

29th ANNUAL REPORT 2014-15

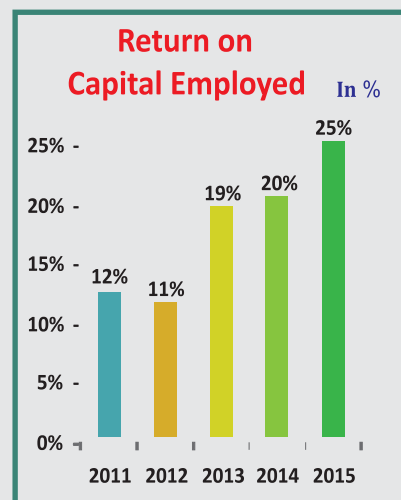
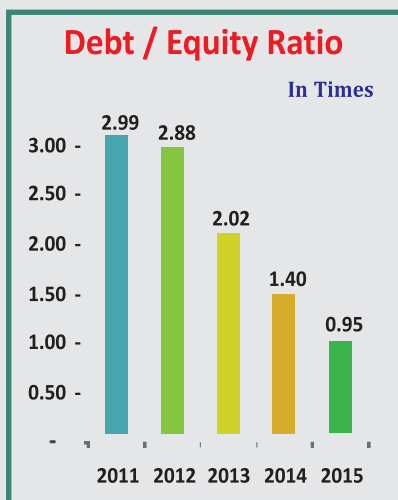
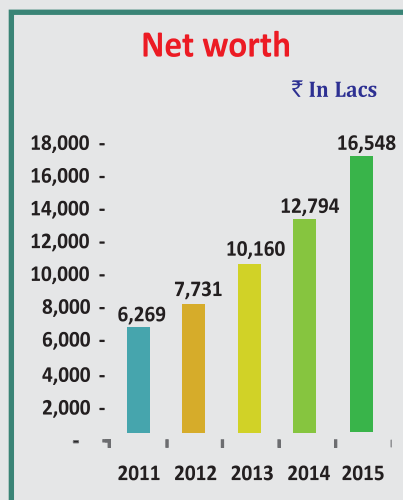
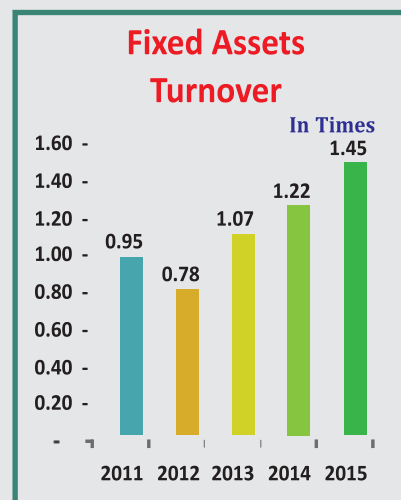
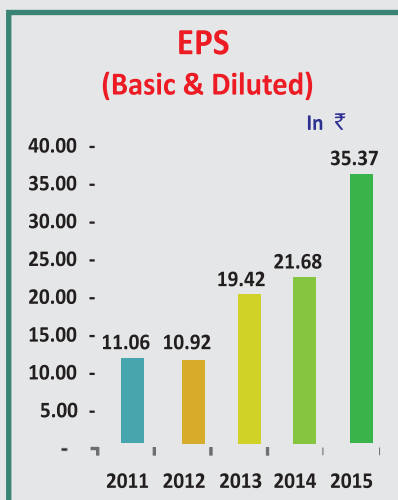
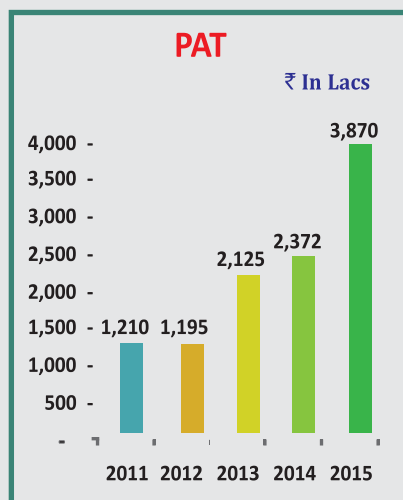
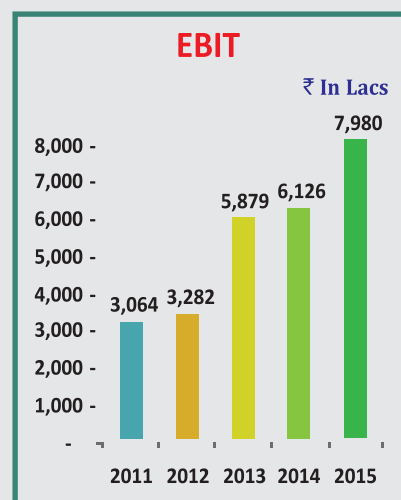
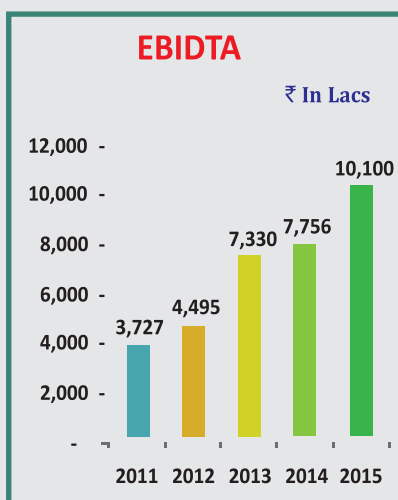
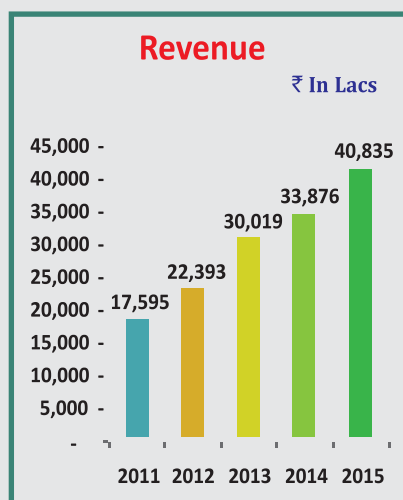


Kovai Medical Center and Hospital Limited

Excellence in Healthcare



5 Years Graphical Representation





BOARD OF DIRECTORS

Dr.Nalla G Palaniswami
Managing Director

Dr.Thavamani Devi Palaniswami
Joint Managing Director

Dr.Mohan S Gounder
Joint Managing Director

Mr.Kasi K Goundan
Director

Dr.M.Manickam
Director

Dr.K.S.K. Murugaiyan
Director (Upto 03.09.2014)

CA.A.M.Palanisamy
Director

Dr.P.R.Perumalswami
Director

Dr.M.C.Thirumoorthi
Director

Mr.A.K.Venkatasamy
Director

Mr.K.Saminathan
Director

Dr.M.A.Muthusethupathi
Director

Dr.Purani P Palaniswami
Director (From 03.09.2014)

Dr.S.Krishnasamy
Director
(Alternate to Dr.P.R.Perumalswami)

CA.P.K.Gopikrishnan
Chief Financial Officer

CS.S.P.Chittibabu
Company Secretary

**REGISTERED OFFICE &
HOSPITAL COMPLEX**
Post Box No. 3209, Avanashi Road
Coimbatore - 641 014

CIN No : L85110TZ1985PLC001659
Tel : +91 - 422 - 4323800, 3083800
Fax : +91 - 422 - 4270639
E-mail : secretarialdept@kmchhospitals.com
accounts@kmchhospitals.com
Website : www.kmchhospitals.com

AUDITORS
M/s Haribhakti & Co. LLP
Chartered Accountants
Coimbatore - 641 012

REGISTRAR & SHARE TRANSFER AGENT
GNSA Infotech Limited
STA Department
Nelson Chambers
F-Block, 4th Floor
No.115 Nelson Manickam Road
Aminjikarai
Chennai - 600 029
Phone : + 91-44-42962025
Email : sta@gnsaindia.com

BANKERS
Indian Bank
Indian Overseas Bank



KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

Contents	Page No.
CORPORATE REVIEW	
Making the Impossible, Possible.....	3
STATUTORY SECTION	
Notice of Annual General Meeting.....	8
Directors' Report.....	23
Corporate Governance Report.....	64
FINANCIAL STATEMENT	
Auditor's Report on Standalone Financial Statements.....	85
Standalone Financial Statements.....	90
Auditor's Report on Consolidated Financial Statements.....	116
Consolidated Financial Statements.....	121

KMCH - MAKING THE IMPOSSIBLE, POSSIBLE



21st June 2015 was a landmark day in the history of Kovai Medical Center. Dr.Nalla G Palaniswami's dream of bringing back to India a medical facility that would be at par with the Hospitals in the United States, had successfully completed 25 years of service. What started as a 200 bed hospital has today nearly touched 1000 beds. But the story doesn't end with bed strengths alone. It is about progress that has astounded many others who have started at the same time. Most of them today struggle to keep up with the technology and facilities that the best hospitals both in India and abroad provide.

Whereas, KMCH has been a leader with multiple specialities and can proudly list itself among the best centers in the country and also be compared with leading centers around the world. What is remarkable about KMCH is that all these achievements were made possible especially with its presence in a non-metro city, where patient billing is generally lower by 25 to 50% than that of metros.

During Silver Jubilee celebrations, nearly 100 employees and 21 Doctors were recognized, felicitated and rewarded for their continuous service and dedication for a considerable period of time, where some were associated since the start of business operations in KMCH. This clearly indicates that the entire work force is highly motivated exhibiting exemplary solidarity and work as a family for the growth of the Hospital resulting in improved services to the patients.



All the specialities are managed by leading Physicians / Surgeons who have won many laurels as a result of their professional expertise, knowledge and having more than two decades of continuous dedicated service. Dr.Vivek Pathak one of the leaders in renal transplant and a pioneer in steroid free transplant is one of them. Dr.Thomas Alexander is recognised worldwide as a sensation in developing and formulating a program for ensuring that a patient with bad heart attack receives appropriate treatment in the shortest possible time (STEMI INDIA) and has been with KMCH for 23 years. Dr.Mathew Cherian a leader in the field of interventional radiology in India is also the Proctor for training doctors in Southeast Asia and has been serving the hospital for more than 24 years. Several of the key administrative staff have also been a part of this hospital from its inception.

The repeated awards received by the Hospital is a testimony for the high quality of health care deliveries provided by the Hospital. With this certainty and capability we are eager to spread our wings to Chennai and are confident of becoming a leader in Metros as well.



Recognition by ICICI Lombard Health Insurance & CNBC : The Hospital was recognised as “**The Best Multi-Speciality Hospital**” in non-metro city for the second time by ICICI Lombard Health Insurance & CNBC TV18. This is indeed a feat considering the fact that over the last few years several new hospitals with state-of-the-art technology has come up around and yet KMCH continues to be a leader. No doubt this talks about the vision of its leaders who have always focused on excellence in medical care.

Liver Transplant a routine surgery at KMCH:

Over the past one year the hospital has performed 35 successful liver transplants. This makes KMCH the largest center outside Chennai to perform successful liver transplants. Over the next one year this Department will be strengthened by providing exclusive liver ICU. With additional support from the imaging department which provides both MRI and ultrasound upgrades to ensure that early cirrhosis of the liver can be picked up and the further plan to establish a living donor program will help to reduce the waiting time.



Cardiac and Lung transplant: The Department of heart and lung transplant also has continued its journey by performing both lung and heart transplants. Again in this area the hospital will be providing added infrastructure to ensure that these programs draw additional patients who desperately are in need for a second chance to live. Heart and Lung transplants are extremely complex and KMCH plans to be a leader in this area.

The Department of cardiac surgery under the leadership of Dr.Prashant Vaijyanath has also performed minimally invasive cardiac surgeries under 3-D laparoscopy a first of its kind in Asia. Today, the Department of cardiac surgery caters to a full spectrum of extremely complex cardiac ailments.

The Department of paediatric cardiology has also been a forerunner by doing complex interventions in small children. They have successfully placed a pacemaker in a small child, a treatment that was unheard of in this region. The electrophysiology lab has also become a very active Department providing treatment for acute complex rhythm disorders.



Cutting-edge Technology in Bone Marrow Transplant: The Department of Bone Marrow Transplant has once again forged ahead by doing ABO incompatibility bone marrow transplants, an extremely complex procedure which was made possible only by the sheer dedication of the team headed by Dr.Rajasekar. Bone marrow transplants makes the patient susceptible to all forms of infection and the slightest error can put the life of the patient in jeopardy.

Inauguration of state-of-the-art new microscope: The Department of Neurosurgery was the epicentre of activity during the Annual Conference of the Neurological Society of India. Several complex vascular diseases of the brain were demonstrated live during the workshops. Using a new state-of-the-art microscope specialised angiography is performed per-operatively, using specialised dyes, again one of its kind technology used in this region. With the help of the microscope, treatment of complex aneurysms were demonstrated routinely in our center. In addition the Department of neuro interventional radiology also demonstrated the use of flow diverter in a complex aneurysm. Such procedures have never been done in the city before.



The wonder called a rhenium: Thanks to the dedication of the Department of Nuclear Medicine RADIO Embolisation which is otherwise an extremely expensive procedure is now easily available at a very competitive cost. More than 40 patients have been treated by RADIO embolization, where the radio isotope rhenium is provided by the Nuclear Medicine Department. This isotope is super selectively injected into the tumour bed by the interventional radiology team. The tumour response is unbelievably good. The Department of Nuclear Medicine is now hosting the world Congress in rhenium with the aim to not to hold back this technology to only one Center in India but to ensure that people across this country and neighbouring countries also get to learn how to use rhenium to ensure longer lives for patients with liver cancer. Several of these patients can now go ahead with liver transplant practically curing them of their disease forever.

Department of radiation in medical oncology: The number of patients treated by these departments have also increased substantially. The Department of radiation oncology continues to spearhead state-of-the-art radiotherapy in this region and remains as the only center providing Rapid arc and stereotactic radiosurgery from the inception. Most of the patients are amazed at the lack of its side-effects with this treatment at KMCH. It is all about accuracy and limiting the radiation to the target alone. The Department of medical oncology also works closely with radiation and surgical oncology to ensure that the best is offered to these patients.



Departments of diagnostic and interventional radiology: Rated as one of the best in the country, it has added to its armamentarium an upgrade for the MRI system which has several key advantages. It will be the first MRI in this region to be working silently, taking away the excessive noise in the MR room and enhances the patient comfort enormously. In addition the new upgrade will allow doctors to virtually feel the liver and detect cirrhosis and also help to quantify the amount of fat in liver which is widely prevalent in India. Further the addition of a new ultrasound machine allows doctors to predict the stiffness of the liver which helps to diagnose cirrhosis.



Departments of minimally invasive and general surgery: These are some of the busiest departments in the hospital and they have been doing extremely good work in the area of bariatric surgery which can provide unbelievable benefits to a patient who is morbidly fat. The Hospital is also contemplating to start robotic surgeries.

Research the secret word that can change the

country: The hospital has started a Research Foundation with the aim of supporting genuine research especially in the areas of cardiac diseases and diabetes. India is the capital of both the diseases. We believe that prevention is the only way to improve the health of these patients. The secret to prevention is finding out the root cause. The hospital believes that over the next few years it will be an identified center for genuine high-quality research.



And Miles to Go before We Sleep:

We do not rest content in success but realise that this journey can never end. We are excited about our progress and achievements but we believe there is so much more to do like setting up more centers of excellence with Pan India presence. We need to further our transplant program. Today we are the leader in this city but that is not where we stop to be in the same league as that of the largest centers in this country.

We whole heartedly thank all our patients for giving us an opportunity to serve them and give them timely succour. We feel excited when patients come to our Hospital for treatment with confidence when everyone else has turned them down and we are always ready to take up such challenges. We hope that in the future also we continue to fulfil this trust that the people of this region / country has placed on us.

NOTICE

NOTICE is hereby given that the **Twenty Ninth Annual General Meeting** of the Members of Kovai Medical Center and Hospital Limited will be held on Friday, the 25th September 2015 at 11.00 a.m. at “A.P.Kalyana Mandapam”, 738/2 Avanashi Road, Goldwins, Coimbatore – 641 014 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Statutory Auditor thereon. To receive, consider and adopt the Audited Consolidated Balance Sheet as at March 31, 2015 in terms of Section 129(4) of the Companies Act, 2013.
2. To declare dividend on equity shares for the financial year ended 31st March 2015.
3. To appoint Dr.Arun N Palaniswami (holding DIN: 02706099) as Director to fill the vacancy of the retiring Director Dr.P.R.Perumalswami (holding DIN: 01099683), who retires at this Annual General Meeting and not opting for re-appointment and in this regard to consider and if thought fit to pass the following resolution as an ordinary resolution.

“RESOLVED THAT Dr.Arun N Palaniswami (holding DIN: 02706099) in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as Director of the company liable to retire by rotation in the vacancy caused by retirement of Dr.P.R.Perumalswami”.

4. To consider and if thought fit to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any of the Companies Act, 2013 and the rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board M/s Haribhakti & Co. LLP, Chartered Accountants, Coimbatore having ICAI Firm Registration No: 103523W be and are hereby appointed as Auditors of the company to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 34th Annual General Meeting of the company subject to ratification by the members at every Annual General Meeting in accordance with the provisions of Section 139(1) of the Companies Act, 2013 on such remuneration and reimbursement of out of pocket expenses as may be mutually agreed between the Auditors and the Board.

“RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution”.