignment fees	1.38	0.06	5.83	0.32
Net gain on account of foreign exchange fluctuations	1.10	0.05	-	0.00
Interest income	0.04	0.00	3.30	0.18
Others	22.45	0.95	9.68	0.54
	52.04	2.21	76.95	4.27

The decrease in other income of 2.06% as a percentage of revenue, is mainly due to

- Decrease in the dividend income received from the current investments, i.e. mutual funds after shifting the portfolio to growth schemes;
- Decrease in the realized net gain on sale of current investments, i.e. mutual funds during the current fiscal; and
- Decrease in the realization towards technical assistance and trade mark assignment fees from related parties.

Depreciation and amortization

Depreciation and amortization increased from ₹ 107.09 million in Fiscal 2015 (5.95% of income from operations) to ₹ 113.52 million in Fiscal 2016 (4.83% of income from operations). The increase was mainly attributable to additions during the current fiscal in plant and equipments, vehicles and computer software.

Exceptional item

In Fiscal 2016, pursuant to the amendment to the slump sale transaction an additional amount of ₹ 2.98 million was recognized as exceptional item and added to the profits of the current fiscal. In Fiscal 2015, there was an exceptional item on account of profit on sale of division of ₹ 17.79 million.

Profit before tax (PBT)

In Fiscal 2016, PBT was ₹ 887.57 million (₹ 722.35 million in Fiscal 2015). As a percentage of income from operations, PBT decreased from 40.11% in Fiscal 2015 to 37.75% in Fiscal 2016. The decrease of 2.36% is mainly due to:

- Decrease in the dividend income received from the current investments & decrease in the realized net gain on sale of current investments i.e. mutual funds - 2.08%; and
- Effect of exceptional item due to sale of division and amendment thereof – 0.86%.

Tax expense

Tax expense increased to ₹ 300.03 million in Fiscal 2016 from ₹ 235.79 million in Fiscal 2015. As a percentage of income from operations, it has decreased from 13.09% in Fiscal 2015 to 12.76% in Fiscal 2016.

Profit for the year (PAT)

The net profit in Fiscal 2016 was ₹ 587.54 million (24.99% of income from operations) as compared to ₹ 486.56 million in Fiscal 2015.

FINANCIAL POSITION – STANDALONE

Share capital

	Fiscal 2016		Fiscal 2015	
	₹ In million	No. of shares	₹ In million	No. of shares
Authorised				
Equity shares of ₹ 10 each with equal voting rights	1,000.00	100000000	1,000.00	100000000
Issued				
Equity shares of ₹ 10 each with equal voting rights	537.24	53723533	505.36	50535971
Subscribed and fully paid up				
Equity shares of ₹ 10 each with equal voting rights	537.24	53723533	505.36	50535971
	537.24	53723533	505.36	50535971

We have only one class of shares – equity shares of par value of ₹ 10/- each. Our authorized share capital stood at ₹ 1000.00 million, divided into 100 million equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood at ₹ 537.24 million as at March 31, 2016, compared to ₹ 505.36 million as at March 31, 2015.

The Company has allotted 31,87,562 equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited pursuant (the “subsidiary”) to an arrangement without payment being received in cash through equity share swap arrangement between the Company and equity shareholders of subsidiary. The Company has, pursuant to the approval of the shareholders vide meeting held on August 23, 2014 allotted 15,10,000 equity shares of ₹ 10/- each fully paid up, to the holders of compulsory convertible debentures (the “CCDs”) on conversion of 3,77,500 CCDs allotted on December 24, 2010, as per the terms of the conversion. The Company has allotted 33,650 equity shares of ₹ 10 each, pursuant to the approved Employees Stock Options Scheme’ 2014 to the ESOP Trust on September 20, 2014. The Company has allotted 3,73,83,507 equity shares of ₹ 10 each fully paid up, as bonus shares in the ratio of 3 equity shares for every share held, by capitalization of securities premium account of ₹ 370.81 million and capital redemption reserve of ₹ 3.03 million. The Company has also allotted 6,91,295 equity shares of ₹ 10 each fully paid up, to the equity shareholders of the subsidiary to an arrangement without payment being received in cash through equity share swap arrangement between the Company and equity shareholders of subsidiary.

During the year ended March 31, 2016, the Company has offered stock options equivalent to 40,434 ordinary equity shares of ₹10 each to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) vide authorization of shareholders in the annual general meeting held on September 26, 2015. The number of options as at 31 March 2016 has reduced to 39,188 equity shares, due to discontinuance of certain eligible employees during the period. The details of the options granted as at March 31, 2016 are provided under the notes to the Standalone Financial Statement in the Annual Report. During the year ended March 31, 2015, the Company had allotted 33,650 ordinary equity shares of ₹10 each to “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014” (ESOS2014) vide authorization of shareholders in their extra ordinary general meeting held on September 20, 2014. The details of the options granted as at March 31, 2015 are provided under the notes to the Standalone Financial Statement in the Annual Report.

Reserves and surplus

Reserves and surplus as at March 31, 2016 were ₹ 3216.61 million (₹ 2286.57 million as at March 31, 2015), an increase of 40.67%.

Capital reserve

Capital reserve as at March 31, 2016 amounted to ₹ 1.06 million, which is the same as per the previous year.

Capital redemption reserve

In the previous financial year, capital redemption reserves to the extent of ₹ 3.03 million were utilized for issue of bonus shares.

Securities premium account

The increase of ₹ 943.36 million during the year in securities premium account was on account of premium received on issue of shares to equity shareholders of Nueclear Healthcare Limited. The reduction of ₹ 370.81 million and increase of ₹ 234.90 million and ₹ 204.59 million in the previous year was on account of utilization for issue of bonus shares, premium received on conversion of compulsory convertible debentures and premium received on issue of shares to equity shareholders of Nueclear Healthcare Limited, respectively. The balance as at March 31, 2016 was ₹ 1232.93 million (As at March 31, 2015 it was ₹ 289.57 million).

Share option outstanding account

During the year, ₹ 17.73 million, was charged to share option outstanding account towards employees compensation expenses on account of THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) and THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015). The difference between the fair price of the shares underlying the options on the grant date and the exercise price of the option (being the intrinsic value of the option) representing stock compensation expense is expensed over the vesting period.

Particulars	As at 31 March 2016	As at 31 March 2015
ESOS2015	1.96	-
ESOS2014	15.77	8.18
Total expense recognised in employee benefits	17.73	8.18

The fair value of the shares granted under ESOS2015 is ₹ 301 per share and ESOS2014 is ₹ 305 per share on the respective grant date.

The balance as at March 31, 2016 was ₹ 25.91 million (As at March 31, 2015 it was ₹ 8.18 million).

General reserve

General reserve as at March 31, 2016 was ₹ 91.67 million, which was the same as per the previous year. In the previous financial year, an amount of ₹ 3.03 million was transferred to capital redemption reserve.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2016 was ₹ 1865.04 million (₹ 1896.09 million as at March 31, 2015) after appropriation towards dividend on equity shares, tax on dividend, and adjustment due to change in useful life of fixed assets (in the previous financial year).

Trade payable, other current liabilities and other long term liabilities

	Trade payables		Other current liabilities		Other long-term liabilities		Total	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Trade/Security deposits received	-	-	6.94	3.40	54.90	55.64	61.84	59.04
Expenses payable	-	-	21.62	4.64	-	-	21.62	4.64
Creditors for capital goods	-	-	18.87	6.84	-	-	18.87	6.84
Employees dues	-	-	17.30	7.21	-	-	17.30	7.21
Advances received from customers	-	-	16.77	12.37	-	-	16.77	12.37

	Trade payables		Other current liabilities		Other long-term liabilities		Total	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Creditors other than micro enterprises and small enterprises	14.55	8.20	-	-	-	-	14.55	8.20
Statutory dues	-	-	6.43	6.19	-	-	6.43	6.19
Deferred rent	-	-	0.23	0.23	0.63	0.34	0.86	0.57
	14.55	8.20	88.16	40.88	55.53	55.98	158.24	105.06

Total trade payable, other current liabilities and other long term liabilities increased to ₹ 158.24 million as at March 31, 2016 (₹ 105.06 million as at March 31, 2015). The increase was mainly on account of –

- Increase in outstanding expenses payable that includes operating, administrative and marketing expenses.
- Increase in outstanding creditors for capital goods;
- Increase in outstanding employees dues towards salaries and other costs;
- Increase in advances received from customers;
- Increase in outstanding trade creditors;
- Increase in security deposits received from service providers, customers and employees;
- Marginal increase in outstanding statutory dues towards tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Short-term and long-term provisions

	Short-term provisions		Long-term provisions		Total provisions	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Provision for proposed dividend	134.31	-	-	-	134.31	-
Provision for compensated absences	3.42	1.60	34.59	12.78	38.01	14.38
Provision for dividend distribution tax	28.10	-	-	-	28.10	-
Provision for current tax (net of advance tax and tax deducted at source)	17.35	9.45	-	-	17.35	9.45
Provision for gratuity	0.15	0.09	8.74	7.04	8.89	7.13
Provision for bonus	4.38	3.99	-	-	4.38	3.99
Provision for refundable staff security deposits	1.51	0.74	-	-	1.51	0.74
	189.22	15.87	43.33	19.82	232.55	35.69

Provisions aggregated ₹ 232.55 million as at March 31, 2016 (₹ 35.69 million as at March 31, 2015).

The increase of ₹ 196.86 million in total provisions was mainly attributable to:

- Increase in proposed dividend on equity shares ₹ 134.31 million and tax thereon ₹ 28.10 million;
- Increase in provision for employees benefits – bonus, gratuity, compensated absence and refundable security deposits ₹ 26.55 million; and
- Increase in current income tax (net) ₹ 7.90 million.

Fixed assets

The additions to gross block in Fiscal 2016 were:

- Plant and equipment ₹ 161.86 million (₹ 100.81 million in Fiscal 2015)
- Furniture and fixtures ₹ 19.81 million (₹ 44.25 million in Fiscal 2015)

- Office equipment ₹ 7.96 million (₹ 14.30 million in Fiscal 2015)
- Computer, printer, scanner and softwares ₹ 3.73 million (₹ 7.79 million in Fiscal 2015)

The capital work in progress on account of tangible assets was ₹ 10.18 million as at March 31, 2016 (₹ 49.79 million as at March 31, 2015) and on account of intangible assets was ₹ 3.37 million as at March 31, 2016 (₹ 5.17 million as at March 31, 2015).

Adjustment in Fiscal 2016 to gross block represents book value of fixed assets, being land and building pertaining to cyclotron division ₹ 20.37 million and accumulated depreciation / amortization of ₹ 5.88 million adjusted pursuant to the modifications to the slump sale arrangements entered into by the company.

Adjustment in Fiscal 2015 of ₹ 5.79 million pertains to adjustment due to elapse of useful life as at 1 April 2014, on the basis Schedule II to the Companies Act, 2013 and the same has been adjusted against the opening balance of reserves under surplus in statement of profit and loss respectively.

Adjustment to the gross block in Fiscal 2016 represents capitalization of the additional vat of ₹0.92 Million paid towards the premises purchased in Fiscal 2011 and a vat of ₹0.30 million paid towards the premises purchased in Fiscal 2012 and accumulated depreciation in the current year of ₹0.19 million represents the depreciation charged on the said capitalization calculated retrospectively from the date of acquisitions.

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ 10.38 million as on March 31, 2016 (₹ 18.20 million as on March 31, 2015).

Current investments and non-current investments

	Current investments		Non-current investments		Total investments	
	As at	As at	As at	As at	As at	As at
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Investment in subsidiary	-	-	1,946.74	971.50	1,946.74	971.50
Investments in mutual funds - Quoted	687.92	636.95	-	-	687.92	636.95
Others - Unquoted	-	-	16.15	16.15	16.15	16.15
Investments in preference shares - Quoted	7.00	-	-	-	7.00	-
	694.92	636.95	1,962.89	987.65	2,657.81	1,624.60

Increase in total investments in Fiscal 2016 was mainly on account of additional investment in the equity shares of the subsidiary.

Deferred tax assets (net)

As stated in the accounting policies, deferred tax assets and liabilities are offset. Note 12 to the standalone financial statement brings out the details of component-wise deferred tax balances where the net values result into assets, deferred tax liability or asset is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Such timing differences resulting in deferred tax asset or liability usually arise from items like depreciation and employee benefit expenses. The net deferred tax asset was ₹ 25.55 million as at March 31, 2016 (₹ 8.69 million as at March 31, 2015).

Short-term and long-term loans and advances

	Short-term loans and advances		Long-term loans and advances		Total loans and advances	
	As at	As at	As at	As at	As at	As at
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Advances for supply of goods and services	65.68	62.78	-	-	65.68	62.78
Advance income tax (net of provision for tax)	-	-	34.51	38.59	34.51	38.59
Security deposits to parties other than related parties	0.38	0.28	12.94	7.05	13.32	7.33
Prepaid expenses	8.26	8.98	-	-	8.26	8.98
Capital advances	-	-	2.44	1.86	2.44	1.86

	Short-term loans and advances		Long-term loans and advances		Total loans and advances	
	As at	As at	As at	As at	As at	As at
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Balance with government authorities	-	-	2.09	-	2.09	-
Security deposits to related parties	-	-	1.86	1.86	1.86	1.86
Loans and advances to employees benefit trust	-	-	0.34	0.34	0.34	0.34
Loans and advances to employees	0.11	0.13	0.05	0.15	0.16	0.28
	74.43	72.17	54.23	49.85	128.66	122.02

Loans and advances as at March 31, 2016 increased marginally to ₹ 128.66 million from ₹ 122.02 million as at March 31, 2015.

Inventories

Inventories as a percentage of income from operations were at 4.21 % as at March 31, 2016 compared to 3.91 % as at March 31, 2015. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 3.10 % as at March 31, 2016 compared to 2.58 % as at March 31, 2015. Trade receivable includes recoverable from related parties of ₹ 31.63 million as at March 31, 2016 (₹ 18.20 million as at March 31, 2015).

Cash and bank balances

Cash and bank balances were ₹ 76.46 million as at March 31, 2016 (₹ 42.85 million as at March 31, 2015). The bank balances as at March 31, 2016 includes ₹ 0.50 million against bank guarantee.

Other current assets

Other current assets were at ₹ 144.97 million as at March 31, 2016 (₹ 132.14 million as at March 31, 2015). Other current assets mainly include ₹ 79.57 million as March 31, 2016 (₹ 117.50 million as at March 31, 2015) towards amount recoverable from related party and ₹ 65.37 million as at March 31, 2016 (₹ 14.64 million as at March 31, 2015) receivable towards expenses related to initial public offering to be recovered from the selling shareholders of the initial public offering.

CASH FLOW – STANDALONE

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

Summary of cash flow statement is given below

	Fiscal 2016	Fiscal 2015
Net cash flows from/ (used in) :		
Operating activities	668.74	362.31
Investing activities	(186.07)	(205.22)
Financing activities	(449.56)	(228.44)
Net increase/ (decrease) in Cash and cash equivalents	33.11	(71.35)

Cash flow from operating activities

	Fiscal 2016	Fiscal 2015
Operating profit before working capital changes	988.98	751.94
Adjustments for (increase) / decrease in working capital	(8.68)	(161.40)
Net income tax (paid)	(311.56)	(228.23)
Net cash flows from operating activities	668.74	362.31

In Fiscal 2016, Thyrocare generated net cash of ₹ 668.74 million (₹ 362.31 million in Fiscal 2015) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 988.98 million in Fiscal 2016 (₹ 751.94 million in Fiscal 2015).
- Increase in working capital requirement to ₹ 8.68 million in Fiscal 2016 (₹ 161.40 million in Fiscal 2015).
- Increase in taxes paid to ₹ 311.54 million in Fiscal 2016 (₹ 228.23 million in Fiscal 2015).

Cash flows from investing activities

	Fiscal 2016	Fiscal 2015
Fixed assets (net)	(152.52)	(38.06)
Current investments (net)	(55.22)	381.50
Purchase of long-term investment	-	(600.00)
Dividend received	22.17	51.21
Others	(0.49)	0.13
Net cash (used in) investing activities	(186.07)	(205.22)

In Fiscal 2016, cash used in investing activities was ₹ 186.07 million (₹ 205.22 million in Fiscal 2015).

During Fiscal 2016, cash used in investing activities was primarily attributable to:

- Purchase of fixed assets (net) ₹ 152.52 million in Fiscal 2016 (₹ 38.06 million in Fiscal 2015); and
- Net purchase of mutual funds & other investments ₹ 36.23 million (net sale ₹ 427.31 million in Fiscal 2015).

During Fiscal 2016, cash flow from investing activities was mainly attributable to dividend received ₹ 3.18 million (₹ 5.40 million in Fiscal 2015).

Cash flows from financing activities

	Fiscal 2016	Fiscal 2015
Proceeds from issue of equity shares	-	0.34
Dividend paid on equity shares including tax thereon	(449.56)	(228.78)
Net cash (used in) financing activities	(449.56)	(228.44)

The significant items of cash used in financing activities in Fiscal 2016 were payment of dividend ₹ 449.56 million including dividend tax (₹ 228.78 million in Fiscal 2015).

II. Consolidated Financial Performance

The Consolidated Financial Statements relate to Thyrocare Technologies Limited ('the Company') and its subsidiary company, Nueclear Healthcare Limited ('the Subsidiary'), in which the Company has 100% equity holding as on March 31, 2016 (58.50% : March 31, 2015) (herein after referred to as the "Group").

The Company acquired controlling stake in the subsidiary effective 15 November 2014.

These consolidated financial statements have been prepared as at March 31, 2016 for the year April 1, 2015 to March 31, 2016. These financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with applicable accounting standards notified under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act (to the extent notified).

Summary

Revenue from operations of Group aggregated to ₹ 2409.65 million in Fiscal 2016 as compared to ₹ 1829.58 million in Fiscal 2015, registering a growth of 31.70%.

Earnings before interest, tax, depreciation and amortization (EBITDA) of Group aggregated to ₹ 934.97 million in Fiscal 2016 as compared to ₹ 723.72 million in Fiscal 2015, registering a growth of 29.19%.

Profit after tax and after exceptional items (PAT) of Group aggregated to ₹ 518 million in Fiscal 2016 as compared to ₹ 440.38 million in Fiscal 2015, registering a growth of 17.63%.

Total Assets of Group after net off of current liabilities aggregated to ₹ 3782.68 million in Fiscal 2016 as compared to ₹ 3219.18 million in Fiscal 2015, registering a growth of 17.50%.

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

	Fiscal 2016			Fiscal 2015		
	₹ In million	% of Income	% growth compared to Fiscal 2015	₹ In million	% of Income	% growth compared to Fiscal 2014
Income from Operations	2,409.65	100.00	31.70	1,829.58	100.00	20.20
Expenses						
Cost of Materials consumed/ traded	703.58	29.20	26.02	558.29	30.51	29.91
Employee benefits expense	256.98	10.66	47.00	174.81	9.55	44.42
Other expenses	514.12	21.34	37.92	372.76	20.37	28.91
Total Expenses	1,474.68	61.20	33.35	1,105.86	60.44	31.69
Earnings before interest, tax, depreciation and amortisation (EBITDA)	934.96	38.80	29.19	723.73	39.56	6.70
Other income (net) excluding dividend & income from current investments	22.78	0.95	20.21	18.95	1.04	(20.02)
Dividend & income from current investments	42.65	1.77	(31.36)	62.14	3.40	55.91
Depreciation and amortisation expense	182.37	7.57	41.76	128.65	7.03	68.31
Profit before exceptional item and tax	818.03	33.95	20.98	676.17	36.96	2.74
Exceptional Items	-	-	-	-	-	-
Profit before tax (PBT)	818.03	33.95	20.98	676.17	36.96	5.33
Tax expense	300.03	12.45	27.25	235.79	12.89	3.36
Profit for the year (PAT)	518.00	21.50	17.63	440.38	24.07	6.32

Revenue from operations

Revenue from operations increased from ₹ 1829.58 million in Fiscal 2015 to ₹ 2409.65 million in Fiscal 2016, registering a growth of 31.70%.

The increase in revenue from diagnostic services in Fiscal 2016 is mainly on account of increased focus on preventive care offerings, improvement in turnaround time by newly set-up regional processing laboratories, enhancement in the brand awareness, realization of revenue from newly introduced verticals and our media campaigns, and growth in our imaging business. The revenue from our preventive care offerings alone has grown at 30.00% in Fiscal 2016 (27.73% in Fiscal 2015).

Expenses

Cost of material consumed

	Fiscal 2016			Fiscal 2015	
	₹ In million	% of revenue from diagnostic services	% growth compared to Fiscal 2015	₹ In million	% of revenue from diagnostic services
Cost of materials consumed					
Opening stock	59.49			50.01	
Add: Purchases	670.66			502.10	
	730.15			552.11	
Less: Closing stock	99.82			59.49	
Cost of material consumed [A]	630.33	26.16	27.95	492.62	26.93

	Fiscal 2016			Fiscal 2015	
	₹ In million	% of revenue from diagnostic services	% growth compared to Fiscal 2015	₹ In million	% of revenue from diagnostic services
Material consumed comprises:					
Reagents/ Diagnostics material	584.18	24.24		480.06	26.24
Radiopharmaceuticals	2.83	0.12		0.96	0.05
Consumables	43.32	1.80		11.60	0.63
	630.33	26.16		492.62	26.93

Cost of material consumed increased from ₹ 492.62 million in Fiscal 2015 to ₹ 630.33 million in Fiscal 2016, the cost of material consumed to revenue from operations was 26.16% (26.93% in Fiscal 2015). Cost of material consumed includes the cost of reagents, radiopharmaceuticals, diagnostic materials and other consumables instrumental to processing sample or manufacturing of radioactivity. The improvement in the cost of material consumed over the previous Fiscal 2015 is mainly on account of the increase in volumes and processing of samples at our regional processing laboratories.

Cost of material traded

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

Cost of Materials consumed/ traded

	Fiscal 2016			Fiscal 2015	
	₹ In million	% of income from operations	% growth compared to Fiscal 2015	₹ In million	% of income from operations
Cost of Materials consumed/ traded [A]+[B]	703.59	29.20	26.02	558.29	30.51

The overall cost of material consumed/ traded thus has increased from ₹ 558.29 million in Fiscal 2015 to ₹ 703.59 million in Fiscal 2016, the cost of material consumed/ traded to income from operations was 29.20% (30.51% in Fiscal 2015)

Employee benefits expense

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Salaries, wages and bonus	188.55	7.82	136.78	7.48
Contributions to provident and other funds	14.78	0.61	9.82	0.54
Employees stock compensation expense	17.73	0.74	8.18	0.45
Gratuity	2.05	0.08	2.84	0.16
Compensated absences	24.17	1.00	13.77	0.75
Staff welfare expenses	9.70	0.40	3.42	0.19
	256.98	10.66	174.81	9.55

Total employee benefits expenses were ₹ 256.98 million in Fiscal 2016, increasing from ₹ 174.81 million in Fiscal 2015. The employees' benefits expenses as percentage of income from operations were 10.66% in Fiscal 2016 (9.55% in Fiscal 2015). The increase in the employees' benefits expenses over the previous Fiscal 2015 is mainly on account increased headcount, increase in the salary cost with appraisals, apportionment of employees stock options related cost and enhanced provisions for compensated absence in the current fiscal.

Other expenses

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Service charges	84.23	3.50	63.26	3.46
Rent	54.05	2.24	17.73	0.97
Power, fuel and water	53.21	2.21	39.51	2.16
Sales incentive	40.70	1.69	49.55	2.71
Printing and stationery	40.03	1.66	34.24	1.87
Business promotion	32.69	1.36	26.89	1.47
Outlab processing	32.10	1.33	24.84	1.36
Advertisement expenses	29.15	1.21	21.36	1.17
Others	147.96	6.14	95.37	5.21
	514.12	21.34	372.76	20.37

Other expenses as percentage of revenue increased from 20.37% in fiscal 2015 to 21.34% in fiscal 2016, mainly on account of the increase in the rent cost of the imaging centres. There was a marginal increase in the service charges paid to authorized service providers and the advertisement expenses of the current fiscal.

Earnings before interest, tax, depreciation and amortization (EBITDA)

In Fiscal 2016 EBITDA was ₹ 934.96 million (38.80% of income from operations) as compared to ₹ 723.73 million (39.56% of income from operations) in Fiscal 2015. There is a marginal decrease in the EBITDA of 0.76% as a percentage of income from operations during Fiscal 2016.

Other income (net)

	Fiscal 2016		Fiscal 2015	
	₹ In million	% of Income	₹ In million	% of Income
Dividend income from current investment	32.22	1.34	55.20	3.02
Net gain on sale of current investments	10.44	0.43	6.93	0.38
Technical assistance/ trade mark assignment fees	1.38	0.06	5.83	0.32
Net gain on account of foreign exchange fluctuations	1.10	0.05	-	0.00
Interest income	0.28	0.01	3.40	0.19
Others	20.02	0.83	9.73	0.53
	65.43	2.72	81.09	4.43

The decrease in other income of 1.72% as a percentage of revenue, is mainly due to

- Decrease in the dividend income received from the current investments i.e., mutual funds after shifting the portfolio to growth schemes;
- Decrease in the realized net gain on sale of current investments i.e., mutual funds during the current Fiscal; and
- Decrease in the realization towards technical assistance and trade mark assignment fees from related parties.

Depreciation and amortization

Depreciation and amortization increased from ₹ 128.65 million in Fiscal 2015 (7.03% of income from operations) to ₹ 182.37 million in Fiscal 2016 (7.57% of income from operations). The increase was mainly attributable to additions during the current fiscal in plant and equipments, vehicles and computer softwares.

Profit before tax (PBT)

In Fiscal 2016, PBT was ₹ 818.04 million (₹ 676.17 million in Fiscal 2015). As a percentage of income from operations, PBT decreased from 36.96% in Fiscal 2015 to 33.95% in Fiscal 2016. The decrease of 3.01% is mainly due to decrease in the dividend income received from the current investments and decrease in the realized net gain on sale of current investments i.e., mutual funds – 1.63%.

Tax expense

Tax expense increased to ₹ 300.03 million in Fiscal 2016 from ₹ 235.79 million in Fiscal 2015. As a percentage of income from operations, it has decreased from 12.89% in Fiscal 2015 to 12.45% in Fiscal 2016.

Profit for the year (PAT)

The net profit in Fiscal 2016 was ₹ 518.00 million (21.50% of income from operations) as compared to ₹ 440.38 million in Fiscal 2015.

FINANCIAL POSITION – CONSOLIDATED

Share capital

	As at 31.03.2016		As at 31.03.2015	
	₹ In million	No. of shares	₹ In million	No. of shares
Authorised				
Equity shares of ₹ 10 each with equal voting rights	1,000.00	100000000	1,000.00	100000000
Issued				
Equity shares of ₹ 10 each with equal voting rights Subscribed and fully paid up	537.24	53723533	505.36	50535971
Equity shares of ₹ 10 each with equal voting rights	537.24	53723533	505.36	50535971
	537.24	53723533	505.36	50535971

We have only one class of shares – equity shares of par value of ₹ 10/- each. Our authorized share capital stood at ₹ 1000.00 million, divided into 100 million equity shares of ₹ 10/- each. The issued, subscribed and paid up capital stood at ₹ 537.24 million as at March 31, 2016, compared to ₹ 505.36 million as at March 31, 2015.

The Company has allotted 31,87,562 equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited pursuant (the “subsidiary”) to an arrangement without payment being received in cash through equity share swap arrangement between the Company and equity shareholders of subsidiary. The Company has, pursuant to the approval of the shareholders vide meeting held on August 23, 2014 allotted 15,10,000 equity shares of ₹ 10/- each fully paid up, to the holders of compulsory convertible debentures (the “CCDs”) on conversion of 3,77,500 CCDs allotted on December 24, 2010, as per the terms of the conversion. The Company has allotted 33,650 equity shares of ₹ 10 each, pursuant to the approved Employees Stock Options Scheme’ 2014 to the ESOP Trust on September 20, 2014. The Company has allotted 3,73,83,507 equity shares of ₹ 10 each fully paid up, as bonus shares in the ratio of 3 equity shares for every share held, by capitalization of securities premium account of ₹ 370.81 million and capital redemption reserve of ₹ 3.03 million. The Company has also allotted 6,91,295 equity shares of ₹ 10 each fully paid up, to the equity shareholders of the subsidiary to an arrangement without payment being received in cash through equity share swap arrangement between the Company and equity shareholders of subsidiary.

During the year ended March 31, 2016, the Company has offered stock options equivalent to 40,434 ordinary equity shares of ₹10 each to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) vide authorization of shareholders in the annual general meeting held on September 26, 2015. The number of options as at 31 March 2016 has reduced to 39,188 equity shares, due to discontinuance of certain eligible employees during the period. The details of the options granted as at March 31, 2016 are provided under the notes to the Standalone Financial Statement in the Annual Report. During the year ended March 31, 2015, the Company had allotted 33,650 ordinary equity shares of ₹10 each to “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014” (ESOS2014) vide authorization of shareholders in their extra ordinary general meeting held on September 20, 2014. The details of the options granted as at March 31, 2015 are provided under the notes to the Standalone Financial Statement in the Annual Report.

Reserves and surplus

Reserves and surplus as at March 31, 2016 were ₹ 3118.86 million (₹ 2258.36 million as at March 31, 2015), an increase of 38.10%.

Capital reserve

Capital reserve as at March 31, 2016 amounted to ₹ 1.06 million, which is the same as per the previous year.

Capital redemption reserve

In the previous financial year capital redemption reserves to the extent of ₹ 3.03 million were utilized for issue of bonus shares.

Securities premium account

The increase of ₹ 943.36 million during the year in securities premium account was on account of premium received on issue of shares to equity shareholders of Nueclear Healthcare Limited. The reduction of ₹ 370.81 million and increase of ₹ 234.90 million and ₹ 204.59 million in the previous year was on account of utilization for issue of bonus shares, premium received on conversion of compulsory convertible debentures and premium received on issue of shares to equity shareholders of Nueclear Healthcare Limited, respectively. The balance as at March 31, 2016 was ₹ 1232.93 million (As at March 31, 2015 it was ₹ 289.57 million).

Share option outstanding account

During the year ₹ 17.73 million, was charged to share option outstanding account towards employees compensation expenses on account of THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014" (ESOS2014) and THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015" (ESOS2015). The difference between the fair price of the shares underlying the options on the grant date and the exercise price of the option (being the intrinsic value of the option) representing stock compensation expense is expensed over the vesting period.

Particulars	As at 31 March 2016	As at 31 March 2015
ESOS2015	1.96	-
ESOS2014	15.77	8.18
Total expense recognised in employee benefits	17.73	8.18

The fair value of the shares granted under ESOS2015 is ₹ 301 per share and ESOS2014 is ₹ 305 per share on the respective grant date.

The balance as at March 31, 2016 was ₹ 25.91 million (As at March 31, 2015 it was ₹ 8.18 million).

General reserve

General reserve as at March 31, 2016 was ₹ 91.67 million, which was the same as per the previous year. In the previous financial year amount of ₹ 3.03 million was transferred to capital redemption reserve.

Surplus in the statement of profit and loss account

Balance in the statement of profit and loss as at March 31, 2016 was ₹ 1767.29 million (₹ 1867.88 million as at March 31, 2015) after appropriation towards dividend on equity shares, tax on dividend, and adjustment due to change in useful life of fixed assets (in the previous financial year).

Trade payable, other current liabilities and other long term liabilities

	Trade payables		Other current liabilities		Other long-term liabilities		Total	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Trade/Security deposits received	-	-	7.08	3.49	54.92	55.84	62.00	59.33
Expenses payable	-	-	29.60	8.27	-	-	29.60	8.27
Creditors other than micro enterprises and small enterprises	20.24	8.35	-	-	-	-	20.24	8.35
Creditors for capital goods	-	-	19.55	7.36	-	-	19.55	7.36
Employees dues	-	-	18.55	7.97	-	-	18.55	7.97
Advances received from customers	-	-	16.77	12.37	-	-	16.77	12.37
Deferred rent	-	-	5.02	1.66	3.43	7.94	8.45	9.60
Statutory dues	-	-	7.40	7.09	-	-	7.40	7.09
	20.24	8.35	103.98	48.21	58.35	63.78	182.56	120.34

Total trade payable, other current liabilities and other long term liabilities increased to ₹ 182.56 million as at March 31, 2016 (₹ 120.34 million as at March 31, 2015). The increase was mainly on account of –

- Increase in outstanding expenses payable that includes operating, administrative and marketing expenses.
- Increase in outstanding creditors for capital goods;
- Increase in outstanding employees dues towards salaries and other costs;
- Increase in advances received from customers;
- Increase in outstanding trade creditors;
- Increase in security deposits received from service providers, customers and employees;
- Marginal increase in outstanding statutory dues towards tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Short-term and long-term provisions

	Short-term provisions		Long-term provisions		Total provisions	
	As at	As at	As at	As at	As at	As at
	31.03.2016	31.03.2015	31.03.2016	31.03.2015	31.03.2016	31.03.2015
Provision for proposed dividend	134.31	-	-	-	134.31	-
Provision for compensated absences	3.62	1.80	35.60	13.55	39.22	15.35
Provision for dividend distribution tax	28.10	-	-	-	28.10	-
Provision for claims	-	-	23.72	10.81	23.72	10.81
Provision for current tax (net of advance tax and tax deducted at source)	17.35	9.44	-	-	17.35	9.44
Provision for gratuity	0.15	0.09	8.91	7.21	9.06	7.30
Provision for bonus	4.69	4.30	-	-	4.69	4.30
Provision for refundable staff security deposits	1.62	0.82	-	-	1.62	0.82
	189.84	16.45	68.23	31.57	258.07	48.02

Provisions aggregated ₹ 258.07 million as at March 31, 2016 (₹ 48.02 million as at March 31, 2015).

The increase of ₹ 210.05 million in total provisions was mainly attributable to:

- Increase in proposed dividend on equity shares ₹ 134.31 million and tax thereon ₹ 28.10 million;
- Increase in provision for employees benefits – bonus, gratuity, compensated absence and refundable security deposits ₹ 26.82 million;
- Increase in provision for claims wherein our subsidiary is involved in a legal dispute, the anticipated outcome of which may lead to a liability; and
- Increase in current income tax (net) ₹ 7.91 million.

Fixed assets

The additions to gross block in Fiscal 2016 were:

- Plant and equipment ₹ 164.20 million (₹ 100.82 million in Fiscal 2015)
- Furniture and fixtures ₹ 19.81 million (₹ 44.25 million in Fiscal 2015)
- Office equipment ₹ 8.58 million (₹ 14.35 million in Fiscal 2015)

- Computer, printer, scanner and softwares ₹ 4.57 million (₹ 7.79 million in Fiscal 2015)

The capital work in progress on account of tangible assets was ₹ 10.18 million as at March 31, 2016 (₹ 50.36 million as at March 31, 2015) and on account of intangible assets was ₹ 3.75 million as at March 31, 2016 (₹ 5.17 million as at March 31, 2015).

Adjustment in Fiscal 2015 of ₹ 5.79 million pertains to adjustment due to elapse of useful life as at 1 April 2014, on the basis Schedule II to the Companies Act, 2013 and the same has been adjusted against the opening balance of reserves under surplus in statement of profit and loss respectively.

Adjustment to the gross block in Fiscal 2016 represents capitalization of the additional vat of ₹0.92 Million paid towards the premises purchased in Fiscal 2011 and a vat of ₹0.30 million paid towards the premises purchased in Fiscal 2012 and accumulated depreciation in the current year of ₹0.19 million represents the depreciation charged on the said capitalization calculated retrospectively from the date of acquisitions.

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ 11.83 million as on March 31, 2016 (₹ 249.86 million as on March 31, 2015).

Current investments and non-current investments

	Current investments		Non-current investments		Total investments	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Investments in mutual funds - Quoted	909.31	843.00	-	-	909.31	843.00
Others - Unquoted	-	-	16.15	16.15	16.15	16.15
Investments in preference shares - Quoted	7.00	-	-	-	7.00	-
	916.31	843.00	16.15	16.15	932.46	859.15

Increase in total investments in Fiscal 2016 was mainly on account of additional investment in the mutual funds and preference shares.

Short-term and long-term loans and advances

	Short-term loans and advances		Long-term loans and advances		Total loans and advances	
	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016	As at 31.03.2015
Advances for supply of goods and services	67.98	65.68	-	-	67.98	65.68
Advance income tax (net of provision for tax)	-	-	46.06	42.46	46.06	42.46
Security deposits to related parties	-	-	33.70	33.70	33.70	33.70
Security deposits to parties other than related parties	0.38	0.28	16.20	10.26	16.58	10.54
Prepaid expenses	8.47	9.20	-	-	8.47	9.20
MAT credit entitlement	-	-	5.17	5.17	5.17	5.17
Capital advances	-	-	2.44	52.92	2.44	52.92
Balance with government authorities	-	-	2.09	-	2.09	-
Loans and advances to employees benefit trust	-	-	0.34	0.34	0.34	0.34
Loans and advances to employees	0.11	0.17	0.05	0.15	0.16	0.32
	76.95	75.33	106.04	145.00	182.99	220.33

Loans and advances as at March 31, 2016 decreased to ₹ 182.99 million from ₹ 220.33 million as at March 31, 2015.

Inventories

Inventories as a percentage of income from operations were at 4.45% as at March 31, 2016 compared to 4.03% as at March 31, 2015. Inventories comprises of reagents, diagnostic material, consumables and stock in trade.

Trade receivables

Trade receivable as a percentage of income from operations were at 3.11% as at March 31, 2016 compared to 2.68% as at March 31, 2015. Trade receivable includes recoverable from related parties of ₹ 31.63 million as at March 31, 2016 (₹ 18.20 million as at March 31, 2015).

Cash and bank balances

Cash and bank balances were ₹ 102.95 million as at March 31, 2016 (₹ 50.75 million as at March 31, 2015). The bank balances as at March 31, 2016 includes ₹ 0.50 million against bank guarantee.

Other current assets

Other current assets were at ₹ 65.60 million as at March 31, 2016 (₹ 14.85 million as at March 31, 2015). Other current assets mainly include ₹ 65.37 million as at March 31, 2016 (₹ 14.64 million as at March 31, 2015) receivable towards expenses related to initial public offering to be recovered from the selling shareholders of the initial public offering.

CASH FLOW – CONSOLIDATED

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

Summary of cash flow statement is given below

	Fiscal 2016	Fiscal 2015
Net cash flows from/ (used in) :		
Operating activities	678.01	344.64
Investing activities	(176.75)	(179.65)
Financing activities	(449.56)	(228.44)
Net increase/ (decrease) in Cash and cash equivalents	51.70	(63.45)

Cash flow from operating activities

	Fiscal 2016	Fiscal 2015
Operating profit before working capital changes	988.59	741.11
Adjustments for (increase) / decrease in working capital	8.66	(168.61)
Net income tax (paid)	(319.24)	(227.86)
Net cash flows from operating activities	678.01	344.64

In Fiscal 2016, Group generated net cash of ₹ 678.01 million (₹ 344.64 million in Fiscal 2015) from operating activities. This is attributable to:

- Increase in operating profit before working capital changes to ₹ 988.59 million in Fiscal 2016 (₹ 741.11 million in Fiscal 2015).
- Decrease in working capital requirement thereby cash used in reduced to ₹ 8.66 million in Fiscal 2016 (₹ 168.61 million used in Fiscal 2015).
- Increase in taxes paid to ₹ 319.24 million in Fiscal 2016 (₹ 227.86 million in Fiscal 2015).

Cash flows from investing activities

	Fiscal 2016	Fiscal 2015
Fixed assets (net)	(143.45)	(99.17)
Current investments (net)	(65.27)	455.68
Purchase of long-term investment	-	(591.49)
Dividend received	32.22	55.20
Others	(0.25)	0.13
Net cash (used in) investing activities	(176.75)	(179.65)

In Fiscal 2016, cash used in investing activities was ₹ 176.75 million (₹ 179.65 million used in Fiscal 2015).

During Fiscal 2016, cash used in investing activities was primarily attributable to:

- Purchase of fixed assets (net) ₹ 143.45 million in Fiscal 2016 (₹ 99.17 million in Fiscal 2015); and
- Net purchase of mutual funds & other investments ₹ 65.27 million (net sale ₹ 455.68 million in Fiscal 2015).

During Fiscal 2016, cash flow from investing activities was mainly attributable to dividend received ₹ 32.22 million (₹ 55.20 million in Fiscal 2015).

Cash flows from financing activities

	Fiscal 2016	Fiscal 2015
Proceeds from issue of equity shares	-	0.34
Dividend paid on equity shares including tax thereon	(449.56)	(228.78)
Net cash (used in) financing activities	(449.56)	(228.44)

The significant items of cash used in financing activities in Fiscal 2016 were payment of dividend ₹ 449.56 million including dividend tax (₹ 228.78 million in Fiscal 2015).

III. Segment performance

The Company has identified three business segments as its primary segment. Revenue and expenses directly attributable to segments are reported under each reportable primary segment. The following table presents summary of revenue by industry segments.

	Segment revenue				
	(% aggregate revenue)				
	Fiscal 2016	Fiscal 2015	Fiscal 2016	Fiscal 2015	% Growth
Diagnostic Testing Services	2,142.86	1,680.89	88.93	91.87	27.48
Imaging Services	155.54	51.16	6.45	2.80	204.03
Others	111.25	97.54	4.62	5.33	14.06
	2,409.65	1,829.59	100.00	100.00	31.70

In Fiscal 2016, revenue from diagnostic testing services contributed the largest share to revenue (88.93%) at a growth rate of 27.48%. The other segment that witnessed impressive growth rate is imaging services, which mainly contributed due to increase in the number of scans performed by our subsidiary. The figures for imaging services revenue however shall not be compared with the previous year since the revenue from imaging services of our subsidiary are consolidated in the financial statement of Thyrocare after the acquisition of the controlling stake in the subsidiary in the later part of the previous financial year.

Imaging services segment represent PET-CT scan and sale of radio pharmaceuticals used in imaging services. Our subsidiary has conducted 15903 scans during Fiscal 2016 (11172 scans during Fiscal 2015).

The number of scans performed at our Delhi PET-CT centre has grown by 28.2% and at our Navi Mumbai PET-CT centre the same has grown by 44.1% compared to Fiscal 2015.

Number of scans	Fiscal 2016	Fiscal 2015	Fiscal 2014	Total
Delhi PETCT Centre	7484	5840	294	13618
Navi Mumbai PETCT Centre	6653	4617	2056	13326
Hyderabad PETCT Centre	1766	715	0	2481
Total Scans	15903	11172	2350	29425

Growth YOY	Fiscal 2016
Delhi PETCT Centre	28.2%
Navi Mumbai PETCT Centre	44.1%
Hyderabad PETCT Centre	#
Total Scans	42.3%

Hyderabad PETCT Centre was operational since part of FYE 2015

IV. Related Party Transaction

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

8. Outlook, risks and concerns

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

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

- operating highly-competitive and fragmented industry and our business, financial condition and results of operations may be adversely affected if we are not able to compete effectively;
- negative publicity or other harm to our reputation, brand or customer perception of our brand;
- disruption in operations of any our laboratories or offerings of particular tests;
- delay or interruption in transportation of samples to the laboratory and regional processing laboratories and our dependence on hub-and-spoke business model complemented by the regional processing laboratories;
- failure to attract and retain authorized service providers;
- failure of our equipment, information technology and other technological systems; and
- changes in technologies and/or the introduction of new technology could reduce demand for our pathology testing services.

9. Internal control systems and their adequacy

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

INDEPENDENT AUDITORS' REPORT

To the Members of
Thyrocare Technologies Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Thyrocare Technologies Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section 3 of Section 143 of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- (d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the Directors as on 31 March 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2016 from being appointed as a Director in terms of sub-section 2 of Section 164 of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in the 'Annexure B'; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
1. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28.1(a) to the standalone financial statements;
 2. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 3. there were no amounts outstanding as on balance sheet date which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
11 June 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT - 31 MARCH 2016

(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified once every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act with respect to the investments.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules prescribed by the Central Government for maintenance of cost records under sub-section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of duty of customs and duty of excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, value added tax, cess and any other material statutory dues were in arrears as on 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute except as disclosed below:

Name of the statute	Nature of dues	Amount (₹ in million)	Amount paid under protest (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
The Income tax Act, 1961	Interest on Income-tax	1.43	0.19	2011-2012 and 2012-2013	Commissioner of Income-tax (Appeals)
The Income tax Act, 1961	Tax deducted at source and interest	140.42	10.00	2008-2009 and 2009-2010	Bombay High Court
The Income tax Act, 1961	Tax deducted at source and interest	228.10	10.00	2010-2011 and 2011-2012	Income-tax Appellate Tribunal

- (viii) In our opinion and according to the information and explanations given to us, the Company does not have any loans or borrowings from any financial institutions, banks or the government nor does it have any dues to debenture holders during the year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (ix) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the non-cash transactions entered by the Company with directors are in compliance with the provisions of Section 192 of the Act.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
11 June 2016

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016

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

We have audited the internal financial controls over financial reporting of the Thyrocare Technologies Limited (“the Company”) as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’ judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **B S R & Co. LLP**

Chartered Accountants

Firm’s Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai

11 June 2016

Balance Sheet as at 31st March, 2016

(Currency: ₹ in million)

	Notes	31 March 2016	31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	3	537.24	505.36
Reserves and surplus	4	3,216.61	2,286.57
		3,753.85	2,791.93
Non-current liabilities			
Other long-term liabilities	5	55.53	55.98
Long-term provisions	6	43.33	19.82
		98.86	75.80
Current liabilities			
Trade payables	7	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		14.55	8.20
Other current liabilities	8	88.16	40.88
Short-term provisions	9	189.22	15.87
		291.93	64.95
Total		4,144.64	2,932.68
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10A	916.86	819.71
Intangible assets	10B	8.89	10.75
Capital work-in-progress	10C	10.18	49.79
Intangible assets under development	10C	3.37	5.17
		939.30	885.42
Non-current investments	11	1,962.89	987.65
Deferred tax assets (net)	12	25.55	8.69
Long-term loans and advances	13	54.23	49.85
		2,981.97	1,931.61
Current assets			
Current investments	14	694.92	636.95
Inventories	15	98.89	70.49
Trade receivables	16	73.00	46.47
Cash and bank balances	17	76.46	42.85
Short-term loans and advances	18	74.43	72.17
Other current assets	19	144.97	132.14
		1,162.67	1,001.07
Total		4,144.64	2,932.68
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements	3-28		

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Dr. A Velumani

Managing Director

DIN - 00002804

For and on behalf of the Board of Directors of

Thyrocare Technologies Limited

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai
11 June 2016

Mumbai
11 June 2016

Mumbai
11 June 2016

Statement of Profit and Loss for the year ended 31st March, 2016

(Currency: ₹ in million)

	Notes	31 March 2016	31 March 2015
Revenue			
Revenue from operations	20	2,351.35	1,800.76
Other income	21	52.04	76.95
Total revenue		2,403.39	1,877.71
Expenses			
Cost of materials consumed	22.a	596.60	486.56
Purchases of stock-in-trade	22.b	66.42	66.70
Changes in inventories of stock-in-trade	22.c	6.83	(1.03)
Employee benefits expense	23	242.86	169.64
Depreciation and amortisation	10A & 10B	113.52	107.09
Other expenses	24	492.56	344.19
Total expenses		1,518.80	1,173.15
Profit before exceptional items and tax		884.59	704.56
Exceptional items			
Profit on sale of undertaking	28.4	2.98	17.79
Profit after exceptional items and before tax		887.57	722.35
Profit from continuing operations before tax		-	731.49
Tax expense:			
Current tax		321.00	250.00
Current tax expense relating to prior years		(4.10)	2.01
Deferred tax		(16.87)	(13.11)
		300.03	238.90
Profit from continuing operations after tax		587.54	492.59
(Loss) from discontinued operations before tax	28.11	-	(9.14)
Tax expense:			
Current tax		-	-
Deferred tax (credit)/ charge		-	(3.11)
		-	(3.11)
(Loss) from discontinued operations after tax		-	(6.03)
Profit after tax		587.54	486.56
Earnings per share [Nominal value of ₹ 10 each]: (31 March 2014 : ₹ 10 each):			
Continuing operations			
(a) Basic	25.a	11.42	9.95
(b) Diluted	25.b	11.41	9.95
Total operations			
(a) Basic	25.c	11.42	9.83
(b) Diluted	25.d	11.41	9.83
Significant accounting policies	2		
The accompanying notes form an integral part of the financial statements	3-28		

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Dr. A Velumani

Managing Director

DIN - 00002804

For and on behalf of the Board of Directors of

Thyrocare Technologies Limited

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai
11 June 2016Mumbai
11 June 2016Mumbai
11 June 2016

Cash flow statement for the year ended 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
A. Cash flows from operating activities		
Net profit before tax	887.57	722.35
Adjustments for:		
Depreciation and amortisation	113.52	107.09
Provision for diminution in value of investment	2.16	2.40
Advances written back	-	(10.04)
Net (gain) on sale of current investments	(4.90)	(6.93)
(Profit) / loss on sale of fixed assets	(0.44)	0.17
(Profit) on disposal of assets under slump sale arrangement	(2.98)	(17.79)
Unrealised (gain) / loss on foreign exchange fluctuation	(1.48)	0.22
Employee stock compensation expense	17.73	8.18
Provision for wealth tax	-	0.06
Interest paid	-	0.74
Dividend income from current investment	(22.17)	(51.21)
Interest income	(0.04)	(3.30)
	101.40	29.59
Operating profit before working capital changes	988.98	751.94
(Increase) in Inventories	(28.39)	(7.56)
(Increase)/Decrease in Trade receivables	(25.27)	2.60
(Increase) in Loans and advances	(22.94)	(167.25)
Increase/(Decrease) in Trade payables	6.57	(6.96)
Increase in Other liabilities	34.80	0.42
Increase in Provisions	26.54	17.36
Cash generated from operations	980.29	590.55
Net income tax (paid)	(311.55)	(228.24)
Net cash flows from operating activities (A)	668.74	362.31
of which net cash used in discontinued operations (Refer Note 28.4)		(10.05)
B. Cash flows from investing activities		
Purchase of fixed assets, capital work in progress and capital advances	(153.28)	(159.37)
Proceeds from sale of fixed assets	0.75	121.31
Purchase of current investments	(998.86)	(1,220.81)
Proceeds from sale of current investments	943.64	1,602.31
Purchase of long-term investments	-	(600.00)
Loans (given)	-	(0.34)
Dividend received - Others	22.17	51.21
Bank deposits (having original maturity of more than 3 months)	(0.50)	0.42
Interest received	0.01	0.05
Net cash (used in) investing activities (B)	(186.07)	(205.22)
of which net cash generated from discontinued operations (Refer Note 28.4)		109.10

Cash flow statement for the year ended 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
C. Cash flows from financing activities		
Proceeds from issue of equity shares	-	0.34
Dividend paid on equity shares	(379.02)	(189.89)
Tax paid on dividend	(70.54)	(38.89)
Net cash (used in) financing activities (C)	(449.56)	(228.44)
Net increase in Cash and cash equivalents (A+B+C)	33.11	(71.35)
Cash and cash equivalents at the beginning of the year	42.85	114.20
Cash and cash equivalents at the end of the year	75.96	42.85
Thyrocare Technologies Limited		
Notes to cash flow statement		
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with banks		
(i) In current accounts	75.96	42.85
	75.96	42.85

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements" prescribed as per Companies (Accounting Standards) Rules, 2014.

2 The Company allotted 3,187,562 (31 March 2015: 691,295) equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 (31 March 2015 : 1,000,000) equity shares of NHL. These amounts have not been considered in the above cash flow statements.

The accompanying notes form an integral part of the financial statements 3-28

As per our report of even date attached.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Dr. A Velumani

Managing Director

DIN - 00002804

For and on behalf of the Board of Directors of

Thyrocare Technologies Limited

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai

11 June 2016

Mumbai

11 June 2016

Mumbai

11 June 2016

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

1 Corporate information

Thyrocare Technologies Limited ("the Company") is fully automated diagnostic laboratory with a focus on providing quality diagnostic services at affordable costs to laboratories and hospitals in India and other countries. The Company operates through various Thyrocare Service Providers (TSPs), Thyrocare Aggregators (TAGs), through online portals and other online media for catering to various diagnostics requirements of their customers.

2 Significant accounting policies

2.1 Basis of accounting and preparation of standalone financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with applicable accounting standards notified under Section 133 of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act, to the extent notified and applicable. The financial statements are presented in Indian rupees rounded off to the nearest million.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current - non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria :

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or

- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current position of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in the settlement by the issue of equity investments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III of the Companies Act, 2013. Normal operating cycle for the Company is 12 months.

2.4 Inventories

Inventories comprises of reagents, diagnostic material, consumables and stock in trade which are valued at lower of cost and net realisable value. Cost is determined under the first in first out method and includes all costs incurred in bringing the inventories to their present location and condition.

2.5 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. 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.

2.6 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

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

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.

2.7 Revenue recognition

Revenue from testing services is recognised once the testing samples are processed for requisitioned diagnostic tests.

Revenue from imaging services is recognised once the services are rendered.

Revenue from sale of products is recognised when the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of products. Sales are accounted net of sales tax and trade discounts, if any.

Revenue from technical assistance and trade mark assignment is recognised once the Company's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trademark is recognised as per the agreed percentage of the turnover of the respective entities, as per the terms of the agreement.

Interest income is recognised using the time proportion method, based on the underlying interest rates. Dividend income if any is recognized when the right to receive dividend is established."

2.8 Tangible fixed assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes inward freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to acquisition and installation of the fixed assets up to the time the assets are ready for intended use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

Pursuant to the Companies Act, 2013 being effective from 01 April, 2014, the Company had in previous year revised the depreciation rates on fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. Consequently, depreciation charge for the year ended 31 March 2015 was higher by ₹6.26 millions due to change in the estimated useful life of certain assets. Further, an amount of ₹ 5.79 millions had been adjusted against the opening balance of reserves under surplus in statement of profit and loss as on 1 April 2014, in respect of the residual value of assets wherein the remaining useful life has become 'Nil' (Refer Note 4(f) and Note 10)

In respect of fixed assets purchased during the period, the depreciation is provided on a pro rata basis from the date on which such asset is ready to use. Depreciation on tangible fixed assets, except leasehold land, is provided under the written down value method at the rates prescribed in Schedule

II to the Act, which in the opinion of management reflects the economic useful lives of assets. Depreciation on sale of assets is provided up to the date of sale of the asset. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at higher rate based on the management's estimate of the useful life/remaining useful life.

Assets costing up to Rupees five thousand are fully depreciated in the year of purchase

Leasehold land is amortised on a straight line basis over the primary period of lease.

Assets on leasehold land i.e. building premises are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Act).

2.9 Intangible fixed assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset. Intangible assets are amortised over the estimated useful life not exceeding 5 years.

Intangible assets under development

Development activities involve a plan or design for the production of new or substantially improved products or processes. Development expenditure is capitalised 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 the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

2.10 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realised within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current-non-current classification scheme of Schedule III of the Act. Long-term investments are stated at cost. Provision for diminution in value is made only when in the opinion of the management there is a diminution other than temporary in the carrying value of such investments determined separately for each investment. Current investments are valued at lower of cost and market value.

2.11 Employee benefits

Short-term employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salary, wages and bonus, compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period of rendering of service by the employees.

Post employment benefits

Defined contribution plans

The Company has defined contribution plans for post employment benefits namely Provident Fund. Under the provident fund plan, the Company contributes to a Government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution. The Company makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to the Statement of profit and loss every year.

Defined benefit plans

The Company's gratuity benefit scheme are defined benefit plans. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The calculation of the Company's obligation is performed annually

by a qualified actuary using the projected unit credit method. The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Other long-term employment benefits

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

2.12 Segment reporting

The Company is engaged only in diagnostic services business in India and follows only one reportable segment and therefore segment wise reporting as per Accounting Standard (AS) 17 issued by The Institute of Chartered Accountants of India is not applicable.

2.13 Earnings per share

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

2.14 Taxes on income

Income tax

Income tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions, in accordance with the Income tax Act, 1961.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Deferred tax

Deferred tax charge or credit and the corresponding deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/ losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

2.15 Employee stock options

The excess of the fair value of shares, at the date of grant of options under the Employees Stock Option Scheme of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The accounting treatment is as prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, issued by Securities and Exchange Board of India and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

2.16 Impairment of assets

In accordance with AS 28 on 'impairment of assets', other fixed assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. 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 or CGU.

Impairment losses are recognised in profit or loss. However, an impairment loss on a revalued asset is recognised directly against any revaluation surplus to the extent that the

impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. The impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the profit or loss; however, in the case of revalued assets, the reversal is credited directly to revaluation surplus except to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss.

2.17 Provisions and contingencies

Provision is recognised in the balance sheet when the Company has a present obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimation can be made of the amount required to settle the obligation. Contingent liabilities arising from claims, litigation, assessment, fines, penalties etc. are disclosed when there is a possible obligation or a present obligation as a result of a past event where it is not probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reasonably estimated. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosures is made.

2.18 Foreign exchange transactions

Foreign exchange transactions are recorded into Indian rupees using the average of the opening and closing spot rates on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of profit and loss of the year.

Monetary items (including long-term monetary items) in foreign currency, which are outstanding as at the year-end are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss. Non-monetary foreign currency items are carried at cost.

2.19 Lease

Operating lease payments are recognised as an expense on a straight-line basis over the non cancellable period of the lease term and charged to the Statement of profit and loss unless other systematic basis is more representative of the time pattern of the benefit. Any modifications in respect of lease terms or assumptions are recorded prospectively.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

3 Share capital

	31 March 2016		31 March 2015	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 10 each with equal voting rights	10,00,00,000	1,000.00	10,00,00,000	1,000.00
(b) Issued				
Equity shares of ₹ 10 each with equal voting rights	5,37,23,533	537.24	5,05,35,971	505.36
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with equal voting rights	5,37,23,533	537.24	5,05,35,971	505.36
Total	5,37,23,533	537.24	5,05,35,971	505.36

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	31 March 2016		31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares with equal voting rights				
Opening balance	5,05,35,971	505.36	1,09,17,519	109.18
Add : Shares issued on conversion of compulsorily convertible debentures (CCDs) (refer note vii)	-	-	15,10,000	15.10
	5,05,35,971	505.36	1,24,27,519	124.28
Add : Shares issued to the Employees trust under the Employees Stock Option 2014 (ESOP 2014) (refer note v (a))	-	-	33,650	0.34
	5,05,35,971	505.36	1,24,61,169	124.62
Add : Bonus shares issued during the year (refer note v (b))	-	-	3,73,83,507	373.83
	5,05,35,971	505.36	4,98,44,676	498.45
Add : Fresh issue of equity shares for consideration other than cash (refer note vi (c))	31,87,562	31.88	6,91,295	6.91
Closing balance	5,37,23,533	537.24	5,05,35,971	505.36

ii) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible for one vote per share. The equity shares are entitled to dividend as declared from time to time.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

iii) Details of equity shares held by each shareholder holding more than 5 % of shares:

Class of shares / Name of shareholder	31 March 2016		31 March 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with equal voting rights				
Dr A Velumani	1,48,09,317	27.57%	1,12,48,060	22.26%
Agalia Private Limited	1,12,94,540	21.02%	1,12,94,540	22.35%
Thyrocare Publications Private Limited	65,34,500	12.16%	65,34,500	12.93%
Thyrocare Properties and Infrastructure Private Limited	52,17,800	9.71%	52,17,800	10.32%
Norwest Venture Partners Fund VIIA Mauritius	50,64,880	9.43%	50,64,880	10.02%
A Sundararaju HUF	25,96,540	4.83%	25,96,540	5.14%

iv) As at 31 March 2016 : 39,188 shares (31 March 2015 : 3,187,562 shares) were reserved for issuance as follows:

- Nil (31 March 2015 : 3,187,562) equity shares of ₹ 10 each for issuing to shareholders of Nueclear Healthcare Limited (Nueclear) as per the terms of the offer for equity share swap of their holding in Nueclear Healthcare Limited.
- 39,188 (31 March 2015: Nil) equity shares of ₹ 10 each reserved for issuance under Employee Stock Option Scheme 2015 (ESOS 2015) (Refer note 26c).
- Aggregate no. of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the reporting date :
 - "Employees stock options

The Company has approved Employees Stock Options Scheme on 20 September 2014 pursuant to which certain employees are entitled to 33,650 equity shares of ₹ 10 each. These shares have been issued to the ESOP Trust pursuant to the approved terms of employees stock option scheme 2014, for which only the exercise price i.e. the face value of shares has been recovered in cash (Refer note 26(c))."

- Nil (31 March 2015 : 37,383,507) equity shares of ₹ 10 each fully paid up, have been allotted as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of ₹ 370.81 million and capital redemption reserve of ₹ 3.03 million.
 - The Company allotted 3,187,562 (31 March 2015: 691,295) equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 (31 March 2015 : 1,000,000) equity shares of NHL at a premium of ₹295.95 per share.
- vi) As per the terms of the investment agreement ('IA') executed between the Company, the promoters of the Company and the investors, 377,500 CCDs of face value of ₹ 662.25 each were issued at par. The CCDs were zero coupon and were due for conversion into 4 fully paid equity share of ₹ 10 each of the Company at a premium of ₹ 155.58 per share. As per the terms and conditions of the IA, the CCDs were due for conversion on/by completion of 36 month from the date of allotment (24 December 2010) i.e. 23 December 2013 but not later than 60 months from the date of allotment i.e. 23 December 2015. During the year ended 31 March 2015, the CCDs were converted into 1,510,000 equity shares of the Company pursuant to the Investors agreement and approval of the shareholders vide meeting held on 23 August 2014.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

4 Reserves and surplus

	31 March 2016	31 March 2015
(a) Capital reserve		
At the commencement and end of the year	1.06	1.06
(b) Capital redemption reserve		
At the commencement of the year	-	-
Add : Transfer from general reserve	-	3.03
Less : Utilised for issue of bonus shares [Refer note 3(v)(b)]	-	(3.03)
At the end of the year	-	-
(c) Securities premium account		
At the commencement of the year	289.57	220.89
Add : Premium received on conversion of CCD [Refer note 3(vi)]	-	234.90
Add : Premium received on issue of shares to equity shareholders of Nuclear Healthcare Limited [Refer note 3(v)(c)]	943.36	204.59
Less : Utilised for issue of bonus shares	-	(370.81)
At the end of the year	1,232.93	289.57
(d) Share options outstanding account		
At the commencement of the year	8.18	-
Employee compensation expense for the year [Refer note 23 and 26(c)]	17.73	8.18
At the end of the year	25.91	8.18
(e) General reserve		
At the commencement of the year	91.67	94.70
Less : Transfer to capital redemption reserve	-	(3.03)
At the end of the year	91.67	91.67
(f) Surplus in the statement of profit and loss		
At the commencement of the year	1,896.09	1,637.48
Profit for the year	587.54	486.56
Appropriation		
Adjustment due to change in useful life of fixed assets [Refer note 10]	-	(5.79)
Interim dividend on equity shares [amount of ₹ 7.5 per share (31 March 2015 : ₹15.28 per share)]	(379.02)	(189.89)
Dividend distribution tax	(77.16)	(32.27)
Proposed dividend on equity shares [amount of ₹ 2.5 per share (31 March 2015 : ₹Nil)]	(134.31)	-
Tax on proposed dividend on equity shares	(28.10)	-
At the end of the year	1,865.04	1,896.09
	3,216.61	2,286.57

5 Other long-term liabilities

Trade/Security deposits received	54.90	55.64
Deferred rent	0.63	0.34
	55.53	55.98

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

6 Long-term provisions

	31 March 2016	31 March 2015
Provision for employee benefits:		
Provision for compensated absences	34.59	12.78
Provision for gratuity (Refer Note 26.b)	8.74	7.04
Others	43.33	19.82

7 Trade payables

Trade Payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 28.2)	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	14.55	8.20
	14.55	8.20

8 Other current liabilities

Employees dues	17.30	7.21
Statutory dues *	6.43	6.19
Creditors for capital goods	18.87	6.84
Advances received from customers	16.77	12.37
Trade/Security deposits received	6.94	3.40
Expenses payable #	21.62	4.64
Deferred rent	0.23	0.23
	88.16	40.88

* Statutory dues include tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Expenses payable include operating, administrative and marketing expenses.

9 Short-term provisions

Provision for employee benefits:		
Provision for bonus	4.38	3.99
Provision for compensated absences	3.42	1.60
Provision for gratuity (Refer Note 26.b)	0.15	0.09
Provision for refundable staff security deposits	1.51	0.74
	9.46	6.42
Other provisions :		
Provision for proposed dividend	134.31	-
Provision for dividend distribution tax	28.10	-
Provision for current tax (net of advance tax and tax deducted at source)	17.35	9.45
	189.22	15.87

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

10 Fixed assets

A. Tangible assets

	1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		1 April 2015		
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Leasehold Land	164.55	-	168.96	6.21	2.45	-	0.46	159.84	158.34	9.12	0.46	159.84	158.34	9.12	0.46	159.84	158.34	9.12	0.46	159.84	158.34	9.12	0.46	159.84	158.34
Buildings/Premises	479.40	1.22	496.58	71.46	20.86	(0.46)	5.42	398.84	407.94	97.74	5.42	398.84	407.94	97.74	5.42	398.84	407.94	97.74	5.42	398.84	407.94	97.74	5.42	398.84	407.94
Plant and Equipment*	231.62	161.84	393.46	71.58	51.60	(5.42)	(479.40)	(407.94)	(439.87)	(71.46)	(479.40)	(407.94)	(439.87)	(71.46)	(479.40)	(407.94)	(439.87)	(71.46)	(479.40)	(407.94)	(439.87)	(71.46)	(479.40)	(407.94)	
Furniture and Fixtures	96.31	19.81	116.12	33.92	20.33	(15.95)	(231.62)	(160.04)	(172.86)	(71.58)	(231.62)	(160.04)	(172.86)	(71.58)	(231.62)	(160.04)	(172.86)	(71.58)	(231.62)	(160.04)	(172.86)	(71.58)	(231.62)	(160.04)	
Vehicles	18.22	0.05	17.08	9.28	2.89	(6.42)	(96.31)	(62.39)	(55.87)	(33.92)	(96.31)	(62.39)	(55.87)	(33.92)	(96.31)	(62.39)	(55.87)	(33.92)	(96.31)	(62.39)	(55.87)	(33.92)	(96.31)	(62.39)	
Office equipment	45.41	7.96	52.11	27.99	8.90	(0.27)	(18.22)	(8.94)	(4.69)	(9.28)	(18.22)	(8.94)	(4.69)	(9.28)	(18.22)	(8.94)	(4.69)	(9.28)	(18.22)	(8.94)	(4.69)	(9.28)	(18.22)	(8.94)	
Computers printers and scanners	38.93	2.39	41.32	34.28	3.28	(1.72)	(45.41)	(17.42)	(20.01)	(27.99)	(45.41)	(17.42)	(20.01)	(27.99)	(45.41)	(17.42)	(20.01)	(27.99)	(45.41)	(17.42)	(20.01)	(27.99)	(45.41)	(17.42)	
Total tangible assets	1,074.44	193.27	1,285.63	254.72	110.31	(29.50)	(38.93)	916.86	819.72	368.77	(4.41)	916.86	819.72	368.77	(4.41)	916.86	819.72	368.77	(4.41)	916.86	819.72	368.77	(4.41)	916.86	819.72

Total previous year (1,038.88) (168.85) (133.29) (174.20) (104.85) (29.58) (5.25) (254.72) (864.68)

* Previous year figures includes ₹9.76 million towards gross block of fixed assets capitalised and claimed under Corporate Social Responsibility (CSR) expenditure. (Refer note 28.12)

Notes to the standalone financial statements as at 31 March 2016 (contd...)

(Currency: ₹ in million)

10 Fixed assets (Continued)

A. Tangible assets

	1 April 2015		31 March 2016		1 April 2015		31 March 2016		Other adjustment**		Disposal/ adjustment		Net block	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Computer software	23.68 (18.73)	1.35 (4.95)	-	25.03 (23.68)	12.93 (10.15)	3.21 (2.24)	-	-	-	-	16.14 (12.93)	-	8.89 (10.75)	10.75 (8.58)
Total intangible assets	23.68	1.35	-	25.03	12.93	3.21	-	-	-	-	16.14	-	8.89	10.75
Previous year	(18.73)	(4.95)	-	(23.68)	(10.15)	(2.24)	(0.54)	(8.58)			(12.93)		(10.75)	(8.58)
Total	1,098.12	194.62	2.45	1,310.66	267.65	113.52	2.14	5.88	384.90	(267.65)	(830.47)	(873.26)	830.47	(873.26)
Total previous year	(1,057.61)	(173.80)	(133.29)	(1,098.12)	(184.35)	(107.09)	(29.58)	(5.79)	(830.47)	(873.26)				

C. Capital work-in-progress

Tangible capital-work-in-progress															
Intangible asset under development															
Total capital work-in-progress															
Total previous year															

Adjustment in current year to gross block represents book value of fixed assets, being land and building pertaining to cyclotron division ₹ 20.37 million and accumulated depreciation / amortisation of ₹ 5.88 million adjusted pursuant to the modifications to the slump sale arrangements entered into by the company. (Refer Note 1 below) Adjustment in previous year of ₹ 5.79 million pertains to adjustment due to elapse of useful life as at 1 April 2014, basis Schedule II to the Companies Act, 2013 and the same has been adjusted against the opening balance of reserves under surplus in statement of profit and loss respectively.

Notes:

Note 1: Parties to the slump sale mutually agreed to modify the slump sale agreement vide Addendum Slump Sale Letter Agreement dated 29 September 2015 to remove the said leasehold land and building from the slump sale by reducing the consideration by ₹11.50 million, from ₹125 million to the revised consideration of ₹113.50 million. Accordingly, the Company has recognised said leasehold land and building in its books.

Note 2: Figures in bracket represent balances for the year ended 31 March 2015

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

11 Non-current investments

(valued at cost unless stated otherwise)

	31 March 2016	31 March 2015
Non Trade Investments- Unquoted		
Investments in equity instruments :		
Investment in subsidiary		
11,111,000 (31 March 2015 : 6,500,000) equity shares of ₹10 each fully paid up of Nueclear Healthcare Limited	1,946.74	971.50
Others		
5,440 (31 March 2015 : 5,440) equity shares of USD 0.1 each fully paid up of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share (Refer note (i))	16.15	16.15
	1,962.89	987.65
Aggregate book value of unquoted non-current investments	1,962.89	987.65

- (i) As per the terms of the investment agreements executed between the Company, the promoter controlled entity - Thyrocare International Holding Company and the investors, the Company is required to obtain prior written consent of the investors before transferring the above investments to any third party. The said investment is subject to lock in period of 3 years from the Closing Date i.e. upto 23.01.2016, as per the investment agreement.

12 Deferred tax assets (net)

Deferred tax assets/(liabilities)

Tax effect of items constituting deferred tax liability		
On difference between book balance and tax balance of fixed assets	-	(1.65)
Tax effect of items constituting deferred tax liability	-	(1.65)
Tax effect of items constituting deferred tax assets		
On difference between book balance and tax balance of fixed assets	3.64	-
Provision for compensated absences, gratuity and other employee benefits	20.24	9.33
On others	1.67	1.01
Tax effect of items constituting deferred tax assets	25.55	10.34
Deferred tax assets (net)	25.55	8.69

13 Long-term loans and advances

(Unsecured, considered good)

Capital advances	2.44	1.86
Security deposits		
To related parties (Refer Note 27.b)	1.86	1.86
To parties other than related parties	12.94	7.05
Loans and advances to employees benefit trust	0.34	0.34
Loans and advances to employees	0.05	0.15
Balance with government authorities	2.09	-
Advance income tax (net of provision for tax)	34.51	38.59
	54.23	49.85

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

14 Current investments

(At lower of cost and market value)

	31 March 2016	31 March 2015
Non Trade		
Investments in mutual funds - Quoted		
12,241,169.43 units (31 March 2015 : Nil units) of BSL Enhanced Arbitrage Fund - Dividend Regular - fully paid-up [Market Value - ₹ 132.61 million (31 March 2015 : ₹ Nil)]	132.61	-
10,921,476.07 units (31 March 2015 : Nil units) of BSL Enhanced Arbitrage Fund - Dividend fully paid-up [Market Value - ₹ 120.03 million (31 March 2015 : ₹ Nil)]	120.03	-
4,978,553.86 units (31 March 2015 : Nil units) of Reliance Arbitrage Advantage Fund - Monthly Dividend fully paid-up [Market Value - ₹ 52.27 million (31 March 2015 : ₹ Nil)]	52.19	-
2,055,650.57 units (31 March 2015 : Nil units) of DSP Blackrock Short Term Fund - Growth fully paid-up [Market Value - ₹ 52.95 million (31 March 2015 : ₹ Nil)]	50.00	-
3,752,234.32 units (31 March 2015 : Nil units) of SBI Fixed Interval Debt Fund fully paid-up [Market Value - ₹ 45.33 million - (31 March 2015 : ₹ Nil)]	45.04	-
2,668,171.01 units (31 March 2015 : Nil units) of SBI Arbitrage Opportunity Fund fully paid-up [Market Value - ₹ 35.00 million (31 March 2015 : ₹ Nil)]	35.00	-
2,991,146.21 units (31 March 2015 : Nil units) of Reliance Quarterly Interval Fund fully paid-up [Market Value - ₹ 30.36 million (31 March 2015 : ₹ Nil)]	30.00	-
1,823,165.14 units (31 March 2015 : Nil units) of L & T Income Opportunities Fund fully paid-up [Market Value - ₹ 30.72 million (31 March 2015 : ₹ Nil)]	30.00	-
2,172,338.89 units (31 March 2015 : 2,172,338.89 units) of ICICI Prudential Balance Advantage - Growth fully paid-up [Market Value - ₹ 28.54 million (31 March 2015 : ₹ 29.80 million)]	28.54	29.80
28,771.47 units (31 March 2015 : 28,771.54 units) of Reliance Money Manager - Bonus fully paid-up [Market Value - ₹ 35.06 million (31 March 2015 : ₹ 32.24 million)]	28.42	28.42
2,288,300.84 units (31 March 2015 : Nil units) of Reliance Short Term Fund Monthly Dividend fully paid-up [Market Value - ₹ 25.24 million (31 March 2015 : ₹ Nil)]	25.24	-
574,909.16 units (31 March 2015 : 1,474,462.76 units) of ICICI Prudential Income - Growth fully paid-up [Market Value - ₹ 26.68 million (31 March 2015 : ₹ 64.72 million)]	25.12	64.44
2,151,586.01 units (31 March 2015 : Nil units) of BSL Short Term Fund - Monthly Dividend fully paid-up [Market Value - ₹ 25.29 million (31 March 2015 : ₹ Nil)]	25.12	-
20,463.96 units (31 March 2015 : 26,907.02 units) of SBI Treasury Advantage Fund fully paid-up [Market Value - ₹ 20.63 million (31 March 2015 : ₹ 41.53 million)]	20.61	40.35
12,667.93 units (31 March 2015 : 12,667.93 units) of DSP Blackrock Strategic Bond Fund fully paid-up [Market Value - ₹ 22.49 million (31 March 2015 : ₹ 21.16 million)]	20.00	20.00
1,312,292.90 units (31 March 2015 : Nil units) of L & T Short Term Income Fund fully paid-up [Market Value - ₹ 20.63 million (31 March 2015 : ₹ Nil)]	20.00	-
Nil units (31 March 2015 : 1,949,646.99 units) of BSL Income Plus Fund - Quarterly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 25.86 million)]	-	25.74
Nil units (31 March 2015 : 501,027.36 units) of BSL Treasury Optimizer - Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 52.39 million)]	-	51.37
Nil units (31 March 2015 : 2,133,712.66 units) of BSL India Reforms - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 30.30 million)]	-	30.00
Nil units (31 March 2015 : 3,100,393.82 units) of ICICI Prudential Blended Plan - Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 41.88 million)]	-	41.88
Nil units (31 March 2015 : 10,660,573.91 units) of ICICI Prudential Dynamic Bond Fund - Monthly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 111.52 million)]	-	111.52
Nil units (31 March 2015 : 9,421,898.16 units) of IDFC Arbitrage Fund - Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 112.16 million)]	-	112.16
Nil units (31 March 2015 : 1,774,664.88 units) of IDFC Dynamic Bond Fund - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹ 30.10 million)]	-	30.00

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
Nil units (31 March 2015 : 3,893,076.34 units) of IDFC Dynamic Bond Fund - Quarterly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹41.27 million)]	-	41.27
Nil units (31 March 2015 : 528,362.50 units) of Reliance Dynamic Bond Fund - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 : ₹10.04 million)]	-	10.00
Investments in preference shares - Quoted		
700,000, 9.25 % Compulsorily redeemable non convertible cumulative preference shares with maturity period of April 2016 (31 March 2015 : Nil shares) of India Infoline Finance Limited fully paid-up [Market Value - ₹ 7.00 million (31 March 2015 : ₹ Nil)]	7.00	-
	694.92	636.95
Aggregate book value of quoted current investments	694.92	636.95
Aggregate market value of quoted current investments	710.83	644.99

15 Inventories

(At lower of cost and net realisable value)

Reagents, diagnostic material and consumables	91.55	56.32
Stock-in-trade	7.34	14.17
	98.89	70.49

16 Trade receivables

Trade receivables outstanding for a period exceeding six months from the date they are due for payment

Secured, considered good	0.34	-
Unsecured, considered good*	21.60	6.12
	21.94	6.12
Other Trade receivables		
Secured, considered good	18.77	18.40
Unsecured, considered good *	32.29	21.95
	51.06	40.35
	73.00	46.47
* Recoverable from related parties (Refer note 27.b)	31.63	18.20

17 Cash and bank balances

Cash and cash equivalents

Cash on hand	-	-
Balances with banks in current accounts	75.96	42.85
	75.96	42.85
Other bank balances in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date) *	0.50	-
	76.46	42.85

* Includes ₹ 0.50 million (31 March 2015: ₹Nil) held as margin money deposits against bank guarantee

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

18 Short-term loans and advances

(unsecured, considered good)

	31 March 2016	31 March 2015
Security deposits	0.38	0.28
Loans and advances to employees	0.11	0.13
Prepaid expenses	8.26	8.98
Advances for supply of goods and services	65.68	62.78
	74.43	72.17

19 Other current assets

Amount recoverable from related party (Refer note 27.b)	79.57	117.50
Other receivables*	65.37	14.64
Interest accrued on deposits	0.03	-
*Initial Public Offer (IPO) related expenses recoverable from the selling shareholders offering their shares in the proposed initial public offering. (Refer note 28.13)		
	144.97	132.14

20 Revenue from operations

Sale of products (Refer Note (i) below)	111.25	119.89
Sale of services (Refer Note (ii) below)	2,144.87	1,597.51
	2,256.12	1,717.40
Other operating revenue (refer note 28.14)*	95.23	83.36
(Includes registration charges and other miscellaneous charges recovered)		
	2,351.35	1,800.76

Note:

(i) Sale of products comprises :

Traded goods		
Glucose strips/ Gluco meter	26.95	27.06
Vials, tubes and kit	33.16	26.66
Others	51.14	43.82
Manufactured goods		
Radioactive pharmaceutical (FDG)	-	22.35
Total	111.25	119.89

(ii) Sale of services comprises :

Diagnostic Services	2,047.63	1,597.51
Imaging Services	97.24	-
Total	2,144.87	1,597.51

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

21 Other income

	31 March 2016	31 March 2015
Interest income (Refer Note (i) below)	0.04	3.30
Dividend income from current investment	22.17	51.21
Net gain on account of foreign exchange fluctuations	1.10	-
Technical assistance/ trade mark assignment fees	1.38	5.83
Net gain on sale of current investments	4.90	6.93
Others (Refer Note (ii) below)	22.45	9.68
	52.04	76.95
Note:		
(i) Interest income comprises:		
Interest from banks on deposits	0.03	0.47
Interest on income tax refund	-	2.68
Interest on deposit for electricity	0.01	0.15
Total - Interest income	0.04	3.30
(ii) Others comprises:		
Profit on sale of fixed assets	0.44	-
Miscellaneous income	22.01	9.68
Total - Others	22.45	9.68

22a. Cost of materials consumed

Opening stock	56.32	49.78
Add: Purchases	631.83	493.10
	688.15	542.88
Less: Closing stock	91.55	56.32
Cost of material consumed	596.60	486.56
Material consumed comprises:		
Reagents/ Diagnostics material	584.19	480.06
Consumables	12.41	6.50
	596.60	486.56

22b. Purchase of stock-in-trade

Glucose strips/ Gluco meter	25.35	25.12
Others	41.07	41.58
	66.42	66.70

22c. Changes in inventories of stock-in-trade

Inventories at the end of the year:		
Glucose strips/ Gluco meter	0.47	3.15
Others	6.87	11.02
	7.34	14.17
Inventories at the beginning of the year:		
Glucose strips/ Gluco meter	3.15	0.77
Others	11.02	12.37
	14.17	13.14
Net change	6.83	(1.03)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

23 Employee benefits expense

	31 March 2016	31 March 2015
Salaries, wages and bonus	175.81	132.22
Contributions to provident and other funds (Refer note 26.a)	13.82	9.51
Employees stock compensation expense (Refer note 26.c)	17.73	8.18
Gratuity (Refer Note 26.b)*	2.05	2.80
Compensated absences*	23.92	13.57
Staff welfare expenses	9.53	3.36
	242.86	169.64

*Includes prior period expense of ₹11.37 million (31 March 2015 : ₹ 3.69 million) towards compensated absences and ₹0.90 million (31 March 2015 : Nil) towards gratuity

24 Other expenses

	31 March 2016	31 March 2015
Outlab processing	119.00	24.84
Power and fuel and water	37.34	35.91
Rent (Refer note 28.3)	15.75	3.95
Repairs and maintenance - Buildings	7.62	7.50
Repairs and maintenance - Machinery	13.28	6.66
Repairs and maintenance - Others	0.58	1.59
Insurance	1.56	0.62
Rates and taxes	15.02	14.00
Communication	6.03	5.24
Service charges	84.23	63.26
Postage and courier	23.29	17.95
Travelling and conveyance	3.07	1.67
Printing and stationery	39.19	34.01
Freight and forwarding	0.21	0.18
Sales incentive	40.34	49.42
Advertisement expenses	29.08	18.38
Accreditation expenses	2.93	1.40
Business promotion	32.64	26.59
Bank charges	5.36	2.91
Legal and professional fees	6.93	10.06
Payments to auditors (Refer Note (i) below)	2.48	2.23
Provision for diminution in value of investment	2.16	2.40
Loss on sale of fixed assets (net)	-	0.17
Loss on foreign exchange fluctuation (net)	-	1.37
Corporate social responsibility expenses (refer note 28.12)	0.04	0.06
Miscellaneous expenses	4.43	11.82
	492.56	344.19

Notes:

(i) Payments to the auditors comprises (net of service tax input credit, where applicable):

Statutory audit	2.24	1.94
Tax audit	0.24	0.12
Others	-	0.06
Reimbursement of expenses	-	0.11
	2.48	2.23

Excludes amount to be recovered from shareholders whose shares are being offered for sale in the proposed initial public offerings ₹4.34 million (31 March 2015 : ₹3.47 million) towards fees in connection with filing of offer document with SEBI. (Refer note 28.13)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

25 Earning Per Share

Continuing operations

	31 March 2016	31 March 2015
25.a Basic		
Net profit for the year from continuing operations attributable to equity shareholders	587.54	492.59
Weighted average number of equity shares outstanding during the year	5,14,70,407	4,94,92,288
Face value per share ₹	10	10
Earnings per share - Basic (₹)	11.42	9.95
25.b Diluted		
Net profit for the year from continuing operations attributable to equity shareholders	587.54	492.59
Weighted average number of equity shares for Basic EPS	5,14,70,407	4,94,92,288
Weighted average number of equity shares - for diluted EPS	5,15,08,294	4,94,92,288
Face value per share ₹	10	10
Earnings per share - Diluted (₹)	11.41	9.95
Total operations		
25.c Basic		
Net profit for the year from continuing operations attributable to equity shareholders	587.54	486.56
Weighted average number of equity shares outstanding during the year	5,14,70,407	4,94,92,288
Face value per share ₹	10	10
Earnings per share - Basic (₹)	11.42	9.83
25.d Diluted		
Net profit for the year from continuing operations attributable to equity shareholders	587.54	486.56
Profit attributable to equity shareholders from continuing operations (on dilution)	587.54	486.56
Weighted average number of equity shares for Basic EPS	5,14,70,407	4,94,92,288
Weighted average number of equity shares - for diluted EPS	5,15,08,294	4,94,92,288
Face value per share ₹	10	10
Earnings per share - Diluted (₹)	11.41	9.83

26 Employee benefit plans

26.a Defined contribution plans

The Company makes Provident Fund, ESIC and Maharashtra Labour Welfare fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 11.64 million (31 March 2015 : ₹ 7.57 million) for Provident Fund contributions, ₹ 2.15 million (31 March 2015 : ₹ 1.91 million) for ESIC contributions and ₹ 0.03 million (31 March 2015 : ₹ 0.03 million) for Maharashtra Labour Welfare fund contributions in the Statement of Profit and Loss during the period (Refer note 23). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company does not expect any further liability other than the specified contributions.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

26.b Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

The following table sets out the unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	31 March 2016	31 March 2015
	Gratuity	Gratuity
Components of employer expense		
Current service cost	1.91	1.02
Interest cost	0.64	0.40
Prior period liability recognised in current period	0.90	
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Actuarial losses/(gains)	(1.40)	1.38
Total expense recognised in the Statement of Profit and Loss	2.05	2.80
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	-	-
Present value of unfunded obligation	(8.89)	(7.13)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	(8.89)	(7.13)
Net asset/ (liability) is bifurcated as follows :		
Current	(0.15)	(0.09)
Non Current	(8.74)	(7.04)
Net asset / (liability) recognised in the Balance Sheet	(8.89)	(7.13)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the year	7.13	4.33
Current service cost	1.91	1.02
Interest cost	0.64	0.40
Actuarial (gains) / losses	(1.40)	1.38
Past service cost	-	-
Prior period liability recognised in current period	0.90	
Benefits paid	(0.28)	-
Present value of DBO at the end of the year	8.89	7.13
Actuarial assumptions		
Discount rate	7.86%	7.92%
Salary escalation	10%	10%

Note:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors and the rate of attrition is assumed on the basis of the nature of business carried out and the retention policy of the company.

The mortality rates as given under Indian Assured Lives Mortality (2006-2008) Ultimate have been used to provide for liability on account of death while in service and the retirement age has been considered as 58 years except in case of directors in whose case it is 70 years.

The defined benefit obligations are unfunded.

Experience adjustments

	31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
Gratuity					
Present value of DBO	8.89	7.13	4.33	3.11	2.91
Fair value of plan assets	-	-	-	-	-
Funded status [Surplus / (Deficit)]	(8.89)	(7.13)	4.33	(3.11)	(2.91)
Experience gain / (loss) adjustments on plan liabilities	1.52	0.22	(0.10)	(0.76)	0.06
Experience gain / (loss) adjustments on plan assets	-	-	-	-	-

26.c Employees share based payments

Description of share-based payments arrangements

During the year the Company has offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) vide authorisation of shareholders in the annual general meeting held on 26 September 2015. The options may be exercised either fully or partially in four equal installments.

The employees were identified as those who had completed two years of service as on 31 March 2015, subject to their continuous service till the vesting period.

During the previous year, the Company had offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014” (ESOS2014) vide authorisation of shareholders in their extra ordinary general meeting held on September 20, 2014. The Company has formed the trust under the name of ‘Thyrocare Employee Stock Option Trust’. The shares to be issued under these options to the employees are allotted to the trust. The trust hold these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The options may be exercised either fully or partially in four equal installments. The employees were identified on the basis of the length of service, nature of their work, remuneration earned, etc. and are entitled to ESOS, subject to their continuous service till the vesting period. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation during this year.

Scheme	Year	Date of Grant	Numbers of options granted	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2015	2015	26-Sep-15	40,434	Vested after 3 years from date of grant of options	One year after the expiry of vesting period	10	10
ESOS2014	2014	23-Sep-14	134,600*	Vested after 2.5 years from date of grant of options	One year after the expiry of vesting period	10	10

* Includes 100,950 no. of bonus shares

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

For the above ESOS2015 and ESOS2014, the difference between the fair price of the shares underlying the options on the grant date and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

Share based payment expense

Particulars	As at	As at
	31 March 2016	31 March 2015
ESOS2015	1.96	-
ESOS2014	15.77	8.18
Total expense recognised in employee benefits	17.73	8.18

The fair value of the shares granted under ESOS2015 is ₹ 301 per share and ESOS2014 is ₹ 305 per share on the respective grant date.

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows.

Particulars	31 March 2016		31 March 2015	
	No of Options	Weighted average exercise price	No of Options	Weighted average exercise price
ESOS2015				
Outstanding at 1 April	-	-	-	-
Granted during the year	40,434	10	-	-
Forfeited during the year	1,246	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 March	39,188	10	-	-
ESOS2014				
Outstanding at 1 April	134,600	10	-	-
Granted during the year	-	-	134,600*	10
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 March	134,600	10	134,600	10

* Includes bonus no. of shares 100,950

The options outstanding at 31 March have an exercise price and a weighted average contractual life as give below :

Particulars	31 March 2016			31 March 2015		
	No of Outstanding Share options	Range of Exercise price	Weighted average remaining life	No of Outstanding Share options	Range of Exercise price	Weighted average remaining life
ESOS2015	39,188	10	2.50	-	-	-
ESOS2014	134,600	10	1.00	134,600	10	2.00

The Company has adopted the intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India in respect of stock options granted. The Company's profit for the year and earnings per share would have been as under, had the compensation cost for employees' stock options been recognized based on the fair value at the date of grant in accordance with Black Scholes model.

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	31 March 2016	31 March 2015
Net Profit after tax as reported	587.55	492.58
Add : Employees stock option compensation expense as per intrinsic value method	17.73	8.18
Less : Employee stock option compensation expense as per fair value	15.98	7.32
Adjusted proforma net profit after tax	589.30	493.45
Basic Earnings per share as reported	11.42	9.95
Basic Earnings per share - proforma	11.45	9.97
Diluted Earnings per share as reported	11.41	9.83
Diluted Earnings per share - proforma	11.44	9.87

For purpose of the above proforma disclosures, the estimated grant date fair value of stock options granted under the 2014 Plans is ₹278.63 and under the 2015 Plan is ₹274.63. The fair values are measured based on the Black- Scholes- Merton formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant date fair values are as follows :

	2015 Plan	2014 Plan
Share price at grant date	301.00	305.00
Exercise price	10	10
Expected volatility (weighted average)	0.01 %	0.01 %
Expected life (weighted average)	2.5	1
Expected dividends	10.00	10.00
Risk-free interest rate (based on government bonds)	7.86 %	7.86 %

27 Related party transactions

27.a Details of related parties:

Description of relationship	Names of related parties
Subsidiary	Nueclear Healthcare Limited (w.e.f 15 November 2014)
Associate	Nueclear Healthcare Limited (upto 14 November 2014)
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare International Holding Company Limited, Mauritius Thyrocare Gulf Laboratories WLL Sumathi Infra Projects Private Limited (converted into LLP w.e.f 29 March 2016) Sumathi Construction Private Limited Mahima Advertising Private Limited (converted into LLP w.e.f 30 March 2016) Thyrocare Properties & Infrastructure Private Limited Thyrocare Publications Private Limited (converted into LLP w.e.f 30 March 2016)
Key Management Personnel (KMP)	Dr A Velumani, Managing Director A Sundararaju, Director Sumathi Velumani, Director (deceased on 13 February 2016)
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta) Amruta Velumani (daughter of Dr A Velumani) Anand Velumani (son of Dr A Velumani) A Sundararaju HUF (HUF in which A Sundararaju is Karta) JKR Rajagopal (brother in-law of Dr A Velumani) Bhamini S (wife of A Sundararaju) S Susila (sister of Dr A Velumani) A Rathinaswamy (brother of Dr A Velumani) A Sayamal (mother of Dr A Velumani) P Arokiaswamy (father of Dr A Velumani)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

27.b Details of related party transactions during the year ended 31 March 2016 and balances outstanding as at 31 March 2016:

Particulars	Subsidiary	Associates	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
Rent paid						
Nuclear Healthcare Limited	0.90	-	-	-	-	0.90
	(0.23)	(-)	(-)	(-)	(-)	(0.23)
Sumathi Construction Private Limited	-	-	3.21	-	-	3.21
	(-)	(-)	(0.79)	(-)	(-)	(0.79)
Service income						
Nuclear Healthcare Limited	6.43	-	-	-	-	6.43
	(-)	(-)	(-)	(-)	(-)	(-)
Security deposit for rented premises						
Nuclear Healthcare Limited	-	-	-	-	-	-
	(1.86)	(-)	(-)	(-)	(-)	(1.86)
Outlab processing charges paid						
Nuclear Healthcare Limited	86.90	-	-	-	-	86.90
	(-)	(-)	(-)	(-)	(-)	(-)
Sale of Radiopharmaceuticals						
Nuclear Healthcare Limited	(7.39)	(7.29)	(-)	(-)	(-)	(14.68)
Revenue from operations						
Thyrocare Gulf Laboratories WLL	-	-	15.85	-	-	15.85
	(-)	(-)	(18.20)	(-)	(-)	(18.20)
Purchase of fixed assets						
Thyrocare Gulf Laboratories WLL	-	-	4.52	-	-	4.52
	(-)	(-)	(-)	(-)	(-)	(-)
Purchase of consumables						
Thyrocare Gulf Laboratories WLL	-	-	0.23	-	-	0.23
	(-)	(-)	(-)	(-)	(-)	(-)
Expenses incurred on behalf of						
Nuclear Healthcare Limited	4.63	-	-	-	-	4.63
	(7.45)	(-)	(-)	(-)	(-)	(7.45)
Expenses incurred by						
Nuclear Healthcare Limited	0.62	-	-	-	-	0.62
	(-)	(-)	(-)	(-)	(-)	(-)
Sumathi Construction Private Limited	-	-	0.29	-	-	0.29
	(-)	(-)	(-)	(-)	(-)	(-)
Technical assistance fees income						
Thyrocare International Holding Company Limited, Mauritius	-	-	1.38	-	-	1.38
	(-)	(-)	(0.85)	(-)	(-)	(0.85)
Thyrocare Gulf Laboratories WLL	-	-	-	-	-	-
	(-)	(-)	(4.99)	(-)	(-)	(4.99)
Sale of business undertaking						
Nuclear Healthcare Limited	-	-	-	-	-	-
	(125.00)	(-)	(-)	(-)	(-)	(125.00)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Subsidiary	Associates	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
Allotment of equity shares on conversion of CCDs						
Dr. A Velumani	-	-	-	-	-	-
	(-)	(-)	(-)	(9.03)	(-)	(9.03)
A Sundararaju	-	-	-	-	-	-
	(-)	(-)	(-)	(0.30)	(-)	(0.30)
Sumathi Velumani	-	-	-	-	-	-
	(-)	(-)	(-)	(0.17)	(-)	(0.17)
Amruta Velumani	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.17)	(0.17)
Anand Velumani	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.04)	(0.04)
Dr A Velumani HUF	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.25)	(0.25)
Share swap of equity shares of Nuclear Healthcare Limited						
Dr. A Velumani	-	-	-	907.22	-	907.22
	(-)	(-)	(-)	(-)	(-)	(-)
A Sundararaju	-	-	-	3.17	-	3.17
	(-)	(-)	(-)	(-)	(-)	(-)
Sumathi Velumani	-	-	-	2.12	-	2.12
	(-)	(-)	(-)	(-)	(-)	(-)
Amruta Velumani	-	-	-	-	1.06	1.06
	(-)	(-)	(-)	(-)	(-)	(-)
Anand Velumani	-	-	-	-	1.06	1.06
	(-)	(-)	(-)	(-)	(-)	(-)
Dr A Velumani HUF	-	-	-	-	60.60	60.60
	(-)	(-)	(-)	(-)	(-)	(-)
Sumathi Infra Projects Private Limited	-	-	-	-	-	-
	(-)	(-)	(211.50)	(-)	(-)	(211.50)
Dividend paid						
Dr. A Velumani	-	-	-	84.36	-	84.36
	(-)	(-)	(-)	(42.06)	(-)	(42.06)
A Sundararaju	-	-	-	1.79	-	1.79
	(-)	(-)	(-)	(0.78)	(-)	(0.78)
Sumathi Velumani	-	-	-	4.42	-	4.42
	(-)	(-)	(-)	(2.25)	(-)	(2.25)
Amruta Velumani	-	-	-	-	5.62	5.62
	(-)	(-)	(-)	(-)	(2.86)	(2.86)
Anand Velumani	-	-	-	-	6.05	6.05
	(-)	(-)	(-)	(-)	(3.08)	(3.08)
Dr A Velumani HUF	-	-	-	-	6.70	6.70
	(-)	(-)	(-)	(-)	(3.41)	(3.41)
Bhamini S	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.02)	(0.02)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Subsidiary	Associates	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
A Sundararaju HUF	-	-	-	-	19.47	19.47
	(-)	(-)	(-)	(-)	(9.92)	(9.92)
A Rathinaswamy	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.02)	(0.02)
S Susila	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0.02)	(0.02)
P Arokiaswamy	-	-	-	-	0.00*	0.00*
	(-)	(-)	(-)	(-)	(0.02)	(0.02)
A Sayamal	-	-	-	-	0.00*	0.00*
	(-)	(-)	(-)	(-)	(0.02)	(0.02)
Sumathi Infra Projects Private Limited	-	-	11.82	-	-	11.82
	(-)	(-)	(3.38)	(-)	(-)	(3.38)
Mahima Advertising Private Limited	-	-	9.45	-	-	9.45
	(-)	(-)	(4.81)	(-)	(-)	(4.81)
Thyrocare Properties & Infrastructure Private Limited	-	-	39.13	-	-	39.13
	(-)	(-)	(19.93)	(-)	(-)	(19.93)
Thyrocare Publications Private Limited	-	-	49.01	-	-	49.01
	(-)	(-)	(24.96)	(-)	(-)	(24.96)
Remuneration paid						
Dr. A Velumani	-	-	-	10.80	-	10.80
	(-)	(-)	(-)	(4.80)	(-)	(4.80)
A Sundararaju	-	-	-	5.16	-	5.16
	(-)	(-)	(-)	(3.90)	(-)	(3.90)
Balances outstanding at the end of the year						
Amount recoverable from related parties						
Nuclear Healthcare Limited	79.57	-	-	-	-	79.57
	(117.50)	(-)	(-)	(-)	(-)	(117.50)
Thyrocare International Holding Company Limited, Mauritius	-	-	0.03	-	-	0.03
	(-)	(-)	(0.03)	(-)	(-)	(0.03)
Amount payable to related parties						
Nuclear Healthcare Limited	9.64	-	-	-	-	9.64
	(-)	(-)	(-)	(-)	(-)	(-)
Sumathi Construction Private Limited	-	-	0.08	-	-	0.08
	(-)	(-)	(-)	(-)	(-)	(-)
Thyrocare Gulf Laboratories WLL	-	-	4.75	-	-	4.75
	(-)	(-)	(-)	(-)	(-)	(-)
Investment in equity instruments						
Nuclear Healthcare Limited	1,946.74	-	-	-	-	1,946.74
	(971.50)	(-)	(-)	(-)	(-)	(971.50)
Thyrocare International Holding Company Limited, Mauritius	-	-	16.15	-	-	16.15
	(-)	(-)	(16.15)	(-)	(-)	(16.15)

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Subsidiary	Associates	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
Security deposit given						
Nuclear Healthcare Limited	1.86 (1.86)	- (-)	- (-)(-)	- (-)	- (1.86)	1.86
Receivable towards revenue from operations						
Thyrocare Gulf Laboratories WLL	- (-)	- (-)	24.63 (11.60)	- (-)	- (-)	24.63 (11.60)
Receivable towards technical assistance fees						
Thyrocare Gulf Laboratories WLL	- (-)	- (-)	6.98 (6.59)	- (-)	- (-)	6.98 (6.59)
Remuneration payable						
Dr. A Velumani	- (-)	- (-)	- (-)	1.40 (-)	- (-)	1.40 (-)
A Sundararaju	- (-)	- (-)	- (-)	0.65 (-)	- (-)	0.65 (-)

Note: Figures in bracket relates to the previous year

28 Additional information to the financial statements

28.1 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2016	31 March 2015
Claims against the Company not acknowledged as debt		
i) Property tax demand (See note (a) below)	67.59	49.75
ii) Income tax demands - TDS matter (See note (b) below)	368.52	140.42
iii) Income tax assessment order passed by the assessing officer - Appeal has been filed - FY 2011-12 and 2012-13	1.43	-
iv) Employees Provident funds & Miscellaneous Provisions Act, 1952 (See note (c) below)	5.23	5.23

- a) Navi Mumbai Municipal Corporation (NMMC) raised a claim on the original owner of the corporate office premises at D/37 - 3 located at Turbhe on account of arrears arising from retrospective amendment in the property tax rates. The Company has not received any reply to the letters filed from time to time with NMMC for the said matter. A writ petition has been filed before the H'ble High Court seeking intervention against the arbitrary assessment of the property tax with retrospective effect for the stated premises. The total amount of dues payable to NMMC is ₹ 71.04 million (31 March 2015: ₹ 52.34 million). Of the total amount of dues payable, the Company has provided for property tax dues of ₹ 3.45 million (31 March 2015: ₹ 2.59 million) for the said premises on the basis of the constructed area and the rates charged for the adjacent plot towards property tax. The balance outstanding amount of ₹ 67.59 million (31 March 2015: ₹ 49.75 million) as per NMMC for the corporate office premises has not been acknowledged as debts in the books of the Company.
- b) The Company had received income tax demand of ₹ 368.52 million (31 March 2015 : ₹ 140.42 million) on account of TDS survey proceedings initiated by the Income tax department for the FY 2008-09 to 2011-12. The Company has already filed an appeal before the H'ble High Court and the same is pending for hearing. In view of the management no provision is considered necessary as at 31 March 2016.
- c) The Company received an order for Provident Fund demand of ₹5.23 million (March 31, 2015: ₹ 5.23 million) on account of an inquiry u/s 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Company has already filed an appeal before the Tribunal and requested for condonation of delay and stay of the demand raised by the Regional Provident

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

Fund Commissioner. The appeal is admitted by the Tribunal and currently pending for hearing. As per the direction of the Provident Fund Appellate Tribunal, Company has paid 40% of disputed amount of ₹2.09 million (31 March 2015: ₹Nil) to the Provident Fund organisation. In view of the management no provision is considered necessary as at 31 March 2016.

b) Commitments

- (i) The Company has entered into Reagent Rental Arrangements for a period ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory of the Company. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads.

The value of purchase commitments for the remaining number of years are ₹ 3,117.77 million (31 March 2015: ₹ 3,500.37 million) of which annual commitment for next year is ₹ 467.09 million (31 March 2015 : ₹ 449.18 million) as per the terms of these arrangements.

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ 10.38 million (March 2015 : ₹ 18.20 million).

28.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro & Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

Particulars	31 March 2016	31 March 2015
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

- 28.3** The Company has entered into operating leases for office and storage spaces. Total lease payments recognised in books is ₹ 15.75 million (31 March 2015 : ₹3.95 million).

The future minimum lease payments in respect of non-cancellable operating leases as at 31 March 2016 are as follows

Particulars	31 March 2016	31 March 2015
Payable within one year	9.79	4.09
Payable between one and five years	33.39	6.14
Payable after five years	16.22	-
Total	59.40	10.23

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

28.4 During the previous year, pursuant to the Slump Sale Agreement dated 26 March 2015 and approval of shareholders in their meeting held on 14 March 2015, the transfer and sale of Cyclotron Division engaged in the business of manufacturing of radiopharmaceuticals located at Ground Floor, D/37-1, TTC MIDC, Turbhe, Navi Mumbai - 400703, as a going concern on a slump sale basis for a lumpsum consideration of ₹125 million to Nueclear Healthcare Limited was concluded at close of business hours on 31 March 2015. The book value of the said undertaking as on the date of transfer was ₹ 107.21 million. The profit on sale of division was ₹ 17.79 million.

The slump sale agreement dated 26 March 2015 has been modified during the year with reference to the transfer of lease hold land and building appurtenant thereto in view of restriction imposed by Maharashtra Industrial Development Corporation (the "MIDC") for transfers of a portion of the plot of land and building thereon. Accordingly, the book value of the land and building and accumulated depreciation thereof effective 31 March 2015 as provided in the original agreement and given effect to in the previous year financial statements has been reversed. Consequently the slump sale consideration has been reduced by ₹11.50 million as a result of which the company received additional profit of ₹2.98 million.

The Company is currently in the process of obtaining regulatory approval from MIDC for sub-leasing of land and building to NHL where the Cyclotron unit is situated and also for the approvals and licenses required for production and handling of radiopharmaceuticals used for testing in Pet-CT scan that was issued to Company by Atomic Energy Regulatory Board ('AERB') to be transferred in the name of NHL.

The Company has made an application to MIDC vide letter dated 16 December 2015 and further replied to the letter dated 15 January 2016 providing additional information as required.

The Company has also filed an application with AERB vide letter dated 22 December 2015 for obtaining the requisite approval. AERB responded with a request for certain additional documents vide their letter dated 15 February 2016. The company is in the process of submission of the same.

Pending approval from regulatory authorities, Company's management is of the view that these approvals are procedural in nature and is expecting these approvals in due course. In the unlikely event of these regulatory authorities denying said approvals, management does not expect any material impact on the financial statements.

28.5 As approved in the meeting of Audit Committee and Board of Directors dated 16 September 2014, the Company has issued 3,187,562 (31 March 2015 : 691,295) shares of the Company as fully paid equity shares at a premium of ₹295.95 per share for 4,611,000 (31 March 2015: 1,000,000) shares of Nueclear Healthcare Limited (in the ratio of 1 : 1.44656) to the shareholders of Nueclear Healthcare Limited. Accordingly Nueclear Healthcare Limited has become a wholly owned subsidiary on 16 December 2015.

28.6 Value of imports calculated on CIF basis :

	31 March 2016	31 March 2015
Raw materials	43.83	30.26
Capital goods	16.57	60.00

28.7 Earning in foreign currency :

	31 March 2016	31 March 2015
Revenue from operations	15.30	21.27
Other income :		
Technical assistance/ trade mark assignment fees	1.38	5.83

28.8 Expenditure in foreign currency :

	31 March 2016	31 March 2015
Others :		
Accreditation fees	0.59	0.32
Business promotion	0.08	-

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

28.9 Details of consumption of imported and indigenous items

	31 March 2016	31 March 2015
	₹ / %	₹ / %
Imported		
Raw materials	21.43	8.00
	3.59%	1.64%
Indigenous		
Raw materials	575.17	478.56
	96.41%	98.36%
Total	596.60	486.56
	100%	100%

28.10 Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables/ trade payables not hedged by derivative instruments are as follows :"

	31 March 2016		31 March 2015	
	Amount in USD	Amount in Rs	Amount in USD	Amount in Rs
Trade receivables	0.48	31.63	0.30	18.66
Trade payables	0.15	9.95	0.07	4.51

28.11 Discontinued Operations of Cyclotron Divisions :

The company transferred and sold the Cyclotron division on a slump sale basis with effect from the close of business hours on 31 March, 2015 as mentioned in Note 28.4.

The details of revenue expenditure and profit / (loss) upto the date of transfer/sale are given below:

	31 March 2015
Revenue from operations	22.35
Expenditure	31.49
(Loss) from discontinued operations	(9.14)
(Loss) from discontinued operations after tax	(6.03)
The carrying amounts of the assets and liabilities of the Cyclotron division to be settled are as follows:	
Total assets *	92.76
Total liabilities	0.09

* The carrying amount of total assets is netted of to the extent of leasehold land ₹ 3.94 million and building of ₹ 10.54 million. Refer Note 28.4.

28.12 Corporate social responsibility expenses

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The funds were primarily allocated and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- Gross amount required to be spent by the Company during the year ₹ 14.45 million (31 March 2015 : ₹13.26 million)
- Amounts spent during the year on :

Activities	31 March 2016		31 March 2015	
	Paid in Cash	Yet to be Paid in Cash	Paid in Cash	Yet to be Paid in Cash
Construction/acquisition on any asset	-	-	9.21	0.55
Others - Educational	0.04	-	0.06	-

Notes to the standalone financial statements as at 31 March 2016

(Currency: ₹ in million)

28.13 The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10/- each at a price of ₹ 446/- by the Selling shareholders. The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

28.14 Other operating revenue for the year ended 31 March 2015 includes ₹7.29 million towards prior period income.

28.15 Thyrocare Technologies Limited (the "Company") as on March 31, 2016 holds 100 % Equity (58.50 % as on 31 March 2015) of Nuclear Healthcare Limited (the "Subsidiary")

The Company acquired the controlling stake in the Subsidiary effective 15 November 2014 and subsequently acquired the balance equity shares on 16 December 2015. Thus, as on March 31 2016 the Company holds all the equity shares of the subsidiary and is the only shareholder, member as per the Shareholder, Member register of the Subsidiary.

The Company is in the process of regularising the requirement of minimum number of shareholders by nominating six shareholders for complying with the requirement of the Companies Act, 2013.

28.16 In accordance with Accounting Standard 17 'Segment Reporting', segment information has been given in the consolidated financial statements of the Company.

28.17 The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2015. The Company will undertake a study for transactions upto 31 March 2016 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2015 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

28.18 Previous year's financial statements were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

28.19 The figures of the previous year have been regrouped / rearranged as follows :

Nature	As reported 31 March 2015	As reclassified 31 March 2016
1 Capital work-in-progress	54.96	49.79
Intangible fixed assets under development	-	5.17
	54.96	54.96
2 Short-term loans & advances:		
Amount recoverable from related party	117.50	-
Other current assets:		
Amount recoverable from related party	-	117.50
	117.50	117.50
3 Short-term loans & advances:		
Advances for supply of goods and services	77.42	62.78
Other current assets		
Other receivables	-	14.64
	77.42	77.42

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
11 June 2016

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - U85110MH2000PLC123882

Dr. A Velumani
Managing Director
DIN - 00002804

Mumbai
11 June 2016

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260

Ramjee D
Company Secretary
Membership No - F2966

Mumbai
11 June 2016

INDEPENDENT AUDITORS' REPORT

To the Members of
Thyrocare Technologies Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Thyrocare Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31 March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21, Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31 March 2016;
- ii) in the case of the Consolidated Statement of Profit and Loss, of the consolidated profits for the year ended on that date; and
- iii) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, based on our audit, we report, to the extent applicable, that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representation received from the directors of the Holding Company as on 31 March 2016, taken on record by the Board of Directors of the Holding Company and on the basis of the relevant assertion contained in the audit report on standalone financial statements of subsidiary company incorporated in India, none of the Directors of the Group are disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- (g) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer note 29.1(a) to the consolidated financial statements.
 - ii. the Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there were no amounts outstanding as on balance sheet date which were required to be transferred to the Investor Education and Protection Fund by the Group.

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
11 June 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT – 31 MARCH 2016

(Referred to in our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of Thyrocare Technologies Limited (hereinafter referred to as "the Holding Company") and its subsidiary, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, and its subsidiary, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub-section 10 of section 143 of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports

referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) 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 Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
11 June 2016

Consolidated Balance Sheet as at 31st March, 2016

(Currency: ₹ in million)

	Notes	31 March 2016	31 March 2015
Equity and liabilities			
Shareholders' funds			
Share capital	3	537.24	505.36
Reserves and surplus	4	3,118.86	2,258.36
		3,656.10	2,763.72
Minority Interests			
		-	360.11
Non-current liabilities			
Other long term liabilities	5	58.35	63.78
Long-term provisions	6	68.23	31.57
		126.58	95.35
Current liabilities			
Trade payables	7	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		20.24	8.35
Other current liabilities	8	103.98	48.20
Short-term provisions	9	189.84	16.45
		314.06	73.00
Total		4,096.74	3,292.18
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10A	1,513.58	1,495.93
Intangible assets	10B	8.87	10.73
Capital work-in-progress	10C	10.18	50.36
Intangible assets under development	10C	3.75	5.17
		1,536.38	1,562.19
Goodwill on consolidation		1,068.58	453.43
Non-current investments	11	16.15	16.15
Deferred tax assets (net)	12	25.56	8.69
Long-term loans and advances	13	106.04	145.00
		2,752.71	2,185.46
Current assets			
Current investments	14	916.31	843.01
Inventories	15	107.17	73.66
Trade receivables	16	75.05	49.12
Cash and bank balances	17	102.95	50.75
Short-term loans and advances	18	76.95	75.33
Other current assets	19	65.60	14.85
		1,344.03	1,106.72
Total		4,096.74	3,292.18
Significant accounting policies	2		
The accompanying notes form an integral part of the consolidated financial statements	3-29		

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Dr. A Velumani

Managing Director

DIN - 00002804

For and on behalf of the Board of Directors of

Thyrocare Technologies Limited

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai
11 June 2016

Mumbai
11 June 2016

Mumbai
11 June 2016

Consolidated Statement of Profit and Loss for the year ended 31st March, 2016

(Currency: ₹ in million)

	Notes	31 March 2016	31 March 2015
Revenue			
Revenue from operations	20	2,409.65	1,829.58
Other income	21	65.43	81.09
Total revenue		2,475.07	1,910.67
Expenses			
Cost of materials consumed	22.a	630.33	492.62
Purchases of stock-in-trade	22.b	66.42	66.70
Changes in inventories of stock-in-trade	22.c	6.82	(1.03)
Employee benefits expense	23	256.98	174.81
Depreciation and amortisation	10A & 10B	182.37	128.65
Other expenses	24	514.12	372.76
Total expenses		1,657.04	1,234.51
Profit before tax		818.03	676.16
Tax expense:			
Current tax		321.00	250.00
Current tax expense relating to prior years		(4.10)	2.01
Deferred tax (credit)		(16.87)	(16.22)
		300.03	235.78
Profit after tax and before minority interest			
Loss transferred to minority		-	(11.79)
Profit for the year		518.00	452.17
Earnings per share [Nominal value of ₹ 10 each]			
(a) Basic	25.a	10.06	9.14
(b) Diluted	25.b	10.06	9.14
Significant accounting policies	2		
The accompanying notes form an integral part of the consolidated financial statements	3-29		

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Dr. A Velumani

Managing Director

DIN - 00002804

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

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai
11 June 2016Mumbai
11 June 2016Mumbai
11 June 2016

Consolidated Cash flow statement for the year ended 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
A. Cash flows from operating activities		
Net profit before tax	818.03	676.16
<i>Adjustments for:</i>		
Depreciation and amortisation	182.37	128.65
Provision for diminution in value of investment	2.41	2.40
Excess provision written back	-	(10.04)
Net gain on sale of current investments	(10.44)	(6.93)
Profit on sale of fixed assets	(0.44)	0.17
Unrealised (gain) / loss on foreign exchange fluctuation	(1.48)	0.22
Provision for claims	12.91	-
Employee stock compensation expense	17.73	8.18
Provision for Wealth Tax	-	0.06
Interest paid	-	0.74
Dividend income from current investment	(32.22)	(55.20)
Interest income	(0.28)	(3.30)
	170.56	64.95
Operating profit before working capital changes	988.59	741.11
(Increase) in Inventories	(33.51)	(10.51)
(Increase) / Decrease in Trade receivables	(24.67)	0.01
(Increase) in Loans and advances	(10.25)	(149.23)
Increase / (Decrease) in Trade payables	12.11	(8.32)
Increase / (Decrease) in Other liabilities	38.16	(18.76)
Increase in Provisions	26.82	18.20
	8.66	(168.61)
Cash generated from operations	997.25	572.50
Net income tax (paid)	(319.24)	(227.86)
Net cash flows from operating activities (A)	678.01	344.64
B. Cash flows from investing activities		
Purchase of fixed assets, capital work in progress and capital advances	(144.20)	(99.93)
Proceeds from sale of fixed assets	0.75	0.76
Purchase of current investments	(1,064.44)	(1,317.42)
Proceeds from sale of current investments	999.17	1,773.10
Payment on acquisition of Subsidiaries (net of cash acquired)	-	(591.49)
Loans (given)	-	(0.34)
Dividend received	32.22	55.20
Bank deposits (having original maturity of more than 3 months)	(0.50)	0.42
Interest received	0.25	0.05
Net cash (used in) investing activities (B)	(176.75)	(179.65)

Consolidated Cash flow statement for the year ended 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
C. Cash flows from financing activities		
Proceeds from issue of equity shares	-	0.34
Dividend paid on equity shares	(379.02)	(189.89)
Tax paid on dividend	(70.54)	(38.89)
Net cash (used in) financing activities (C)	(449.56)	(228.44)
Net Increase / (Decrease) in Cash and cash equivalents (A+B+C)	51.70	(63.45)
Cash and cash equivalents at the beginning of the year	50.75	114.20
Cash and cash equivalents at the end of the year	102.45	50.75

Notes to cash flow statement

Components of cash and cash equivalents

Cash on hand	-	0.19
Cheques on hand	-	-
Balances with banks		
(i) In current accounts	102.45	50.56
	102.45	50.75

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements" as prescribed as per Companies (Accounting Standards) Rules, 2014.

2 The Thyrocare Technologies Limited (TTL allotted 3,187,562 (31 March 2015: 691,295) equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 (31 March 2015 : 1,000,000) equity shares of NHL. These amounts have not been considered in the above cash flow statements.

The accompanying notes form an integral part of the financial statements 3-29

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No: 042070

Mumbai
11 June 2016**Dr. A Velumani**

Managing Director

DIN - 00002804

Mumbai
11 June 2016For and on behalf of the Board of Directors of
Thyrocare Technologies Limited

CIN - U85110MH2000PLC123882

A Sundararaju

Director and Chief Financial Officer

DIN - 00003260

Ramjee D

Company Secretary

Membership No - F2966

Mumbai
11 June 2016

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

1 Corporate information

Thyrocare Technologies Limited (“the Company”) along with its wholly owned subsidiary, Nueclear Healthcare Limited (“the Subsidiary”) is one of India’s leading healthcare service providers in diagnostic segment. The Company and its Subsidiary (“the Group”) are engaged in providing quality diagnostic services at affordable costs to laboratories, hospitals and cancer patients. The Group has its centralised fully automated diagnostic testing laboratory, regional processing laboratories, a medical cyclotron facility and multiple PET-CT facilities across the country.

2 Significant accounting policies

2.1 Basis of accounting and preparation of consolidated financial statements

These Consolidated Financial Statements relate to Thyrocare Technologies Limited (‘the Company’) and its subsidiary company, Nueclear Healthcare Limited (‘the Subsidiary), in which the Company has 100% equity holding as on 31 March 2016 (58.50% : 31 March 2015) herein after referred to as the “Group”. The Company acquired controlling stake in the subsidiary effective 15 November 2014. These consolidated financial statements have been prepared as at 31 March 2016 and for year 1 April 2015 to 31 March 2016 have been prepared in accordance with the generally accepted accounting principles in India under historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with applicable accounting standards notified under Section 133 of the Companies Act, 2013 (“Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 and the provisions of the Act and the provisions of the Act, to the extent notified and applicable. The Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities. These consolidated financial statements are prepared in Indian rupees rounded off to the nearest million.

2.2 Principles of Consolidation:

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21 “Consolidated Financial Statements”. The Consolidated Financial Statements have been prepared on the following basis:

- (a) The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like

items of assets, liabilities, income and expenses. Intra-group balances, intra-group transactions and unrealised profits or losses have been fully eliminated.

- (b) “Minority interest” represents the amount of equity attributable to minority shareholders at the date on which investment in the subsidiary is made and its share of movements in the equity since the date the parent subsidiary relationship comes into existence.
- (c) The Consolidated Financial Statements are prepared using uniform accounting policies for similar transactions and other events in similar circumstances.
- (d) Investments in subsidiary are eliminated and differences between the costs of investment over the net assets on the date of the investment in subsidiary are recognised as goodwill or capital reserve, as the case may be.
- (e) Goodwill on consolidation represents the excess of purchase consideration over the net book value of assets acquired of the subsidiary as on the date of investment. Goodwill on consolidation is not amortised but is tested for impairment on each balance sheet date and impairment losses are recognised, where applicable.
- (f) The financial statements of the subsidiary used for the purpose of consolidation are drawn upto the same reporting date as that of the parent Company, i.e. 31 March 2016.
- (g) Investments other than in subsidiary are accounted as per the Accounting Standard 13 – “Accounting for Investments”.

2.3 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (‘GAAP’) in India requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management’s evaluation of the relevant facts and circumstances as of the date of financial statements which in management’s opinion are prudent and

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.4 Current - non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria :

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current position of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in the settlement by the issue of equity investments do not affect its classification. Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle.

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

All assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III of the Companies Act, 2013. Normal operating cycle for the Company is 12 months.

2.5 Inventories

Inventories comprises of reagents, contrasts, diagnostic material, consumables and stock in trade which are valued at lower of cost and net realisable value. Cost is determined under the first in first out (FIFO) method and includes all costs incurred in bringing the inventories to their present location and condition.

2.6 Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. 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.

2.7 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 Group are segregated based on the available information.

2.8 Revenue recognition

"Revenue from testing services and diagnostic services is recognised once the testing samples are processed for requisitioned diagnostic tests. Revenue from imaging services is recognised once the services are rendered."

"Revenue from sale of products is recognised when the property and all significant risks and rewards of ownership are transferred to the buyer and no significant uncertainty exists regarding the amount of consideration that is derived from the sale of goods. Sales are accounted net of sales tax and trade discounts, if any. Revenue from sale of products in a barter transaction is measured at the fair value of the product sold by reference to non barter transactions with other parties involving sale of same product."

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Revenue from technical assistance and trade mark assignment is recognised once the company's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trade mark is recognised as per the agreed percentage of the turnover of the respective entities, as per the terms of the agreement.

Interest income is recognized using the time proportion method, based on the underlying interest rates. Dividend income if any is recognized when the right to receive dividend is established.

2.9 Tangible fixed assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes inward freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to acquisition and installation of the fixed assets up to the time the assets are ready for intended use. Capital work-in-progress comprises of the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

Pursuant to the Companies Act, 2013 being effective from 01 April, 2014, the Company had in previous year revised the depreciation rates on fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. Consequently, depreciation charge for the year for the year ended 31 March 2015 was higher by ₹6.26 millions due to change in the estimated useful life of certain assets. Further, an amount of ₹ 5.79 millions had been adjusted against the opening balance of reserves under surplus in statement of profit and loss as on 1 April 2014, in respect of the residual value of assets wherein the remaining useful life has become 'Nil' (Refer Note 4(f) and Note 10)

In respect of fixed assets purchased during the year, the depreciation is provided on a pro-rata basis from the date on which such asset is ready to use. Depreciation on fixed assets, except leasehold / freehold land, is provided under the written-down value method as per the useful lives prescribed under Part C of Schedule II to the Act, which in the opinion of management reflects the economic useful lives of assets. Depreciation on sale of assets is provided up to the date of sale of the asset. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at higher rate

based on the management's estimate of the useful life / remaining useful life.

Assets costing up to Rupees five thousand are fully depreciated in the period of purchase.

Leasehold land is amortised on a straight-line basis over the primary period of lease.

Assets on leasehold land i.e. building premises are depreciated over the shorter of the lease term and their useful lives (not being greater than the useful life envisaged in Schedule II to the Act).

2.10 Intangible fixed assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset. Intangible assets are amortised over the estimated useful life not exceeding 5 years. Goodwill comprises the excess of purchase consideration over the parent's portion of equity of the subsidiary at the date on which investment in the subsidiary is made. Goodwill arising on consolidation is not amortized but is tested for impairment.

Intangible assets under development

Development activities involve a plan or design for the production of new or substantially improved products or processes.

Development expenditure is capitalised 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 the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

use, and directly attributable borrowing costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.

2.11 Investments

Investments that are readily realisable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long term investments" in consonance with the current–non-current classification scheme of Schedule III of the Act.

Long Term investments are stated at cost. Provision for diminution in value is made only when in the opinion of the management there is a diminution other than temporary in the carrying value of such investments determined separately for each investment. Current investments are valued at lower of cost and market value.

2.12 Employee benefits

Short-term employment benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salary, wages and bonus, compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period of rendering of service by the employees.

Post employment benefits

Defined contribution plans

The Group has defined contribution plans for post employment benefits namely Provident Fund. Under the provident fund plan, the Group contributes to a Government administered provident fund on behalf of its employees and has no further obligation beyond making its contribution. The Group makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme 1995 and has no further obligation beyond making the payment to them. The Group's contributions to the above funds are charged to the Statement of profit and loss every year.

Defined benefit plans

The Group's gratuity benefit scheme are defined benefit plans. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs is deducted. The calculation of the Group's obligation is performed annually by a qualified actuary using the projected unit credit method.

The Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in profit or loss on a straight-line basis over the average period until the benefits become vested. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Other long-term employment benefits

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

2.13 Segment reporting

As per the guiding principles enunciated in the Accounting Standard 17 on Segment Reporting as notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013. The Company has identified business segments as its primary segment. The Company recognizes its diagnostic testing services activity, manufacturing of radiopharmaceuticals activity and imaging services

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

activity as its primary business segment. Others represents trading and other related business activities that does not qualify as a separate business segment. Revenues and expenses directly attributable to segments are reported under each reportable segment.

2.14 Earnings per share

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

2.15 Taxes on income

Income tax

Income tax expense comprises current tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Current tax provision is made based on the tax liability computed after considering tax allowances and exemptions, in accordance with the Income tax Act, 1961.

Deferred tax

Deferred tax charge or credit and the corresponding deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/ losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/ virtually certain (as the case may be) to be realised.

Minimum Alternate Tax

Minimum Alternate Tax (MAT) under the provisions of the Income-tax Act, 1961 (the 'IT Act') is recognised as current tax in the Statement of Profit and Loss. The credit available under the IT Act in respect of MAT paid is recognised as an asset only when and to the extent there

is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

2.16 Employee stock options

The excess of the fair value of shares, at the date of grant of options under the Employees Stock Option Scheme of the Company, over the exercise price is regarded as employee compensation, and recognised on a straight-line basis over the period over which the employees would become unconditionally entitled to apply for the shares. The accounting treatment is as prescribed by Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, issued by Securities and Exchange Board of India and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

2.17 Impairment of assets

In accordance with AS 28 on 'Impairment of assets', other fixed assets (tangible and intangible) are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets (cash generating unit or CGU) that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The recoverable amount of an asset or CGU is the greater of its value in use and its net selling price. 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 or CGU.

Impairment losses are recognised in profit or loss. However, an impairment loss on a revalued asset is recognised directly against any revaluation surplus to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for that same asset.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists or has decreased, the assets or CGU's recoverable amount is estimated. The impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Such a reversal is recognised in the profit or loss; however, in the case of revalued assets, the reversal is credited directly to revaluation surplus except to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the profit or loss.

2.18 Provisions and contingencies

Provision is recognised in the balance sheet when the Group has a present obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimation can be made of the amount required to settle the obligation. Contingent liabilities arising from claims, litigation, assessment, fines, penalties etc. are disclosed when there is a possible obligation or a present obligation as a result of a past event where it is not probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reasonably estimated. When there is a possible obligation or a present obligation

in respect of which the likelihood of outflow of resources is remote, no provision or disclosures is made.

2.19 Foreign exchange transactions

Foreign exchange transactions are recorded into Indian rupees using the average of the opening and closing spot rates on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of profit and loss of the year.

Monetary items (including long-term monetary items) in foreign currency, which are outstanding as at the year-end are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss. Non-monetary foreign currency items are carried at cost.

2.20 Lease

Operating lease payments are recognised as an expense on a straight-line basis over the non cancellable period of the lease term and charged to the Statement of profit and loss unless other systematic basis is more representative of the time pattern of the benefit. Any modifications in respect of lease terms or assumptions are recorded prospectively.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

3 Share capital

	31 March 2016		31 March 2015	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 10 each with equal voting rights	10,00,00,000	1,000.00	10,00,00,000	1,000.00
(b) Issued				
Equity shares of ₹ 10 each with equal voting rights	5,37,23,533	537.24	5,05,35,971	505.36
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with equal voting rights	5,37,23,533	537.24	5,05,35,971	505.36
Total	5,37,23,533	537.24	5,05,35,971	505.36

i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period/year:

	31 March 2016		31 March 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares with equal voting rights				
Opening balance	5,05,35,971	505.36	1,09,17,519	109.18
Fresh issue of equity shares				
Add : Shares issued on Conversion of compulsorily convertible debentures (CCDs) (refer note vi)	-	-	15,10,000	15.10
	5,05,35,971	505.36	1,24,27,519	124.28
Add : Shares issued to the Employees trust under the Employees Stock Option 2014 (ESOP 2014) (refer note v (a))	-	-	33,650	0.33
	5,05,35,971	505.36	1,24,61,169	124.61
Add : Bonus shares issued during the year (refer note v (b))	-	-	3,73,83,507	373.84
	5,05,35,971	505.36	4,98,44,676	498.45
Add : Fresh issue of equity shares for consideration other than cash (refer note v (c))	31,87,562	31.88	691,295	6.91
Closing balance	5,37,23,533	537.24	5,05,35,971	505.36

ii) Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible for one vote per share. The equity shares are entitled to dividend as declared from time to time.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

iii) Details of equity shares held by each shareholder holding more than 5% of shares:

Class of shares / Name of shareholder	31 March 2016		31 March 2015	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with equal voting rights				
Dr A Velumani	1,48,09,317	27.57%	1,12,48,060	22.26%
Agalia Private Limited	1,12,94,540	21.02%	1,12,94,540	22.35%
Thyrocare Publications Private Limited	65,34,500	12.16%	65,34,500	12.93%
Thyrocare Properties & Infrastructure Private Limited	52,17,800	9.71%	52,17,800	10.32%
Norwest Venture Partners VIIIA Mauritius	50,64,880	9.43%	50,64,880	10.02%
A Sundararaju HUF	25,96,540	4.83%	25,96,540	5.14%

iv) As at 31 March 2016 : 39,188 shares (31 March 2015 : 3,187,562 shares) were reserved for issuance as follows:

- Nil (31 March 2015 : 3,187,562) equity shares of ₹ 10 each for issuing to shareholders of Nueclear Healthcare Limited (Nueclear) as per the terms of the offer for equity share swap of their holding in Nueclear Healthcare Limited.
- 39,188 (31 March 2015: Nil) equity shares of ₹ 10 each reserved for issuance under Employee Stock Option Scheme 2015 (ESOS 2015) (Refer note 26c).

v) Aggregate no. of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of 5 years immediately preceding the reporting date :

a) Employees stock options

The company has approved Employees Stock Options on September 20, 2014 pursuant to which certain employees are entitled to 33,650 equity shares of ₹ 10 each.

These shares have been issued to the ESOP Trust pursuant to the approved terms of employees stock option scheme 2014, for which only the exercise price i.e. the face value of shares has been recovered in cash (Refer note 26(c)).

- Nil (31 March 2015 : 37,383,507) equity shares of ₹ 10 each fully paid up, have been allotted as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premium account of ₹ 370.81 million and capital redemption reserve of ₹ 3.03 million.
- The Company allotted 3,187,562 (31 March 2015: 691,295) equity shares of ₹ 10 each fully paid up, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 (31 March 2015 : 1,000,000) equity shares of NHL at a premium of ₹295.95 per share.

- As per the terms of the investment agreement ('IA') executed between the Company, the promoters of the Company and the investors, 377,500 CCDs of face value of ₹ 662.25 each were issued at par. The CCDs are zero coupon and are due for conversion into 4 fully paid equity share of ₹ 10 each of the Company at a premium of ₹ 155.58 per share. As per the terms and conditions of the IA, the CCDs are due for conversion on/by completion of 36 month from the date of allotment (24 December 2010) i.e. 23 December 2013 but not later than 60 months from the date of allotment i.e. 23 December 2015. During the previous year, the CCDs were converted into 1,510,000 equity shares of the Company pursuant to the Investors agreement and approval of the shareholders vide meeting held on 23 August 2014.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

4 Reserves and surplus

	31 March 2016	31 March 2015
(a) Capital reserve		
At the commencement and end of the year	1.06	1.06
(b) Capital redemption reserve		
At the commencement of the year	-	-
Add : Transfer from general reserve	-	3.03
Less : Utilised for issue of bonus shares	-	(3.03)
At the end of the year	-	-
(c) Securities premium account		
At the commencement of the year	289.57	220.89
Add : Premium received on conversion of CCD [Refer note 3(vi)]	-	234.90
Add : Premium received on issue of shares to equity shareholders of Nuclear Healthcare Limited [Refer note 3(v)(c)]	943.36	204.59
Less : Utilised for issue of bonus shares [Refer note 3(v)(b)]	-	(370.81)
At the end of the year	1,232.93	289.57
(d) Share options outstanding account		
At the commencement of the year	8.18	-
Employee compensation expense for the year [Refer note 23 and 26(c)]	17.74	8.18
At the end of the year	25.92	8.18
(e) General reserve		
At the commencement of the year	91.67	94.70
Less : Transfer to capital redemption reserve	-	(3.03)
At the end of the year	91.67	91.67
(f) Surplus in statement of profit and loss		
At the commencement of the year	1,867.88	1,643.66
Profit for the year	518.00	452.17
Appropriation		
Adjustment due to change in useful life of fixed assets [Refer note 10]	-	(5.79)
Interim dividend on equity shares [amount of ₹ 7.5 per share (31 March 2015 : ₹15.28 per share)]	(379.02)	(189.89)
Dividend distribution tax	(77.16)	(32.27)
Proposed dividend on equity shares [amount of ₹ 2.5 per share (31 March 2015 : ₹Nil)]	(134.32)	-
Tax on proposed dividend on equity shares	(28.10)	-
	(618.60)	(227.96)
At the end of the year	1,767.28	1,867.88
	3,118.86	2,258.36

5 Other long-term liabilities

Trade/Security deposits received	54.92	55.84
Deferred rent	3.43	7.94
	58.35	63.78

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

6 Long-term provisions

	31 March 2016	31 March 2015
Provision for employee benefits:		
Provision for compensated absences	35.60	13.55
Provision for gratuity (Refer Note 26.b)	8.91	7.21
Provision for claims* (Refer Note 29.1(a)(v))	23.72	10.81
	68.23	31.57
*At the commencement of the year	10.81	10.81
Provision during the year	12.91	-
Provision utilised during the year	-	-
Unutilised provision written back during the year	-	-
At the end of the year	23.72	10.81

7 Trade payables

Trade Payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	20.24	8.35
	20.24	8.35

8 Other current liabilities

Employee dues	18.55	7.97
Statutory dues *	7.40	7.09
Creditors for capital goods	19.55	7.36
Advances received from customers	16.77	12.37
Trade/Security deposits received	7.08	3.49
Expenses payable #	29.61	8.27
Deferred rent	5.02	1.66
	103.98	48.20

* Statutory dues include tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.

Expenses payable include operating, administrative and marketing expenses.

9 Short-term provisions

Provision for employee benefits:		
Provision for bonus	4.69	4.30
Provision for compensated absences	3.62	1.80
Provision for gratuity (Refer Note 26.b)	0.15	0.09
Provision for refundable staff security deposits	1.62	0.82
	10.08	7.01
Other provisions :		
Provision for proposed dividend	134.31	-
Provision for dividend distribution tax	28.10	-
Provision for current tax (net of advance tax and tax deducted at source)	17.35	9.44
	189.84	16.45

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

10 Fixed assets

A. Tangible assets

	Gross block				Accumulated depreciation and amortisation				Net block			
	1 April 2015	Addition	Disposal/ Adjustment	Other adjustment**	31 March 2016	1 April 2015	Accumulated depreciation on Acquisition	Depreciation/ amortisation expense for the year	Disposal/ adjustment	Other adjustment**	31 March 2016	31 March 2015
Leasehold Land	258.88 (168.96)	- (89.92)	- -	- -	258.88 (258.88)	12.05 (4.21)	- (4.73)	4.19 (3.11)	- -	- -	16.24 (12.05)	246.83 (-)
Freehold Land	27.00	(27.00)	-	-	27.00	-	-	-	-	-	-	27.00
Buildings/ Premises	868.87 (495.36)	- (373.51)	1.22	-	870.09 (868.87)	126.52 (55.49)	- (43.39)	36.77 (27.64)	- -	- -	163.29 (126.52)	742.35 (-)
Plant and Equipment*	482.31 (220.30)	- (163.75)	164.21 (100.82)	(2.56)	646.52 (482.31)	132.62 (47.45)	- (36.12)	91.04 (50.68)	- (1.63)	- -	223.66 (132.62)	349.69 (-)
Furniture and Fixtures	136.55 (73.45)	- (18.85)	19.81 (44.25)	-	156.36 (136.55)	45.28 (17.58)	- (3.31)	27.82 (24.38)	- -	- (0.01)	73.10 (45.28)	91.27 (-)
Vehicles	18.22 (11.84)	- -	0.05 (6.65)	1.19 (0.27)	17.08 (18.22)	9.28 (7.15)	- -	2.88 (2.35)	0.94 (0.27)	- (0.05)	5.86 (9.28)	8.94 (-)
Office equipment	61.93 (32.81)	- (14.77)	8.58 (14.35)	1.26	69.25 (61.93)	36.99 (12.82)	- (5.68)	12.58 (13.70)	1.20	-	48.37 (36.99)	24.94 (-)
Computers printers and scanners	39.74 (36.13)	- (0.77)	3.24 (2.84)	-	42.98 (39.74)	34.83 (29.50)	- (0.38)	3.87 (4.55)	- -	- (0.40)	38.70 (34.83)	4.91 (-)
Total tangible assets	1,893.50	-	197.11	2.45	2,088.16	397.57	-	179.15	2.14	-	574.58	1,495.93
Total Previous year	(1,038.85)	(688.57)	(168.91)	(2.83)	(1,893.50)	(174.20)	(93.61)	(126.41)	(1.90)	(5.25)	(397.57)	(1,495.93)

* Previous year figures includes ₹9.76 million towards gross block of fixed assets capitalised and claimed under Corporate Social Responsibility (CSR) expenditure. (Refer note 29.5)

B. Intangible assets

	Gross block				Accumulated depreciation and amortisation				Net block			
	1 April 2015	Addition	Disposal/ Adjustment	Other adjustment**	31 March 2016	1 April 2015	Accumulated depreciation on Acquisition	Depreciation/ amortisation expense for the year	Disposal/ adjustment	Other adjustment**	31 March 2016	31 March 2015
Computer software	23.68 (18.73)	-	1.34 (4.95)	-	25.02 (23.68)	12.93 (10.15)	-	3.22 (2.24)	-	-	16.14 (12.93)	10.74 (-)
Total intangible assets	23.68	-	1.34	-	25.02	12.93	-	3.22	-	-	16.14	10.74
Total Previous year	(18.73)	-	(4.95)	-	(23.68)	(10.15)	-	(2.24)	-	(0.54)	(12.93)	(-)
Total	1,917.18	-	198.45	2.45	2,113.18	410.50	-	182.37	2.14	-	590.73	1,506.68
Total Previous year	(1,057.58)	(688.57)	(173.86)	(2.83)	(1,917.18)	(184.35)	(93.61)	(128.65)	(1.90)	(5.79)	(410.50)	(1,506.68)

C. Capital work in progress

Tangible capital work in progress	10.18	50.36	-	-	10.18	50.36	-	-	-	-	10.18	50.36
Intangible assets under development	(50.36)	-	3.75	-	(50.36)	3.75	-	-	-	-	(50.36)	3.75
Total capital work in progress	13.93	55.53	(46.61)	-	13.93	55.53	(46.61)	-	-	-	13.93	55.53

** Adjustment in previous year of ₹ 5.79 million pertains to adjustment due to elapse of useful life as at 1 April 2014, basis Schedule II to the Companies Act, 2013 and the same has been adjusted against the opening balance of reserves under surplus in statement of profit and loss respectively.

Note:

Figures in bracket represent balances for the year ended 31 March 2015

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

11 Non-current investments

(valued at cost unless stated otherwise)

	31 March 2016	31 March 2015
Non Trade Investments- Unquoted		
Investments in equity instruments :		
5,440 (31 March 2015 : 5,440) equity shares of USD 0.1 each fully paid up of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share (Refer note (i))	16.15	16.15
	16.15	16.15
Aggregate book value of unquoted non-current investments	16.15	16.15

- (i) As per the terms of the investment agreements executed between the Company, the promoter controlled entity - Thyrocare International Holding Company and the investors, the Company is required to obtain prior written consent of the investors before transferring the above investments to any third party. The said investment is subject to lock in period of 3 years from the Closing Date i.e. upto 23 January 2016, as per the investment agreement.

12 Deferred tax assets (net)

Deferred tax assets/(liability)

Tax effect of items constituting deferred tax liability

On difference between book balance and tax balance of fixed assets - (1.65)

Tax effect of items constituting deferred tax liability - (1.65)

Tax effect of items constituting deferred tax assets

On difference between book balance and tax balance of fixed assets 3.65 -

Provision for compensated absences, gratuity and other employee benefits 20.24 9.33

On others 1.67 1.01

Tax effect of items constituting deferred tax assets 25.56 10.34

Deferred tax assets (net) 25.56 8.69

Note:

In case of subsidiary, the deferred tax assets of ₹ 123.26 million (31 March 2015: ₹ 41.96 million) are not recognised in view of carried forward business losses and unabsorbed depreciation, as they are not considered to be virtually certain of realisation.

13 Long-term loans and advances

(Unsecured, considered good)

Capital advances	2.44	52.92
Security deposits		
To related parties (Refer note 28.b)	33.70	33.70
To parties other than related parties	16.19	10.26
Loans and advances to employees benefit trust	0.34	0.34
Loans and advances to employees	0.05	0.15
Balance with government authorities	2.09	-
Advance income tax (net of provision for tax)	46.06	42.46
MAT credit entitlement	5.17	5.17
	106.04	145.00

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

14 Current investments

(At lower of cost and market value)

	31 March 2016	31 March 2015
Non Trade		
Investments in mutual funds - Quoted		
16,206,541.14 units (31 March 2015 : Nil units) of BSL Enhanced Arbitrage Fund - Dividend fully paid-up [Market Value - ₹ 178.11 million (31 March 2015 : ₹ Nil)]	178.11	-
12,241,169.43 units (31 March 2015 : Nil units) of BSL Enhanced Arbitrage Fund - Dividend Regular - fully paid-up [Market Value - ₹ 132.61 million (31 March 2015 : ₹ Nil)]	132.61	-
566,665.65 (31 March 2015 : 537,111.25) units of BSL Treasury Optimizer Plan [Market Value - ₹59.41 million (31 March 2015 : ₹108.55 million)]	58.95	107.25
4,978,553.86 units (31 March 2015 : Nil units) of Reliance Arbitrage Advantage Fund - Monthly Dividend fully paid-up [Market Value - ₹ 52.27 million (31 March 2015 : ₹ Nil)]	52.19	-
2,055,650.57 units (31 March 2015 : Nil units) of DSP Blackrock Short Term Fund - Growth fully paid-up [Market Value - ₹ 52.95 million (31 March 2015 : ₹ Nil)]	50.00	-
3,752,234.32 units (31 March 2015 : Nil units) of SBI Fixed Interval Debt Fund fully paid-up [Market Value - ₹ 45.33 million - (31 March 2015 : ₹ Nil)]	45.04	-
2,668,171.01 units (31 March 2015 : Nil units) of SBI Arbitrage Opportunity Fund fully paid-up [Market Value - ₹ 35.00 million (31 March 2015 : ₹ Nil)]	35.00	-
2,991,146.21 units (31 March 2015 : Nil units) of Reliance Quarterly Interval Fund fully paid-up [Market Value - ₹ 30.36 million (31 March 2015 : ₹ Nil)]	30.00	-
1,823,165.14 units (31 March 2015 : Nil units) of L & T Income Opportunities Fund fully paid-up [Market Value - ₹ 30.72 million (31 March 2015 : ₹ Nil)]	30.00	-
28,980.11 (31 March 2015 : 27,468.24) units of Reliance Money Manager Fund Daily Dividend [Market Value - ₹ 29.10 million (31 March 2015 : ₹ 27.54 million)]	29.03	27.51
2,172,338.885 units (31 March 2015 : 2,172,338.89 units) of ICICI Prudential Balance Advantage - Growth fully paid-up [Market Value ₹ 28.54 million (31 March 2015 : ₹ 29.80 million)]	28.54	29.80
28,771.47 units (31 March 2015 : 28,771.47 units) of Reliance Money Manager - Bonus fully paid-up [Market Value - ₹ 35.06 million (31 March 2015 : ₹ 32.24 million)]	28.42	28.42
2,612,739.95 units (31 March 2015 : 2,478,805.79 units) of DWS Treasury Fund Monthly Dividend now merged with DHFL Pramerica Short Term Floating Rate Fund-Direct Plan-Monthly Dividend [Market Value - ₹27.93 million (31 March 2015 : ₹26.44 million)]	27.74	26.31
2,288,300.84 units (31 March 2015 : Nil units) of Reliance Short Term Fund Monthly Dividend fully paid-up [Market Value - ₹ 25.24 million (31 March 2015 : ₹ Nil)]	25.24	-
2,151,586.01 units (31 March 2015 : Nil units) of BSL Short Term Fund - Monthly Dividend fully paid-up [Market Value ₹ 25.29 million (31 March 2015 : ₹ Nil)]	25.12	-
574,909.16 units (31 March 2015 : 1,474,462.76 units) of ICICI Prudential Income - Growth fully paid-up [Market Value - ₹ 26.68 million (31 March 2015 : ₹ 64.72 million)]	25.12	64.44
130,256.91 (31 March 2015 : 130,256.91) units of ICICI Prudential Liquid Direct Plan Growth [Market Value - ₹29.22 million (31 March 2015 : ₹26.98 million)]	25.00	25.00
2,241,970.08 units (31 March 2015 : Nil units) of SBI Corporate Bond Fund Daily Dividend [Market Value - ₹22.94 million (31 March 2015 : ₹ Nil)]	22.59	-
20,463.96 units (31 March 2015 : 26,907.02 units) of SBI Treasury Advantage Fund fully paid-up [Market Value - ₹ 20.63 million (31 March 2015 : 41.53 million)]	20.61	40.35
12,667.93 units (31 March 2015 : 12,667.93 units) of DSP Blackrock Strategic Bond Fund fully paid-up [Market Value - ₹ 22.49 million (31 March 2015 : ₹21.16 million)]	20.00	20.00
1,312,292.90 units (31 March 2015 : Nil units) of L & T Short Term Income Fund fully paid-up [Market Value - ₹ 20.63 million (31 March 2015 : ₹ Nil)]	20.00	-
Nil units (31 March 2015 : 200,269.24 units) of BSL Saving Fund Growth Plan [Market Value - ₹ Nil (31 March 2015 - ₹54.00 million)]	-	50.00

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

	31 March 2016	31 March 2015
Nil units (31 March 2015 : 1,949,646.99 units) of BSL Income Plus Fund - Quarterly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹25.86 million)]	-	25.74
Nil units (31 March 2015 : 2,133,712.66 units) of BSL India Reforms - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 30.30 million)]	-	30.00
Nil units (31 March 2015 : 3,100,393.82 units) of ICICI Prudential Blended Plan - Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 41.88 million)]	-	41.88
Nil units (31 March 2015 : 10,660,573.91 units) of ICICI Prudential Dynamic Bond Fund - Monthly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 111.52 million)]	-	111.52
Nil units (31 March 2015 : 9,421,898.162 units) of IDFC Arbitrage Fund - Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 112.16 million)]	-	112.16
Nil units (31 March 2015 : 1,774,664.88 units) of IDFC Dynamic Bond Fund - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 30.10 million)]	-	30.00
Nil units (31 March 2015 : 3,893,076.339 units) of IDFC Dynamic Bond Fund - Quarterly Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 41.27 million)]	-	41.27
Nil units (31 March 2015 : 528,362.50 units) of Reliance Dynamic Bond Fund - Growth fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 10.04 million)]	-	10.00
Nil units (31 March 2015 : 2,111,658.30 units) of SBI Magnum Income Fund Daily Dividend fully paid-up [Market Value - ₹ Nil (31 March 2015 - ₹ 21.46 million)]	-	21.36
Investments in preference shares - Quoted		
700,000, 9.25% Compulsorily redeemable non convertible cumulative preference shares with maturity period of April 2016 (31 March 2015 : Nil shares) of India Infoline Finance Limited fully paid-up [Market Value - ₹ 7.00 million (31 March 2015 : ₹ Nil)]	7.00	-
Total	916.31	843.01
Aggregate book value of quoted current investments	916.31	843.01
Aggregate market value of quoted current investments	937.50	857.57

15 Inventories

(At lower of cost and net realisable value)

Reagents, diagnostic material and consumables	99.82	59.49
Stock-in-trade	7.35	14.17
	107.17	73.66

16 Trade receivables

Trade receivables outstanding for a period exceeding six months from the date they were due for payment

Secured, considered good *	0.34	-
Unsecured, considered good *	21.60	6.12
	21.94	6.12
Other Trade receivables		
Secured, considered good	18.77	18.41
Unsecured, considered good *	34.34	24.59
	53.11	43.00
	75.05	49.12
* Recoverable from related parties (Refer note 28.b)	31.63	18.20

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

17 Cash and bank balances

Cash and cash equivalents

	31 March 2016	31 March 2015
Cash and cash equivalents		
Cash on hand	-	0.19
Balances with banks		
in current accounts	102.45	50.56
Other bank balances		
in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date)*	0.50	-
	102.95	50.75

* Includes ₹ 0.50 million (31 March 2015: ₹Nil) held as margin money deposits against bank guarantee

18 Short-term loans and advances

(unsecured, considered good)

Security deposits	0.38	0.28
Loans and advances to employees	0.11	0.17
Prepaid expenses	8.47	9.20
Advances for supply of goods and services	67.99	65.68
	76.95	75.33

19 Other current assets

Other receivables*	65.36	14.64
Interest accrued on deposits	0.24	0.21
	65.60	14.85

*Initial Public Offer (IPO) related expenses recoverable from the selling shareholders offering their shares in the proposed initial public offering.(Refer note 29.5).

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

20 Revenue from operations

	31 March 2016	31 March 2015
Sale of products (Refer Note (i) below)	126.72	112.49
Sale of services (Refer Note (ii) below)	2,185.76	1,633.68
	2,312.48	1,746.17
Other operating revenue (refer note 28.14)* (Includes registration charges and other miscellaneous charges recovered)	97.17	83.41
	2,409.65	1,829.59

Note:

(i) Sale of products comprises :

Traded goods

Glucose strips/ Gluco meter	26.95	27.06
Vials, tubes and kit	33.16	26.66
Others	51.14	43.82

Manufactured goods

Radioactive pharmaceutical (FDG)	15.47	14.95
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Total	126.72	112.49
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(ii) Sale of services comprises :

Diagnostic Services	2,047.63	1,597.51
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Imaging Services	138.13	36.17
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Total	2,185.76	1,633.68
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21 Other income

Interest income (Refer Note (i) below)	0.28	3.40
Dividend income from current investment - Mutual Funds	32.22	55.20
Net gain on account of foreign exchange fluctuations	1.10	-
Technical assistance/ trade mark assignment fees	1.38	5.83
Net gain on sale of current investments	10.44	6.93
Others (Refer Note (ii) below)	20.01	9.73
	65.43	81.09

Note:

(i) Interest income comprises:

Interest from banks on deposits	0.04	0.47
Interest on income tax refund	-	2.69
Interest on deposit for electricity	0.23	0.24
Interest on loans and advances	0.01	-

Total - Interest income	0.28	3.40
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(ii) Others comprises:

Profit on sale of fixed assets	0.44	-
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Miscellaneous income	19.57	9.73
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Total - Others	20.01	9.73
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Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

22a. Cost of materials consumed

	31 March 2016	31 March 2015
Opening stock	59.49	50.01
Add: Purchases	670.66	502.10
	730.15	552.11
Less: Closing stock	99.82	59.49
Cost of material consumed	630.33	492.62
Material consumed comprises:		
Reagents/ Diagnostics material	584.18	480.06
Radiopharmaceuticals	2.83	0.96
Consumables	43.32	11.60
	630.33	492.62

22b. Purchase of stock-in-trade

Glucose strips/ Gluco meter	25.35	25.12
Others	41.07	41.58
	66.42	66.70

22c. Changes in inventories of stock-in-trade

Inventories at the end of the year:		
Glucose strips/ Gluco meter	0.48	3.15
Others	6.87	11.02
	7.35	14.17
Inventories at the beginning of the year:		
Glucose strips/ Gluco meter	3.15	0.77
Others	11.02	12.37
	14.17	13.14
Net change	6.82	(1.03)

23 Employee benefits expense

Salaries, wages and bonus	188.55	136.78
Contributions to provident and other funds (Refer note 26.a)	14.78	9.82
Employees stock compensation expense (Refer note 26.c)	17.73	8.18
Gratuity (Refer Note 26.b)*	2.05	2.84
Compensated absences*	24.17	13.77
Staff welfare expenses	9.70	3.42
	256.98	174.81

*Includes prior period expense of ₹ 11.37 million (31 March 2015 : ₹ 3.69 million) towards compensated absences and ₹ 0.90 million (31 March 2015 : Nil) towards gratuity

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

24 Other expenses

	31 March 2016	31 March 2015
Outlab processing	32.10	24.84
Power and fuel and water	53.21	39.51
Rent (Refer note 29.2)	54.05	17.73
Repairs and maintenance - Buildings	11.16	8.24
Repairs and maintenance - Machinery	13.66	7.21
Repairs and maintenance - Others	0.96	1.62
Insurance	1.56	0.62
Rates and taxes*	24.61	14.22
Communication	6.47	5.41
Service charges	84.23	63.26
Postage and courier	27.28	18.08
Travelling and conveyance	3.40	1.83
Printing and stationery	40.03	34.24
Freight and forwarding	0.21	0.18
Sales incentive	40.70	49.55
Advertisement expenses	29.15	21.36
Accreditation expenses	2.93	1.40
Business promotion	32.69	26.89
Bank charges	5.51	3.00
Legal and professional fees	26.11	15.22
Payments to auditors (Refer Note (i) below)	2.82	2.41
Provision for claim	12.91	-
Provision for diminution in value of investment	2.41	2.40
Loss on sale of fixed assets (net)	-	0.17
Loss on foreign exchange fluctuation (net)	-	1.37
Corporate social responsibility expenses (refer note 29.4)	0.04	0.06
Miscellaneous expenses	5.92	11.94
	514.12	372.76

* includes prior period expense of ₹ 4.51 million (31 March 2015 : Nil)

Notes:

(i) Payments to the auditors comprises of (net of service tax input credit, where applicable):

Statutory audit	2.50	2.07
Tax audit	0.30	0.15
Others	0.02	0.06
Reimbursement of expenses	-	0.12
	2.82	2.40

Excludes amount to be recovered from shareholders whose shares are being offered for sale in the proposed initial public offerings ₹4.34 million (31 March 2015 : ₹3.47 million) towards fees in connection with filing of offer document with SEBI.(Refer note 29.6)

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

25 Earning Per Share

	31 March 2016	31 March 2015
25.a Basic		
Net profit for the year	518.00	452.17
Weighted average number of equity shares outstanding during the year	51,470,407	49,492,288
Face value per share ₹	10	10
Earnings per share - Basic (₹)	10.06	9.14
25.b Diluted		
Net profit for the year	518.00	452.17
Profit attributable to equity shareholders (on dilution)	518.00	452.17
Weighted average number of equity shares for basic EPS	51,470,407	49,492,288
Weighted average number of equity shares for diluted EPS	51,508,294	49,492,288
Face value per share ₹	10	10
Earnings per share - Diluted (₹)	10.06	9.14

26 Employee benefit plans

26.a Defined contribution plans

The Company makes Provident Fund, Employee State Insurance Corporation and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 12.51 million (31 March 2015 : ₹ 7.84 million) for Provident Fund contributions, ₹ 2.24 million (31 March 2015 : ₹ 1.95 million) for ESIC contributions and ₹ 0.03 million (31 March 2015 : ₹ 0.03 million) for Maharashtra Labour Welfare Fund contributions in the Statement of Profit and Loss during the year (Refer note 23). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The company does not expect any further liability other than the specified contributions.

26.b Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

i. Gratuity

The following table sets out the unfunded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	31 March 2016 Gratuity	31 March 2015 Gratuity
Components of employer expense		
Current service cost	2.03	1.04
Interest cost	0.65	0.41
Prior period liability recognised in current year	0.90	
Expected return on plan assets	-	-
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Past service cost	-	-
Actuarial losses/(gains)	(1.53)	1.39
Total expense recognised in the Statement of Profit and Loss	2.05	2.84
Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	31 March 2016	31 March 2015
	Gratuity	Gratuity
Funded status [Surplus / (Deficit)]	-	-
Present value of unfunded obligation	(9.06)	(7.30)
Unrecognised past service costs	-	-
Net asset / (liability) recognised in the Balance Sheet	(9.06)	(7.30)
Net asset/ (liability) is bifurcated as follows :		
Current	(0.15)	(0.09)
Non Current	(8.91)	(7.21)
Net asset / (liability) recognised in the Balance Sheet	(9.06)	(7.30)
Change in defined benefit obligations (DBO) during the year		
Present value of DBO at beginning of the period	7.29	4.46
Current service cost	2.03	1.04
Interest cost	0.65	0.41
Curtailment cost / (credit)	-	-
Settlement cost / (credit)	-	-
Plan amendments	-	-
Acquisitions	-	-
Actuarial (gains) / losses	(1.53)	1.39
Past service cost	-	-
Prior period liability recognised in current year	0.90	-
Benefits paid	(0.28)	-
Present value of DBO at the end of the year	9.06	7.30
Actuarial assumptions		
Discount rate	7.86%	7.92%
Net asset / (liability) recognised in the Balance Sheet	10.00%	10.00%

Note:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors and the rate of attrition is assumed on the basis of the nature of business carried out and the retention policy of the company.

The mortality rates as given under Indian Assured Lives Mortality (2006-2008) Ultimate have been used to provide for liability on account of death while in service and the retirement age has been considered as 58 years except in case of directors in whose case it is 70 years.

The defined benefit obligations are unfunded.

Experience adjustments

	31 March 2016	31 March 2015
Gratuity		
Present value of DBO	9.06	7.30
Fair value of plan assets	-	-
Funded status [Surplus / (Deficit)]	(9.06)	(7.30)
Experience gain / (loss) adjustments on plan liabilities	1.64	0.22
Experience gain / (loss) adjustments on plan assets	-	-

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

26.c Employees share based payments

Description of share-based payments arrangements

During the year the Company has offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) vide authorisation of shareholders in the annual general meeting held on 26 September 2015. The options may be exercised either fully or partially in four equal installments.

The employees were identified as those who had completed two years of service as on 31 March 2015, subject to their continuous service till the vesting period.

During the previous year, the Company had offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014” (ESOS2014) vide authorisation of shareholders in their extra ordinary general meeting held on September 20, 2014. The Company has formed the trust under the name of ‘Thyrocare Employee Stock Option Trust’. The shares to be issued under these options to the employees are allotted to the trust. The trust hold these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The options may be exercised either fully or partially in four equal installments. The employees were identified on the basis of the length of service, nature of their work, remuneration earned, etc. and are entitled to ESOS, subject to their continuous service till the vesting period. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation during this year.

Scheme	Year	Date of Grant	Numbers of options granted	Vesting Conditions	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2015	2015	26-Sep-15	40,434	Vested after 3 years from date of grant of options	One year after the expiry of vesting period	10	10
ESOS2014	2014	23-Sep-14	134,600*	Vested after 2.5 years from date of grant of options	One year after the expiry of vesting period	10	10

* Includes 100,950 no. of bonus shares

For the above ESOS2015 and ESOS2014, the difference between the fair price of the shares underlying the options on the grant date and the exercise price of the option (being the intrinsic value of the option) representing Stock compensation expense is expensed over the vesting period.

Share based payment expense

Particulars	As at 31 March 2016	As at 31 March 2015
ESOS2015	1.96	-
ESOS2014	15.77	8.18
Total expense recognised in employee benefits	17.73	8.18

The fair value of the shares granted under ESOS2015 is ₹ 301 per share and ESOS2014 is ₹ 305 per share on the respective grant date.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under employee stock option plans are as follows.

Particulars	31 March 2016		31 March 2015	
	No of Options	Weighted average exercise price	No of Options	Weighted average exercise price
ESOS2015				
Outstanding at 1 April	-	-	-	-
Granted during the year	40,434	10	-	-
Forfeited during the year	1,246	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 March	39,188	10	-	-
ESOS2014				
Outstanding at 1 April	134,600	10	-	-
Granted during the year	-	-	134,600*	10
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at 31 March	134,600	10	134,600	10

* Includes bonus no. of shares 100,950

The options outstanding at 31 March have an exercise price and a weighted average contractual life as give below :

Particulars	31 March 2016			31 March 2015		
	No of Outstanding Share options	Range of Exercise price	Weighted average remaining life	No of Outstanding Share options	Range of Exercise price	Weighted average remaining life
ESOS2015	39,188	10	2.50	-	-	-
ESOS2014	134,600	10	1.00	134,600	10	2.00

The Company has adopted the intrinsic value method as permitted by the SEBI Guidelines and the Guidance Note on Accounting for Employee Share Based Payment issued by the Institute of Chartered Accountants of India in respect of stock options granted. The Company's profit for the year and earnings per share would have been as under, had the compensation cost for employees' stock options been recognized based on the fair value at the date of grant in accordance with Black Scholes model.

Particulars	31 March 2016	31 March 2015
Net Profit after tax as reported	587.55	492.58
Add : Employees stock option compensation expense as per intrinsic value method	17.73	8.18
Less : Employee stock option compensation expense as per fair value	15.98	7.32
Adjusted proforma net profit after tax	589.30	493.45
Basic Earnings per share as reported	11.42	9.95
Basic Earnings per share - proforma	11.45	9.97
Diluted Earnings per share as reported	11.41	9.83
Diluted Earnings per share - proforma	11.44	9.87

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

For purpose of the above proforma disclosures, the estimated grant date fair value of stock options granted under the 2014 Plans is ₹278.63 and under the 2015 Plan is ₹274.63. The fair values are measured based on the Black- Scholes- Merton formula. Expected volatility, an input in this formula, is estimated by considering historic average share price volatility. The inputs used in the measurement of grant date fair values are as follows :

	2015 Plan	2014 Plan
Share price at grant date	301.00	305.00
Exercise price	10	10
Expected volatility (weighted average)	0.01%	0.01%
Expected life (weighted average)	2.5	1
Expected dividends	10.00	10.00
Risk-free interest rate (based on government bonds)	7.86%	7.86%

27 Segment information

The Company has identified business segments as its primary segment. The Company recognizes its diagnostic testing services activity and imaging services activity as its two primary business segment. Its operations predominantly consist of providing laboratory testing services to its patients and providing imaging services to its patients and the manufacture and sale of radioactive pharmaceuticals to customers. Income from diagnostic testing services comprises the major portion of primary segmental information set out in these financial statements. Imaging services segment represent PET-CT scan and sale of radio pharmaceuticals used in imaging services. Others represents trading and other related business activities that does not qualify as a separate business segment. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst the segment are not allocated. The testing and imaging services to patients and sale of pharmaceuticals to customers are primarily in India and hence geographical segments are not applicable. The said treatment is in accordance with the guiding principles enunciated in the Accounting Standard 17 on Segment Reporting as notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013.

Particulars	Business segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
INCOME				
Revenue	2,142.86	155.54	111.25	2,409.65
	(1,680.89)	(51.16)	(97.54)	(1,829.59)
Inter-segment revenue	-	-	-	-
	(-)	(-)	(-)	(-)
Total	2,142.86	155.54	111.25	2,409.65
	(1,680.89)	(51.16)	(97.54)	(1,829.59)
EXPENSES	1,291.66	196.67	73.24	1,561.61
	(1,013.08)	(93.10)	(65.68)	(1,171.87)
Segment result	851.20	(41.13)	38.01	848.08
	(667.81)	41.94	(31.86)	(657.72)
Unallocable expenses (net)				95.48
				(62.64)
Other income (net)				65.43
				(81.08)
Profit before tax				818.03
				(676.16)

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Business segments			Total
	Diagnostic Testing Services	Imaging Services	Others	
Exceptional items - Profit on sale of undertaking				-
				(-)
Tax expense				300.03
				(235.78)
Net profit for the year				518.00
				(440.38)
Profit after tax and before minority interest				
Loss transferred to minority				-
				(11.79)
Profit for the year				518.00
				(452.17)
Segment assets	1,337.97	673.50	7.41	2,018.88
	(1,125.43)	(730.75)	(14.17)	(1,870.35)
Unallocable assets				2,077.86
				(1,421.83)
Total assets				4,096.74
				(3,292.18)
Segment liabilities	129.84	129.43	1.62	260.89
	(126.47)	(27.79)	(4.63)	(158.89)
Unallocable liabilities				179.75
				(369.57)
Total liabilities				440.64
				(528.46)
Other information				
Capital expenditure (allocable)	155.01	3.62	-	158.63
	(170.66)	(63.33)	(-)	(233.99)
Depreciation and amortisation (allocable)	113.50	68.87	-	182.37
	(88.81)	(39.84)	(-)	(128.65)

Note : Figures in bracket relates to the previous year 31 March 2015

28 Related party transactions

28.a Details of related parties:

Description of relationship

Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year

Key Management Personnel (KMP)

Names of related parties

Thyrocare International Holding Company Limited, Mauritius
 Thyrocare Gulf Laboratories WLL
 Sumathi Infra Project LLP (converted into LLP w.e.f 29 March 2016)
 Sumathi Construction Private Limited
 Mahima Advertising LLP (converted into LLP w.e.f 30 March 2016)
 Thyrocare Properties & Infrastructure Private Limited
 Thyrocare Publications LLP (converted into LLP w.e.f 30 March 2016)
 Dr A Velumani, Managing Director
 A Sundararaju, Director
 Sumathi Velumani, Director (deceased on 13 February 2016)

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Relatives of KMP

Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
 Amruta Velumani (daughter of Dr A Velumani)
 Anand Velumani (son of Dr A Velumani)
 A Sundararaju HUF (HUF in which A Sundararaju is Karta)
 JKR Rajagopal (brother in-law of Dr A Velumani)
 Bhamini S (wife of A Sundararaju)
 A Sundararaju HUF (HUF in which A Sundararaju is Karta)
 S Susila (sister of Dr A Velumani)
 A Rathinaswamy (brother of Dr A Velumani)
 A Sayamal (mother of Dr A Velumani)
 P Arokiaswamy (father of Dr A Velumani)

28.b Details of related party transactions during the year ended 31 March 2016 and balances outstanding as at 31 March 2016:

Particulars	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
Revenue from operations				
Thyrocare Gulf Laboratories WLL	15.85	-	-	15.85
	(18.20)	(-)	(-)	(18.20)
Rent Paid				
Sumathi Construction Private Limited	40.32	-	-	40.32
	(37.86)	(-)	(-)	(37.86)
Purchase of fixed assets				
Thyrocare Gulf Laboratories WLL	4.52	-	-	4.52
	(-)	(-)	(-)	(-)
Purchase of consumables				
Thyrocare Gulf Laboratories WLL	0.23	-	-	0.23
	(-)	(-)	(-)	(-)
Expenses incurred on behalf of the company				
Sumathi Construction Private Limited	3.57	-	-	3.57
	(-)	(-)	(-)	(-)
Technical assistance fees received / receivable				
Thyrocare International Holding Company Limited, Mauritius	1.38	-	-	1.38
	(0.85)	(-)	(-)	(0.85)
Thyrocare Gulf Laboratories WLL	-	-	-	-
	(4.99)	(-)	(-)	(4.99)
Share swap of equity shares of Nueclear Healthcare Limited				
Sumathi Infra Project LLP	-	-	-	-
	(211.50)	(-)	(-)	(211.50)
Allotment of equity shares on conversion of CCDs				
Dr. A Velumani	-	-	-	-
	(-)	(9.03)	(-)	(9.03)
A Sundararaju	-	-	-	-
	(-)	(0.30)	(-)	(0.30)
Sumathi Velumani	-	-	-	-
	(-)	(0.17)	(-)	(0.17)

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
Amruta Velumani	-	-	-	-
	(-)	(-)	(0.17)	(0.17)
Anand Velumani	-	-	-	-
	(-)	(-)	(0.04)	(0.04)
Dr A Velumani HUF	-	-	-	-
	(-)	(-)	(0.25)	(0.25)
Share swap of equity shares of Nuclear Healthcare Limited				
Dr. A Velumani, CEO	-	907.22	-	907.22
	(-)	(-)	(-)	(-)
A Sundararaju, CFO	-	3.17	-	3.17
	(-)	(-)	(-)	(-)
Sumathi Velumani	-	2.12	-	2.12
	(-)	(-)	(-)	(-)
Amruta Velumani	-	-	1.06	1.06
	(-)	(-)	(-)	(-)
Anand Velumani	-	-	1.06	1.06
	(-)	(-)	(-)	(-)
Dr A Velumani HUF	-	-	60.60	60.60
	(-)	(-)	(-)	(-)
Dividend paid				
Dr. A Velumani	-	84.36	-	84.36
	(-)	(42.06)	(-)	(42.06)
A Sundararaju	-	1.79	-	1.79
	(-)	(0.78)	(-)	(0.78)
Sumathi Velumani	-	4.42	-	4.42
	(-)	(2.25)	(-)	(2.25)
Amruta Velumani	-	-	5.62	5.62
	(-)	(-)	(2.86)	(2.86)
Anand Velumani	-	-	6.05	6.05
	(-)	(-)	(3.08)	(3.08)
Dr A Velumani HUF	-	-	6.70	6.70
	(-)	(-)	(3.41)	(3.41)
Bhamini S	-	-	-	-
	(-)	(-)	(0.02)	(0.02)
A Sundararaju HUF	-	-	19.47	19.47
	(-)	(-)	(9.92)	(9.92)
S Susila	-	-	-	-
	(-)	(-)	(0.02)	(0.02)
A Rathinaswamy	-	-	-	-
	(-)	(-)	(0.02)	(0.02)
A Sayamal	-	-	0.00*	0.00*
	(-)	(-)	(0.02)	(0.02)

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Particulars	Enterprise over which directors and their relatives exercise control or influence	KMP	Relatives of KMP	Total
P Arokiaswamy	- (-)	- (-)	0.00* (0.02)	0.00* (0.02)
Sumathi Infra Project LLP	11.82 (3.38)	- (-)	- (-)	11.82 (3.38)
Mahima Advertising LLP	9.45 (4.81)	- (-)	- (-)	9.45 (4.81)
Thyrocare Properties & Infrastructure Private Limited	39.13 (19.93)	- (-)	- (-)	39.13 (19.93)
Thyrocare Publications LLP	49.01 (24.96)	- (-)	- (-)	49.01 (24.96)
Remuneration paid				
Dr. A Velumani	- (-)	10.80 (4.80)	- (-)	10.80 (4.80)
A Sundararaju	- (-)	5.16 (3.90)	- (-)	5.16 (3.90)
Balances outstanding at the end of the period				
Amount recoverable from related parties				
Thyrocare International Holding Company Limited, Mauritius	0.03 (0.03)	- (-)	- (-)	0.03 (0.03)
Amount payable to related parties				
Sumathi Construction Private Limited	4.29 (-)	- (-)	- (-)	4.29 (-)
Thyrocare Gulf Laboratories WLL	4.75 (-)	- (-)	- (-)	4.75 (-)
Remuneration payable				
Dr. A Velumani	- (-)	1.40 (-)	- (-)	1.40 (-)
A Sundararaju	- (-)	0.65 (-)	- (-)	0.65 (-)
Investment in equity instruments				
Thyrocare International Holding Company Limited, Mauritius	16.15 (16.15)	- (-)	- (-)	16.15 (16.15)
Security deposits for leased premises				
Sumathi Construction Private Limited	33.70 (33.70)	- (-)	- (-)	33.70 (33.70)
Receivable towards revenue from operations				
Thyrocare Gulf Laboratories WLL	24.63 (11.60)	- (-)	- (-)	24.63 (11.60)
Receivable towards technical assistance fees				
Thyrocare Gulf Laboratories WLL	6.98 (6.60)	- (-)	- (-)	6.98 (6.59)

Note : Figures in bracket relates to the previous year ended 31 March 2015

* Amount less than ₹ 0.01 million

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

29 Additional information to the consolidated financial statements

29.1 Contingent liabilities and commitments

a) Contingent liabilities

	31 March 2016	31 March 2015
Claims against the group not acknowledged as debt		
i) Property tax demand (See note (a) below)	67.59	49.75
ii) Income tax demands - TDS matter (See note (b) below)	368.52	140.42
iii) Income tax assessment order passed by the assessing officer - Appeal has been filed - FY 2011-12 and 2012-13	5.26	-
iv) Employees Provident funds & Miscellaneous Provisions Act, 1952 (See note (c) below)	5.23	5.23
v) Other matter (See (d) below)	8.67	17.13

- a) Navi Mumbai Municipal Corporation (NMMC) raised a claim on the original owner of the corporate office premises at D/37 -3 located at Turbhe on account of arrears arising from retrospective amendment in the property tax rates. The Group has not received any reply to the letters filed from time to time with NMMC for the said matter. A writ petition has been filed before the H'ble High Court seeking intervention against the arbitrary assessment of the property tax with retrospective effect for the stated premises. The total amount of dues payable to NMMC is ₹ 71.04 million (31 March 2015: ₹ 52.34 million). Of the total amount of dues payable, the Group has provided for property tax dues of ₹ 3.45 million (31 March 2015: ₹ 2.59 million) for the said premises on the basis of the constructed area and the rates charged for the adjacent plot towards property tax. The balance outstanding amount of ₹ 67.59 million (31 March 2015: ₹ 49.75 million) as per NMMC for the corporate office premises has not been acknowledged as debts in the books of the Group.
- b) The Group had received income tax demand of ₹ 368.52 million (31 March 2015 : ₹ 140.42 million) on account of TDS survey proceedings initiated by the Income tax department for the FY 2008-09 to 2011-12. The Group has already filed an appeal before the H'ble High Court and the same is pending for hearing. In view of the management no provision is considered necessary as at 31 March 2016.
- c) The Group received an order for Provident Fund demand of ₹5.23 million (March 31, 2015: ₹ 5.23 million) on account of an inquiry u/s 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, the Group has already filed an appeal before the Tribunal and requested for condonation of delay and stay of the demand raised by the Regional Provident Fund Commissioner. The appeal is admitted by the Tribunal and currently pending for hearing. As per the direction of the Provident Fund Appellate Tribunal, Group has paid 40% of disputed amount of ₹2.09 million (31 March 2015: ₹Nil) to the Provident Fund organisation. In view of the management no provision is considered necessary as at 31 March 2016.
- d) The Group had received a claim towards statutory dues for purchase capital assets from one of its vendor. Vendor had filed a suit before Civil Court, Thane for the said claim. The said suit is pending for final order. The total amount outstanding towards statutory dues is ₹ 18.52 million and interest @ 24% p.a is ₹ 13.88 million (31 March 2015: ₹ 9.42 million). Of the total statutory dues of ₹ 18.52 million, the Group had in earlier years made provision of ₹ 10.81 million and balance outstanding of ₹ 7.71 million is made in the current year. Of the interest amount outstanding of ₹ 13.88 million, the Group had made provision of ₹ 5.20 million (31 March 2015: ₹ Nil). The balance outstanding of ₹ 8.67 million (31 March 2015: ₹ 17.13 million) has not been acknowledged as debts in the books of the Group.

b) Commitments

- (i) The Group has entered into Reagent Rental Arrangements for a period ranging from 2 years to 6 years with some of its major reagent suppliers. As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory of the Company. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads.

The value of purchase commitments for the remaining number of years are ₹ 3,117.77 million (31 March 2015: ₹ 3,500.37 million) of which annual commitment for next year is ₹ 467.09 million (31 March 2015 : ₹ 449.18 million) as per the terms of these arrangements.

The estimated amount of contracts remaining to be executed on capital account and not provided for towards tangible assets aggregates to ₹ 11.83 million (31 March 2015 : ₹ 249.86 million).

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

- (ii) The Group has entered into an arrangements for purchase of cyclotron and PET CT from vendor over a period of 7 years. The commitments as per these arrangements are the operational commitment and supply of certain quantities of FDG at no cost to the vendor over the period of the arrangement.

The value of purchase commitments as per the terms of arrangement is ₹ 12 million (31 March 2015: ₹ 12 million) per annum for 7 years against supply of all essential consumables, replaceables and repairables.

- 29.2** The Company has entered into operating leases for building, office and storage spaces. Lease payments incase of buildings are increased after three years to reflect market rentals.

Total lease payments recognised in books for the year is ₹ 54.05 million (31 March 2015 : 17.73 million)

The future minimum lease payments in respect of non-cancellable operating leases as at 31 March 2016 are as follows :

Particulars	31 March 2016	31 March 2015
Payable within one year	45.72	36.65
Payable between one and five years	63.98	63.03
Payable after five years	18.03	-
Total	127.73	99.68

- 29.3** As approved in the meeting of Audit Committee and Board of Directors dated 16 September 2014, the Company has issued 3,187,562 (31 March 2015 : 691,295) shares of the Company as fully paid equity shares at a premium of ₹295.95 per share for 4,611,000 (31 March 2015: 1,000,000) shares of Nueclear Healthcare Limited (in the ratio of 1 : 1.44656) to the shareholders of Nueclear Healthcare Limited. Accordingly Nueclear Healthcare Limited has become a wholly owned subsidiary on 16 December 2015.

29.4 Corporate social responsibility

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The funds were primarily allocated and utilised through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

A. Gross amount required to be spent by the Company during the year ₹ 14.45 million (31 March 2015 : ₹13.26 million)

B. Amounts spent during the year on :

	31 March 2016		31 March 2015	
	Paid in Cash	Yet to be Paid in Cash	Paid in Cash	Yet to be Paid in Cash
Construction / acquisition on any asset	-	-	9.21	0.55
Others - Educational	0.04	-	0.06	-

- 29.5** The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10/- each at a price of ₹ 446/- by the Selling shareholders. The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

- 29.6** Thyrocare Technologies Limited (the "Company") as on March 31, 2016 holds 100 % Equity (58.50 % as on 31 March 2015) of Nueclear Healthcare Limited (the "Subsidiary")

The Company acquired the controlling stake in the Subsidiary effective 15th November 2014 and subsequently acquired the balance equity shares on 16 December 2015. Thus, as on March 31 2016 the Company holds all the equity shares of the subsidiary and is the only shareholder, member as per the Shareholder, Member register of the Subsidiary.

The Company is in the process of regularising the requirement of minimum number of shareholders by nominating six shareholders for complying with the requirement of the Companies Act, 2013

- 29.7** The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2015. The Company will undertake a study for trasanctions upto 31 March 2016 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2015 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

- 29.8** Other operating revenue for the year ended 31 March 2015 includes ₹7.29 million towards prior period income.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

29.9 Goodwill on consolidation comprises of

Name of the entity	31 March 2016	31 March 2015
Nueclear Healthcare Limited	1,068.58	453.43

29.10 Minority interest represents the minority's share in equity of the subsidiaries as below :

Name of the entity	31 March 2016	31 March 2015
Share in Equity Capital	-	46.11
Share in Reserves and Surplus	-	314.00
Total	-	360.11

29.11 Additional information as required under para 2 of General Instruction for the preparation of Consolidation Financial Statements of Schedule III to the Companies Act, 2013.

Name of the enterprises	Net assets i.e total assets minus total liabilities		Share in profit or loss	
	As (%) of consolidated net assets	Amount (₹in millions)	As (%) of consolidated profit and loss	Amount (₹in millions)
Parent Company				
Thyrocare Technologies Limited	102.67 %	3,753.85	113.43 %	587.55
Subsidiary				
Nueclear Healthcare Limited	21.80 %	796.94	-13.67 %	(70.79)
Eliminations	-24.47 %	(894.69)	0.24 %	1.25
	100.00%	3,656.10	100.00%	518.00

29.12 During the year, the Company purchased additional 41.5% equity stake in its subsidiary Nueclear Healthcare Limited (NHL) at a total cost of ₹ 975.24 million by way of share swap of 3,187,562 equity shares of ₹ 10 each fully paid up of the company to the equity shareholders of NHL in consideration for 4,611,000 equity shares of NHL at a premium of ₹295.95 per share. Pursuant to these acquisition NHL had become a wholly owned subsidiary of the Company on 16 December 2015.

29.13 Unhedged foreign currency exposures

Foreign currency exposures on account of trade receivables/ trade payables not hedged by derivative instruments are as follows:

	31 March 2016		31 March 2015	
	Amount in USD	Amount in Rs	Amount in USD	Amount in Rs
Trade receivables	0.48	31.63	0.30	18.66
Trade payables	0.15	9.95	0.07	4.51

29.14 Previous year comparatives

Previous year's financial statements were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

The above results include the results of Nueclear Healthcare Limited ('the Subsidiary), in which the company had acquired controlling stake to the extent of 58.50 %, effective November 15, 2014. Further the company acquired the balance equity holding of the subsidiary on December 16, 2015, and accordingly Nueclear Healthcare Limited became a wholly owned subsidiary of the company, effective that date. Accordingly the figures for the year ended 31 March 2016 are not strictly comparable with the corresponding previous year.

Notes to the consolidated financial statements as at 31 March 2016

(Currency: ₹ in million)

Previous year's figures have been regrouped / reclassified as follows:

S. No.	Nature	As reported 31 March 2015	As reclassified 31 March 2016
1	Capital work-in-progress	55.53	50.36
	Intangible fixed assets under development		5.17
		55.53	55.53
2	Short-term loans & advances:		
	Advances for supply of goods & services	80.32	65.68
	Other current assets:		
	Other receivables		14.64
		80.32	80.32

As per our report of even date attached.

For **B S R & Co. LLP***Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Bhavesh Dhupelia*Partner*

Membership No: 042070

Mumbai
11 June 2016**Dr. A Velumani***Managing Director*

DIN - 00002804

Mumbai
11 June 2016**For and on behalf of the Board of Directors of
Thyrocare Technologies Limited**

CIN - U85110MH2000PLC123882

A Sundararaju*Director and Chief Financial Officer*

DIN - 00003260

Ramjee D*Company Secretary*

Membership No - F2966

Mumbai
11 June 2016

NOTICE

Notice is hereby given that the 16th Annual General Meeting of the Company will be held at 2.30 P.M. on Monday, September 12, 2016, at **Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road, Turbhe, Navi Mumbai- 400705** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements (consisting of Stand-alone as well as Consolidated Financial Statements) of the Company for the financial year ended March 31, 2016, together with the Board's Report and Auditors' Report thereon.
2. To confirm the First and Second Interim Dividends of ₹3.75 each, totaling to ₹7.50 per equity share already paid and declare a Final Dividend of ₹2.50 per equity share for the Financial Year 2015-16.
3. To appoint a Director in place of Mr. A. Sundararaju (DIN No. 00003260) who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 21st Annual General Meeting and to fix their remuneration, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), and pursuant to the recommendation made by the Audit Committee and the Board of Directors, M/s. B S R & Co. LLP, Chartered Accountants, Mumbai, having Firm Registration No. 101248W/W-100022, be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of the 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting, subject to ratification by the Members every year.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to fix up their remuneration in consultation with the Auditors in addition to reimbursement of all out-of-pocket expenses that may be incurred in connection with the audit of the accounts of the Company, as already recommended by the Audit Committee.”

Special Business:

5. Ratification of Remuneration for the Cost Auditor for the Financial Year 2015-16:

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), remuneration of ₹ 1,00,000/- (Rupees One Lakh only) fixed for Mr. S. Thangavelu, Cost and Management Accountant, appointed as the Cost Auditor of the Company by the Board of Directors, for conducting the audit of the cost records of the Company for the financial year 2015-2016, excluding service tax, and reimbursement of travelling and other out-of-pocket expenses incurred by him in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

6. Introduction of Employees Stock Option Scheme:

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

“RESOLVED AS SPECIAL RESOLUTION THAT pursuant to the provisions of Section 62 (1)(b) of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, and SEBI (Share Based Employee Benefits) Regulations, 2014, and other applicable provisions, if any, consent of the Members be and is hereby given for granting Stock Options equivalent to a total number of 50,537 equity shares to the eligible employees of the Company as Employees Stock Options for the Financial Year 2015-16 to be exercised as per the rules of the relevant Scheme.

THAT the Board of Directors of the Company be and is hereby authorised and empowered:

- i) to formulate such policies, rules, regulations and guidelines as may be required to be formulated to govern the introduction, implementation, management and administration of the Scheme subject to the applicable statutory rules for the time being in force.
- ii) to make necessary disclosures in the Annual Report and to comply with all applicable rules & regulations.

iii) to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation, introduction, implementation, management and administration of the ESOP Scheme without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai
Head (L&S) and Company Secretary
Navi Mumbai, June 11, 2016

Registered Office:

D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

NOTES:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ('the Act'), concerning the Special Business to be transacted at the meeting, as mentioned in the Notice is annexed hereto and forms part of this Notice.
2. A Member entitled to attend and vote is entitled to appoint a proxy to attend and on a poll vote instead of himself/herself and the proxy need not be a member of the Company.
3. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member. Members may please note that the Proxy does not have the right to speak at the Meeting and can only vote on poll.
4. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. Form of Proxy is enclosed.
5. The Members / Proxies / Authorised Representatives are requested to bring their copy of the Annual Report along with the Attendance Slips, duly filled in, for attending the Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from September 05, 2016 to September 12, 2016 (both days inclusive).
7. The Company's equity shares are Listed at (i) National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, Bandra (East), Mumbai – 400051 and (ii) BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai- 400 001 and the Company has paid the Annual Listing Fees to the said Stock Exchanges for the year 2015 -16.
8. Members are requested to send all communication relating to shares (Physical and Electronic) to the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited (Unit: Thyrocare Technologies Limited), C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Subhash Nagar, Bhandup West, Mumbai-400 708, Maharashtra, India.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the venue of the meeting.
10. Pursuant to Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for 2015-16 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with the Company / Depository Participants, a physical copy of the Annual Report for 2015-16 is being sent by the permitted mode.
11. To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with M/s. Link Intime India Private Limited, the Company's Registrar & Share Transfer Agents / their respective Depository Participants.
12. In terms of Section 72 of the Act read with the applicable rules thereto, the facility of making nomination is available to all the Members in respect of the shares held by them. Those who have not registered their nomination may do so by submitting Form No. SH-13 to their Depository Participant. The said Form can be downloaded from the Company's website, www.thyrocare.com. The said Form can also be obtained from the Company's Registrar & Share Transfer Agents.
13. In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015, the Company is providing facility to all the Members of the Company, whose names are on the Register of Members as on September 05, 2016 (End of the Day) being the cut-off date fixed for determining the eligibility of Members to participate in the e-voting process, through the e-voting platform provided by M/s. Link Intime India Private Limited through CDSL, to enable them to cast their vote electronically on all the resolutions set forth in the notice convening the 16th Annual General Meeting of the Company.

Voting through polling paper shall be made available to those Members who attend the Annual General Meeting and have not already cast their vote by remote e-voting.

The Company has appointed M/s. S. Anantha & Co., Practising Company Secretaries, Mumbai, as scrutinizers to scrutinize the e-voting and polling process in a fair and transparent manner.

The scrutinizer shall, within a period not exceeding three (3) days from the conclusion of the e-voting period, unblock the votes in the presence of at least 2 witnesses not in the employment of the Company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The results shall be declared by the Chairman or any other person authorised by him within two days of passing the Resolutions at the Annual General Meeting. The results declared along with the scrutinizer's report shall be available at the Registered Office of the Company for inspection by any member of the Company upto two (2) days of passing of the resolutions at the Annual General Meeting of the Company. The results will also be placed on the website of the Company, www.thyrocare.com.

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai
Head (L&S) and Company Secretary
Navi Mumbai, June 11, 2016

Registered Office:

D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

Note on Item No. 3:

Details of Director Seeking Re-appointment at the Annual General Meeting

Particulars	A. Sundararaju
Date of Birth	4-Sep-58
Date of Appointment	28-Jan-00
Qualifications	Degree in Law
Expertise in specific functional areas	Wide experience in Finance, Legal and Administrative functions.
Directorships held in other public companies (excluding foreign companies and Sec. 8 companies)	1. Nueclear Healthcare Limited. 2. Thyrocare Hospitals Ltd. 3. Thyrocare International Ltd.
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
Number of shares held in the Company	249669

Note on Item No. 4:

M/s. B S R and Co. were first appointed as Statutory Auditors of the Company at the 11th Annual General Meeting of the Company held on September 3, 2011, and continued as Statutory Auditors for four financial years till the conclusion of the 15th Annual General Meeting held on September 26, 2015. At this AGM, the Company appointed M/s. B S R & Co. LLP, as the Statutory Auditors from the conclusion of the 15th AGM till the conclusion of the 16th AGM, which is scheduled to be held this year.

As per the provisions of Sec. 139(2) of the Companies Act, 2013, and Rule 6 of Companies (Audit & Auditors) Rules 2014, a company can appoint the same audit firm for a maximum period of ten years. M/s. B S R and Co., and M/s. B S R & Co.LLP will be considered as a single firm for the purpose of reckoning the term of their appointment and shall be deemed to have completed five years as Auditors. Therefore, M/s. B S R & Co. LLP are entitled to be appointed as Statutory Auditors for a further period of five years

Written consent of the proposed auditors together with a certificate that their appointment, if made, will be in accordance with the conditions specified in Rule 4 of the Companies (Audit and Auditors) Rules, 2014 has been received.

The Audit Committee has considered the matter and has recommended appointment of M/s. B S R & Co. LLP. The Board of

Directors have also considered the matter and decided to accept the recommendation of the Audit Committee and accordingly, recommend passing the Ordinary Resolution given under item No. 4 of the Notice for appointing M/s. B S R & Co. LLP as Auditors from the conclusion of this Annual General Meeting till the conclusion of the 21st Annual General Meeting, subject to ratification by the Members every year.

Disclosure of Interest

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Ordinary Resolution set out at item No. 4 of the Notice.

EXPLANATORY STATEMENT

(Pursuant to the Section 102 of the Companies Act, 2013)

Item No. 5:

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Rule 14 of Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to conduct an audit of the cost records of Company for Financial Year 2015-16 and the remuneration payable to him has to be ratified / approved by the members of the Company.

Accordingly, as recommended by the Audit Committee, the Board has appointed Mr. S. Thangavelu, Cost and Management Accountant,

Coimbatore, having Membership No. 11315 as the Cost Auditor of the Company, at their meeting held on September 26, 2015 for the financial year 2015-2016 on a remuneration of ₹ 1,00,000/-, plus reimbursement of service tax and all out of pocket expenses incurred, if any, in connection with the cost audit. Remuneration fixed for the cost auditor is required to be ratified by the Members in accordance with the above provisions. The Directors recommend the above resolution to the Members for their approval.

Disclosure of Interest:

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested in the passing of the Resolution set out at Item No. 5 of the Notice.

Item No. 6:

In accordance with the Employees Stock Option Scheme in vogue, the Company proposes to issue Stock options equivalent to 50,537 equity shares, (with individual entitlements rounded off) as Employees Stock Options for the Financial Year 2015-16.

The Scheme will be subject to the applicable provisions of the Companies Act, 2013, as amended and the rules framed thereunder, SEBI (Share Based Employee Benefits) Regulations 2014, and such other rules & regulations of Employees Stock Option Schemes as are already applicable or as may become applicable during the subsistence of the Scheme.

The brief details of the Thyrocare Employees Stock Option Scheme 2016 are as follows:

a	Brief description of the scheme(s);	<p>In the financial year 2014-15, the Company had issued 33,650 equity shares to the identified eligible employees of the Company, which have got enlarged to 134,600 shares consequent on issue of bonus shares. These shares are under the control of Thyrocare Employees Stock Option Trust, presently managed by M/s. Grow Wealth Consultants P.Ltd. In the same year, the Management decided to issue additionally Stock Options equivalent to 1% of the then paid-up capital of the Company consisting of 50,53,5971 equity shares of ₹10/- each, aggregating to 5,05,360 equity shares to be distributed over a period of ten years, commencing from Financial Year 2014-15, at the rate of 0.1% each year which would be fine-tuned in correlation with the growth of the Company each year as follows:</p> <table border="1" data-bbox="804 1452 1477 1560"> <tr> <td data-bbox="804 1452 1477 1487">< 20% Growth</td> <td data-bbox="804 1487 1477 1522">0.08%</td> </tr> <tr> <td data-bbox="804 1522 1477 1558">> 20% Growth</td> <td data-bbox="804 1558 1477 1593">0.10%</td> </tr> <tr> <td data-bbox="804 1593 1477 1628">> 30% Growth</td> <td data-bbox="804 1628 1477 1663">0.12%</td> </tr> </table> <p>Within this limit, the maximum number of Options to be issued per employee will be decided based on the norms fixed by the Board of Directors for each year.</p> <p>For the FY 2014-15, the Company has already issued Stock Options equivalent to 40,434 Equity Shares. For FY 2015-16, the Company proposed to issue Stock Options equivalent to 50,537 Equity Shares as the Growth during this FY was more than 20%.</p>	< 20% Growth	0.08%	> 20% Growth	0.10%	> 30% Growth	0.12%
< 20% Growth	0.08%							
> 20% Growth	0.10%							
> 30% Growth	0.12%							
b	The total number of options, SARs, shares or benefits, as the case may be, to be granted;	Stock Options equivalent to 50,537 Equity Shares.						
c	Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s);	Those employees who have completed two years of service as on the date of sanction of the Scheme by the Board would be entitled to participate and be beneficiaries in the Scheme.						

d	Requirements of vesting and period of vesting;	The employees should continue to be in the service for a period of three years from the date of granting the Option. Period of vesting is 3 years after date of granting.
e	Maximum period (subject to regulation 18(1) and 24(1) of the regulations, as the case may be) within which the options / SARs / benefit shall be vested;	Three years from the date of granting of Options.
f	Exercise price, SAR price, purchase price or pricing formula;	Exercise price will be ₹ 10/- per share.
g	Exercise period and process of exercise;	The grantees can exercise their option within one year from the date of vesting.
h	The appraisal process for determining the eligibility of employees for the scheme(s);	All those permanent employees who have completed two years of continuous service will be eligible to participate. Individual eligibility will be determined based on their contribution, seniority, etc.
i	Maximum number of options, SARs, shares, as the case may be, to be issued per employee and in aggregate;	Stock Options equivalent to 50,537 equity shares were granted to a total number of 160 employees, the highest being 3520 Options.
j	Maximum quantum of benefits to be provided per employee under a scheme(s);	Maximum quantum of benefit is equivalent to the difference between the market price and the issue price in respect of the number of shares allotted for each employee.
k	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust;	The scheme is administered through a trust.
l	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both;	The scheme envisages new issue of shares.
m	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.;	The Company will provide interest-free loan, which the Trust will repay on receipt of the amount from the employees who exercise the option.
n	Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s);	The Company does not envisage any secondary acquisition for this purpose.
o	A statement to the effect that the company shall conform to the accounting policies specified in regulation 15;	The Company will conform to the accounting policies specified in regulation 15.
p	The method which the company shall use to value its options or SARs;	Intrinsic value method would be used for valuation of the Options granted
q	The following statement, if applicable: In case the company opts for expensing of share based employee benefits using the intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' report and the impact of this difference on profits and on earnings per share ("EPS") of the company shall also be disclosed in the Directors' report.'	It is confirmed that the difference between the employee compensation cost so computed and the cost that shall have been recognized if it had used the Fair Value of the Options shall be disclosed in the Board's Report and also the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Board's Report.

Disclosure of Interest:

None of the Directors, Key Managerial Personnel of the Company or their relatives, is concerned or interested in the passing of the Resolution set out at Item No. 6 of the Notice.

By Order of the Board
For **Thyrocare Technologies Limited**

Ramjee Dorai
Head (L&S) and Company Secretary
Navi Mumbai, June 11, 2016

Registered Office:
D-37/1, TTC Industrial Area, MIDC, Turbhe,
Navi Mumbai-400 703

FORM NO. MGT-11 PROXY FORM

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

CIN: **U85110MH2000PLC123882**

Name of the Company: **THYROCARE TECHNOLOGIES LIMITED**

Registered Office: **D-37/1, TTC Industrial Area, MIDC, Turbhe, Navi Mumbai 400703**

Name of Members: _____

Registered Address: _____

E-mail ID: _____

Folio no./Client ID No. : _____

DP ID: _____

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

1. Name: _____
Address: _____
E-mail ID: _____
Signature: _____, or failing him
2. Name: _____
Address: _____
E-mail ID: _____
Signature: _____, or failing him
3. Name: _____
Address: _____
E-mail ID: _____
Signature: _____, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual General Meeting of the Company for Financial Year 2015-16 to be held on Monday, September 12, 2016, at 2.30 PM, at Hotel Yogi Midtown, Plot No. DX-12, TTC Industrial Area, Mumbai-Pune Road Turbhe, Navi Mumbai-400705 and/or at any adjournment thereof in respect of resolutions as are indicated below:

Resolution No.:

Ordinary Business:

1. To adopt the audited Financial Statements of the Company for FY 2015-16.
2. To declare Dividend for the Financial Year 2015-16.
3. To appoint a Director in the place of retiring Director, Mr. A. Sundararaju (DIN. 00003260) who offers himself for reappointment.
4. To appoint M/s. B S R & Co. LLP as Auditors to hold office from the conclusion of 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting.

Special Business:

5. To ratify remuneration fixed for the Cost Auditor for FY 2015-16
6. To approve Employees Stock Option Scheme for the year 2015-16.

Signed this _____

Signature of shareholder: _____

Signature of Proxy holder(s): _____

Please
affix Revenue
Stamp

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For corporate members of the Company duly certified copy of Board Resolution passed at the meeting of their Board of Directors shall be required to appoint a representative to attend and vote at the General Meeting.

MEETING VENUE

Thyrocare®

Think Thyroid. Think Thyrocare.

Rail Route

Train From Thane to Vashi

Catch the train from thane for vashi and get down at either in **turbhe** or **Sanpada** station

Train From Thane to Panvel

Catch the train from thane for Panvel and get down at either in **Sanpada** or **Juinagar** station

Train From Kurla to Panvel/Belapur

Catch the train from **Kurla** for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From Dadar (2 route to change)

Catch the train from **Dadar** for **Kurla** get down at **Kurla**, then from **Kurla** Catch the train for **Panvel** or **Belapur** and get down at either in **Sanpada** or **Juinagar** station

Train From CST

Catch the train from **CST** for **Panvel/Juinagar** /**Nerul** and get down at either in **Sanpada** or **Juinagar** station

Road Route

Bus From Thane Route

Catch the bus from Mulund West (Bus No. 511 / 512) or From Mulund East - Bus No.523. Get down at Bus Stop ● **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Thane to Panvel

Catch the Bus - **Thane to Panvel** (ST) from Thane Cidco stop and get down at Bus Stop ● **Sanpada Police Station** (opp. Hyundai Motors)

Bus From Kurla Depo to Sanpada

Catch the Bus from kurla Depo. (Bus No. 507) get down at Bus Stop ● **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

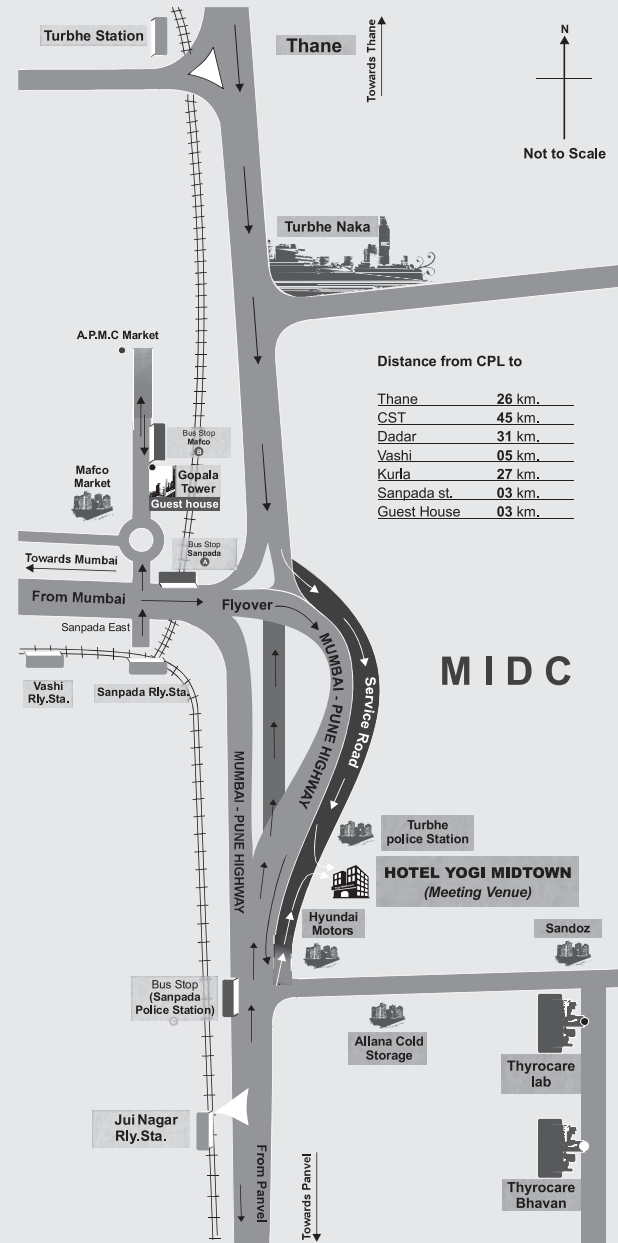
Bus From Dadar to Panvel

Catch Bus from **Dadar** for **Panvel** (ST) and get down at Bus Stop ● **Sanpada Police Station** (opp. Hyundai Motors) Direct route.

Meeting Venue

HOTEL YOGI MIDTOWN

Thyrocare Technologies Ltd.
D-37/3, TTC MIDC, Turbhe,
Navi Mumbai-400 703



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