

24th ANNUAL REPORT
2017-2018



Dr. Agarwal's
Eye Hospital Ltd.

OUR VISION

To focus on being different
through continuous innovation
and use best-in-class
technology to win





PROF. (DR.) AMAR AGARWAL
CHAIRMAN CUM MANAGING DIRECTOR

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

Various Scientific Contributions

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

Awards & Associates

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

Positions held

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



DR. ATHIYA AGARWAL
WHOLE-TIME DIRECTOR

- Dr. Athiya Agarwal is one of the leading Anterior Segment Surgeons and Ocular Pathologists in India
- She was trained in Ophthalmology and Pathology in the world famous Moorfields Eye Hospital London
- An Active Member of the All India Ophthalmology society and conducts training programs for the post graduate students in modern surgical procedures.
- She is in-charge of the research activities of the Group



MR. M R G APPARAO
DIRECTOR

Mr M R G Apparao graduated from Loyola College, Madras Institute of Technology and IIM Calcutta.

He started his career by being a faculty at Indian Institute of Management Ahmedabad. He taught quantitative methods and computer applications. He setted India's first time-share computer system at IIM Ahmedabad. He later founded a management and computer consultancy organization in 1976. He has been the management consultant to many companies in India and Abroad such as Reserve Bank of India and Murugappa. His current areas of Research are Quantum Computing, Blockchain, and applications of IoT for Precision Agriculture.

As he has a passion for teaching, he served as the Director of a Thiagarajar School of Management for 7 years. He is a visiting professor at many educational institutions. He has taught Critical Thinking and Logic to schools students and Decision Support Systems to students of MBA. He has brought cutting edge of technology to the institutions he has been connected with. He is also a member of boards and management committes of listed and private companies along with NGOs.

Since childhood he was very interested in sports and has played several sports and games including Horse Racing, Formula-1, Football etc. He was the Secretary of Bridge Federation of India. On the other front, he also has his personal library of over 5,000 books.



MR. SANJAY ANAND
DIRECTOR

Sanjay Anand is a Chartered Accountant. He has done his schooling from Delhi Public School and D.A.V. Gopalapuram, Chennai. He was a Topper in Commerce Group. He graduated from University of Madras. He qualified with distinction from Academy of Accounting at SIRC, ICAI. He's an alumnus of IIM Ahmedabad.

He has one of the largest organized business of office supplies - "Office #1" – a leading entity to capitalize on the organized office supplies and Consumables Trades. He is the Founder Promoter of IIGM Pvt. Ltd., one of the largest in Industrial Garments machines.

He has 4 decades of advisory expertise in Capital – Stock Markets. He also Specializes in investments Equity, Mutual Funds, Commodities Gold, Platinum, Real Estate, Travel and Tourism.

He has been in the directorship of Dr Agarwal's Group over a decade with immense experience in healthcare industry

CHAIRMAN'S DESK



Dear Shareholders,

We started our journey 60 years ago, to build an organization that would offer high quality eye care at affordable prices. We have earned the trust of millions of people across the world while staying true to our vision of being a truly global healthcare organization which imbibes the best practices from different sectors while relying on continuous innovation and cutting –edge technology.

We clocked 155.62 INR crores as total income for the year FY 2017-18. The operating margin for FY 2017-18 stood at 17% compared to an operating margin of 15% for the last financial year. With a focus on better cost control, we hope to improve our operating margins for the current financial year. Known for its tradition as a good dividend paying company, our dividend payout ratio stands at 12% this year. We have decided to invest more in advertising to reach out to the masses, which would help us grow in our traditional stronghold of Tamilnadu. While affirming our faith that innovation and technology will be at the forefront of our growth, we will also be investing more on bio-medical equipments and Infrastructure this year.

As we move ahead further on the path of value creation for all our stakeholders, I would like to commend the effort of our management and staff. I thank all the directors for their valued insights and directions imparted to the Company. Your trust and confidence fuels us on the path of excellence, dear shareholders, and I look forward to your continued support in the days ahead.

Regards,

Dr. Amar Agarwal

Chairman and Managing Director,
Dr. Agarwal's Eye Hospital Limited



INDUSTRY UPDATE

Healthcare has become one of India's largest sectors - both in terms of revenue and employment. The health care sector is expected to be the core of economy with a meaningful contribution to growth. The health care growth remains intact with increased income levels, ageing population, growing health awareness and changing attitude towards preventive health care. While the outlook for the healthcare industry is optimistic, there is a need to move towards an integrated healthcare delivery system, which leverages technology and has the patient at its center. In the health care industry, the eye care segment holds a special position. This is due to the fact that India is home to 18 percent of the world's population and approximately 30 percent of the world's blind people. There is a tremendous unmet need for ophthalmic care.

Over the past 70 years, India's life expectancy rate has seen exceptional growth from a life expectancy of age 27 in 1947 to age 70 in 2016. By 2021, more than 10 percent of the population—over 140 million people—will be age 60 or over. Additional factors expected to fuel India's ophthalmic market growth include an upsurge in dietary change-related eye diseases, growing incidence of myopia, a growing middle class, and improved access to care. In terms of treatments for diseases or disorders, the largest markets are for cataract surgery, retinal drugs, and glaucoma medications.

Revenues from cataract surgery in India are expected to generate more than a quarter of the total ophthalmic market revenues in the country. In revenue terms, the two largest submarkets are cataract surgery and diagnostic equipment, followed by retina and glaucoma. Small-incision cataract surgery (SICS) is the dominant surgical procedure used to remove cataracts, accounting for over half of all cataract surgeries, but ultrasonic phacoemulsification is gaining ground. Femtosecond laser-assisted cataract surgery is also has a major presence in the market. Surgeons typically use foldable IOLs and ophthalmic viscoelastic devices with either SICS or phacoemulsification. Growth in the diagnostic equipment industry will be driven by expansion of telemedicine, advancements to automate medical records, enhanced imaging technologies, consolidations of hospitals, and a rise in Indian companies entering the market. Glaucoma, the third-largest ophthalmic submarket in India, is mainly a pharmaceutical market, and the main driver of revenue growth will be better access to glaucoma medicines. Dr Agarwal's Eye Hospital Limited, being a pioneer in eye care services for almost six decades, and being at the fore- front of innovation and patient care is in pole position to address the growing eye care needs of India's population.

FINANCIAL HIGHLIGHTS

Total Income (in ₹ Cr.)

FY 13-14
115.94

CAGR 8%

FY 17-18
155.62

EBITDA (in ₹ Cr.)

FY 13-14
13.22

CAGR 18%

FY 17-18
25.73

PBT (in ₹ Cr.)

FY 13-14
3.72

CAGR 38%

FY 17-18
13.36

PAT (in ₹ Cr.)

FY 13-14
2.43

CAGR 28%

FY 17-18
6.5



PRESS CLIPPINGS

Eye surgery made safer

'New device clears blood clots in the eye without damage'

SPECIAL CORRESPONDENT
CHENNAI

At Dr. Agarwal's Eye Hospital on Wednesday, C. Vanitha was a happy woman. Her left eye, which had been filled with blood in June and through which she could not see, is now completely healed. "I was nervous when I was told that I was undergoing a new procedure," said the 40-year-old, "but now my vision is completely restored."

The procedure Ms. Vanitha underwent was hypersonic vitrectomy using a new device, Bausch & Lomb's Hypersonic Vitrectomy System, New Stellaris Elite Vision Enhancement System, chairman of the hospital Amar Agarwal told mediapersons. "Bleeding in the eye can be caused due to uncontrolled diabetes, hypertension or even because of an injury. Up until now, removing blood clots from the eye and fixing the retina in-



Mission vision: Dr. Amar Agarwal, chairman, Dr. Agarwal's Eye Hospital, explains the functioning of the new device – Hypersonic Vitrectomy System. ■ M. KARUNAKARAN

involved using a cutter – a device that could perform 5,000 cuts per minute. This creates traction, and pulls on the retina. The new ultrasound device however, liquefies the blood and sucks it out. This increases the cutting rate to approximately 1.7 million cuts per minute, decreasing the traction, mak-

ing the procedure much safer, with no damage to neighbouring structures in the eye, and the results much better," he said.

The device has been approved by the Food and Drug Administration (FDA), USA, he said. "The device can also seal holes in the retina," he said.

அல்ட்ரா சவுண்டை பயன்படுத்தி

கண்ணில் படர்ந்த ரத்தத்தை அகற்றும் நவீன சிகிச்சை

உலகில் முதல் முறையாக அகர்வால் கண் மருத்துவமனை அறிமுகம்

சென்னை, நவ.24-
அல்ட்ரா சவுண்டை பயன்படுத்தி கண்ணில் படர்ந்த ரத்தத்தை அகற்றும் நவீன சிகிச்சை முறை உலகில் முதல் முறையாக அகர்வால் கண் மருத்துவமனை அறிமுகம் செய்துள்ளது.

நவீன சிகிச்சை

சென்னை நுங்கம்பாக்கத்தில் உள்ள டாக்டர் அகர்வால் கண் மருத்துவமனை, புதிதாக நவீன கண் அறுவை சிகிச்சை முறையை அறிமுகம் செய்துள்ளது. அதாவது, ஹைப்பர்சானிக் விட்ரெக்டாமி சிஸ்டம், நியூஸ்டெல்லாரிஸ் எலீட் விஷன் என்ஹான்ஸ்மென்ட் சிஸ்டம் என்ற நவீன கண் அறுவை சிகிச்சை முறையானது உலகிலேயே முதன்முறையாக இங்கு தான் அறிமுகம் செய்யப்பட்டுள்ளது.

இந்த புதிய தொழில்நுட்பம் மூலம், வெட்டும் சாதனங்கள் தவிர்க்கப்பட்டு, அல்ட்ரா சவுண்ட் (மனிதனால் கேட்க முடியாத ஒலி) மூலம் கண்ணில் படர்ந்த ரத்தத்தை அகற்ற முடியும். இத்தகைய நவீன சிகிச்சை முறையில், வனிதா என்ற 40 வயது பெண்



வனிதாவுக்கு இடது கண்ணில் செய்யப்பட்ட நவீன சிகிச்சை முறை குறித்து டாக்டர் அமர் அகர்வால் விளக்கும் காட்சி.

னுக்கு இடது கண்ணில் படர்ந்த ரத்தம் அகற்றப்பட்டுள்ளது.

கண்ணில் படர்ந்த ரத்தம்

வனிதாவுக்கு கடந்த ஜூன் மாதம் கண்ணில் ரத்தம் படர்ந்து, கண்சிவந்து பார்வை தெரியாத நிலை ஏற்பட்டது. அதன்பிறகு, அகர்வால் கண் மருத்துவமனையில் சிகிச்சைக்காக வந்த அவருக்கு, இந்த புதிய தொழில்நுட்பம் மூலம் அறுவை சிகிச்சை செய்

யப்பட்டது. தற்போது, வனிதாவுக்கு இடது கண்ணில் ஏற்பட்ட பார்வை குறைபாடு சரியாகியுள்ளது.

இந்த நவீன சிகிச்சை குறித்து, டாக்டர் அகர்வால் கண் மருத்துவமனையின் தலைவர் டாக்டர் அமர் அகர்வால் கூறும்போது, "கண் விழித்திரை பிரச்சினைகள் உள்ள நோயாளிகளுக்கு இந்த புதிய தொழில் நுட்பம் மூலம் மிகச் சிறந்த சிகிச்சையை வழங்க முடியும்" என்றார்.