

20th annual report

2013 -2014

Dr. Agarwal's Eye Hospital Ltd.

Because Vision is Life

19, Cathedral Road, Chennai - 600 086

Dr. Agarwal's Eye Hospital Ltd.

shines in International Conference and brings in Pride to India







The medical team - Prof. Amar Agarwal, Dr. Soosan Jacob, Dr. Kala Satish has won 5 Awards in American Society of Cataract & Refractive Surgery (ASCRS), 2014 at US

57
YEARS OF CARING
FOR EYES

A Tribute to Legendary Visionaries



Padma Bhushan
Late Dr. J. Agarwal
Founder & Chairman



Late Dr. (Mrs) T. Agarwal
Founder &
Managing Director

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CORPORATE INFORMATION

DIRECTORS

Dr Amar Agarwal (DIN 00435684)	Chairman Cum Managing Director
Dr. Athiya Agarwal (DIN 01365659)	Wholetime Director
Dr. Adil Agarwal (DIN 01074272)	Wholetime Director
Dr. Anosh Agarwal (DIN 02636035)	Wholetime Director
Dr. Jasvinder Singh Saroya (DIN 01485708)	Independent Director
Mr.M.R.G Apparao (DIN 01002591)	Independent Director
Mr.Prabhat Toshniwal (DIN 00045793)	Independent Director
Mr.Sanjay Anand (DIN 02501139)	Independent Director

AUDITORS

M/s. M.K. Dandeker & Co.
Chartered Accountants,
244, Angappa Naicken Street
Chennai – 600 001.

BANKERS TO THE COMPANY

State Bank of India,
Gopalapuram Branch
Chennai - 600 086

State Bank of India,
Industrial Finance Branch
Chennai-600 002

REGISTERED OFFICE

No.19 (Old No. 13), Cathedral Road,
Chennai-600 086
Website: www.dragarwal.com
CIN NO: L85110TN1994PLC027366
Telephone: 91-44-2811 2811

SHARE TRANSFER AGENTS

Integrated Enterprises (India) Ltd.
2nd floor, Kences Towers,
No.1 Ramakrishna Street
North Usman Road, T Nagar
Chennai – 600 017
Tel – 2814 0801-03
Email: corpserve@integratedindia.in

10 Year Financial Highlights

Rs. in crore

For the year ended	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06	2004-05
Total Income	115.94	109.73	105.68	104.01	88.89	73.30	41.40	22.09	14.70	13.52
EBITDA	13.22	13.39	13.00	13.77	11.42	9.69	5.26	4.21	2.63	3.16
EBITDA%	11%	12%	12%	13%	13%	13%	13%	19%	18%	23%
Depreciation	6.05	5.38	5.56	6.15	6.44	5.48	3.30	1.65	1.64	1.52
PBT	3.72	4.43	2.92	3.60	0.99	0.60	0.56	2.39	0.92	1.54
PBT%	3.21%	4.04%	2.76%	3.46%	1.11%	0.82%	1.35%	10.82%	6.26%	11.39%
PAT	2.43	3.14	1.60	2.05	0.52	0.20	0.15	1.23	0.58	0.98
Profit After Tax %	2.10%	2.86%	1.51%	1.97%	0.58%	0.27%	0.36%	5.57%	3.95%	7.25%
Equity Share capital	4.70	4.50	4.50	4.50	4.50	4.50	4.50	4.50	3.25	3.25
Reserves	14.28	11.14	8.63	7.02	5.60	5.50	5.18	5.82	1.63	1.50
Net Worth (NW)	18.98	15.64	13.13	11.52	10.10	10.00	9.68	10.32	4.88	4.75
Loan funds	18.89	19.55	20.99	24.16	26.78	29.93	20.40	4.95	1.78	2.26
Capital Employed (CE)	37.87	35.19	34.12	35.68	36.88	39.93	30.08	15.27	6.66	7.01
Return on Networth %	12.81%	20.08%	12.19%	17.80%	5.15%	2.00%	1.55%	11.92%	11.89%	20.63%
Return on Capital Employed %	34.91%	38.05%	38.10%	38.59%	30.97%	24.27%	17.49%	27.57%	39.49%	45.08%
Debt/ Equity ratio	1.00	1.25	1.60	2.10	2.65	2.99	2.11	0.48	0.36	0.48
Dividend	12%	12%	-	12%	8%	-	15%	15%	12%	12%
Earnings Per Share Rs.	5.25	6.98	3.56	4.55	1.16	0.44	0.34	2.74	1.78	3.03

Return on Networth (PAT/NW)
* Return on Capital Employed (EBITDA/CE)

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 20th Annual General Meeting of the shareholders of the company will be held on Tuesday, September 9, 2014 at 11.00 a.m at 19 (Old No.13), Cathedral Road, Chennai 600 086 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2014, the Balance Sheet as at that date and the Report of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director, in place of Dr. Adil Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director, in place of Dr. Anosh Agarwal who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration. The retiring auditors, M/s M.K. Dandeker & Co., Chartered Accountants, Chennai, are eligible for reappointment.

   "RESOLVED THAT, pursuant to the Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s M.K. Dandeker & Co. (Firm Reg.No.000679S) Chartered Accountants, Chennai, be and is hereby re-appointed as the Statutory Auditor of the Company, to hold office from the conclusion of this AGM to the conclusion of the next AGM and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, and that such remuneration may be paid on a progressive billing basis to be agreed upon by the auditors and Board of Directors."

SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s), the following Resolutions as an ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sanjay Anand, Director of the Company who retires by rotation at the AGM and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) years with effect from September 9, 2014 whose term shall not be subject to retirement by rotation.".

7. As a SPECIAL RESOLUTION:

   "RESOLVED that in supersession of the resolution passed earlier in this regard, pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as may be amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof

for the time being exercising the powers conferred on the Board by this Resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the sum of Rupees One Hundred Crore."

"RESOLVED FURTHER that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required."

8. As a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 180(1) (a) and other applicable provisions, if any, of the companies Act, 2013 (thereinafter referred to as the Act) including any statutory modification or re-enactment thereof for the time being in force and as may be enacted from time to time, the consent of the company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as 'the Board'), to mortgage and / or charge, in addition to the mortgages and / or charges created / to be created by the Company, on such terms and conditions and at such time or times and in such form or manner as it may think fit, on all or any of the movable and/ or immovable properties of the Company, both present and future and / or the whole or substantially the whole of the company's anyone or more or all of the undertakings, in favour of the Company's Bankers and / or Financial Institutions and / or bodies corporate and / or other lenders, to secure the loans and / or advances and / or cash credit and / or over draft facilities and / or the amount of debentures whatsoever, whether raised and / or to be raised and whether issued and / or to be issued, together with interest thereon, additional interest, compound interest in the event of default, accumulated interest, commitment charges, liquidated damages, premium or redemption, premium on prepayment trustee's remuneration, costs charges, expenses and other monies as may be thought expedient by the Board or any Committee thereof and in such manner as may be agreed to between the concerned parties, subject, however, that the total amount up to which money may be borrowed shall not exceed, in the aggregate, the total limit approved by the shareholders, from time to time."

"RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board or any committee thereof, be and is hereby authorised to finalise, settle, delegate and execute such documents, deeds, writings and agreements, as may be required and to do all such acts, deeds, matters and things, it may in its absolute discretion deem necessary, proper, expedient or desirable and to settle any question, difficulty or doubt that may arise in regard to creating the aforesaid mortgages and/ or charges."

9. As an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, consent be and is hereby accorded to the Board of Directors of the Company ("the Board") to contribute an amount not exceeding Rupees Five Crores, in one or more tranches, in any financial year, either directly or through a non-profit organization, or in any other way considered appropriate by the Board, to such bonafide charitable and other funds as may be deemed fit and appropriate by the Board."

10. As a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, and revised Clause 49 of the Listing Agreement effective from October 1, 2014, consent of the Company be and is hereby accorded for the related party transactions :"

Particulars of proposed transactions for the purpose of approval u/s 188 of the Companies Act, 2013 and Maximum value of contract/transaction (Per Annum) w.e.f April 1st 2014

(Rs. In Lacs)

Transactions defined u/s 188(1) of the Companies Act, 2013	**Leasing of Property of any kind**	**Availing or rendering of any service**
NAME OF RELATED PARTIES:		
Orbit Health Care Services Ltd, Mauritius		200
Orbit International	120	
Dr. Agarwal's Eye Institute	800	

"RESOLVED FURTHER THAT the board of directors of the Company be and are hereby authorized to enter/renew the arrangements, agreements, contracts or arrangements from time to time as may be necessary in this regard."

11. As a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, if any, and revised Clause 49 of the Listing Agreement effective from October 1, 2014, consent of the Company be and is hereby accorded for the related party transactions with Dr.Agarwal's Health Care Limited for availing or rendering of service/s not exceeding Rs.300 lacs per annum."

"RESOLVED FURTHER THAT the board of directors of the Company be and are hereby authorized to enter/renew the arrangements, agreements, contracts or arrangements from time to time as may be necessary in this regard."

For and on behalf of the Board

Sd/-

Place: Chennai
Date: 02.07.2014

Dr.Amar Agarwal
Chairman Cum Managing Director

NOTES:-

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the Special Business set out in the Notice is annexed.
2. A MEMBER OF THE COMPANY, WHO IS ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

3. Instrument of Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (Forty Eight) hours before the time fixed for holding the Annual General Meeting. A Form of Proxy for the AGM is enclosed.

4. The Register of Directors and KMPs and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

5. Register of Contracts or Arrangements in which in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

6. The Register of members and the share transfer books of the company will remain closed from 2nd September to 9th September 2014 (both days inclusive) for the purpose of payment of the final dividend for the financial year ended March 31, 2014.

7. Dividend if declared, will be paid to the Members whose names appear on the Register of Members as on September 9, 2014 and in respect of shares held in Electronic Form, to the beneficial owners, as per list that will be furnished by National Securities Depository Limited/ Central Depository Services (India) Limited, as on that date.

8. Members are requested to notify immediately changes in their respective addresses with their registered email address, if any, quoting their folio number so that the dividend warrants are correctly despatched.

9. Shareholders / proxy holders are requested to bring their copy of the annual report with them at meeting and to produce at the entrance, the attached admission slip duly completed and signed, for admission to the meeting hall.

10. Members who hold their shares in electronic mode are requested to direct change of address notifications and updates of saving bank account details to their DPs. Hence, members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

11. Members are requested to write to the Registrar and Share Transfer Agents of the Company, M/s Integrated Enterprises (India) Limited, Chennai for more information, if any needed, on Nomination facility and/ or to get a copy of Nomination Form.

12. Members desirous of getting any information about the accounts and operation of the company are requested to address their query to the company at the Registered Office of the company well in advance so that the same may reach at least seven days before the date of meeting to enable the management to keep the required information readily available at the meeting.

13. Under the provisions of Section 205C of the Companies Act, 1956 dividends remaining unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. It may also be noted that once the unclaimed dividend is transferred to IEP fund, no claim shall lie in respect thereof. Hence, the members who have not claimed their dividend relating to the earlier years may write to the Company or Share Transfer Agent for claiming the amount before it is transferred to the Fund. The details of due dates for transfer of such unclaimed dividend to the said Fund are given below.

Financial year ended	Dividend %	Date of declaration Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEP Fund	Amount Rs.
2006-07	15%	18.09.2007	17.09.2014	16.10.2014	270157.50
2007-08	15%	12.08.2008	11.08.2015	10.09.2015	194496.00
2008-09	NIL	NA	NA	NA	NA
2009-10	8%	24.08.2010	23.08.2017	22.09.2017	121942.40
2010-11	12%	23.08.2011	22.08.2018	21.09.2018	175264.80
2011-12	NIL	NA	NA	NA	NIL
2012-13	12%	13.08.2013	12.08.2020	11.09.2020	218079.60

The Shareholders who have not claimed the dividends for the financial year ended 2006-07 are requested to claim the same before 17th September 2014 after which the amount will be transferred to IEP Fund.

14. The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the step towards Corporate Governance" to allow paperless compliance by the corporate sector. MCA, vide its Circular dated 21st April 2011, has now made permissible the service of documents through electronic mode to shareholders.

    To support the Green initiative of MCA, it is proposed to send, henceforth, all Notices, Annual Report and other communications through e-mail. For the above purpose, we request you to send an e-mail confirmation to our designated ID mentioning your name, DP/Customer ID or Folio number and your email ID for communication.

    On this confirmation, we would, henceforth, send all Notices, Annual Report and other communications through e-mail. Copies of the said documents would be available in the Company's website for your access. We request you to support the Green Initiative of the Government by opting for electronic mode of receiving our corporate communications.

15. Wherever the name of the director appears, the same be read with the DIN no. of the concerned Director as appearing above in this Notice.

16. **INSTRUCTION FOR E-VOTING**

    1 Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer the option of E-Voting facility to all the members of the Company to cast their votes electronically on all resolutions set forth in the Notice convening the 20th Annual General Meeting to be held on September, 9 2014 at 11:00 am IST. For this purpose, the Company has entered into an agreement with National Securities Depository (NSDL) to provide e-voting facility. The Members who wish to attend Annual General Meeting can vote at the Meeting.

    The e-voting facility is available at the link https://www.evoting.nsdl.com