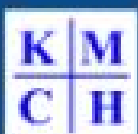


30th ANNUAL
REPORT
2015-16



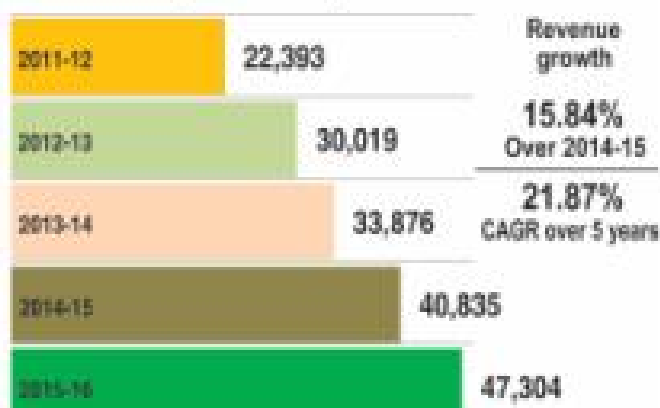
Kovai Medical Center and Hospital Limited

Excellence in Healthcare



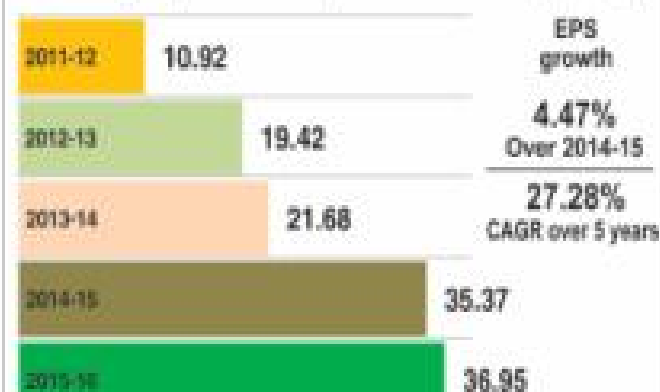
Business growth

Revenue (₹ In Lacs)

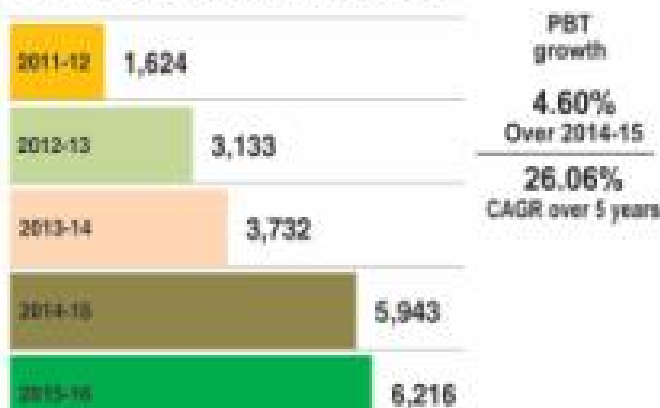


Shareholder value accretion

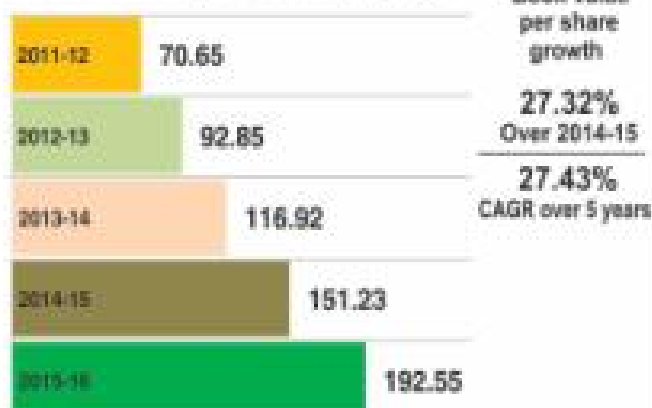
Earnings per share (Basic / Dilute) (In ₹)



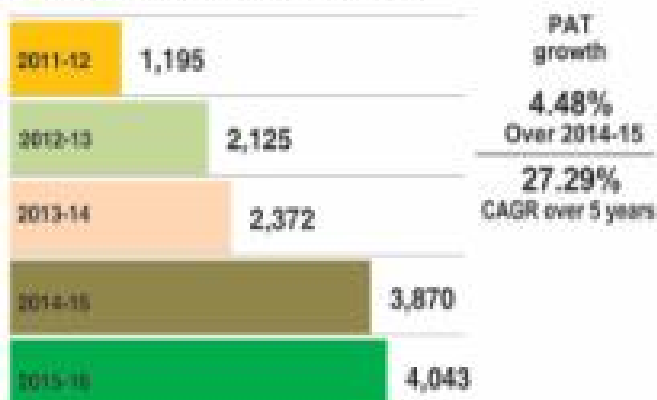
Profit before tax (₹ In Lacs)



Book value per share (In ₹)



Profit after tax (₹ In Lacs)



Dividend per share (In ₹)



includes interim & proposed dividend



BOARD OF DIRECTORS

Dr. Nalla G Palaniswami

Managing Director

Dr. Thavamani Devi Palaniswami

Joint Managing Director

Dr. Mohan S Gounder

Joint Managing Director

Dr. Arun N Palaniswami

Whole Time Director (From 25.09.2015)

Mr.Kasi K Goundan

Director

Dr. M. Manickam

Director

CA. A.M. Palanisamy

Director

Dr. P.R. Perumalswami

Director (Upto 25.09.2015)

Dr. M.C. Thirumoorthi

Director

Mr. A.K. Venkatasamy

Director

Mr. K. Saminathan

Director

Dr. M.A. Muthusethupathi

Director

Dr. Purani P Palaniswami

Director

Dr. S. Krishnasamy

Alternate Director

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 : 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

M/s.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
HDFC Bank Limited
State Bank of India



KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

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LEADERSHIP IN HEALTHCARE



KMCH strongly believes in innovation, driven by its keen awareness of patient needs and desire to enhance clinical outcomes and to improve the cost of delivery of care. With the state of the art multi-disciplinary capabilities and world class infrastructure and technology, we enrich the quality of life of every patient in a caring and nurturing environment. Passion for excellence, increased adoption to technology, patient centric approach and enhanced clinical outcomes has culminated into the undisputed leadership position of KMCH over the last few years in the healthcare arena. We don't rest in our laurels but continuously evolve to be a national leader in the healthcare.

With this in mind we have embarked on an ambitious project towards changing the way brain stroke is managed in India. Hospitals in Germany and United States have started a unique programme for stroke management with the able assistance of highly sophisticated ambulances. They are like intensive care units with a mobile CT within it. The biggest challenge in stroke of the brain is administering a clot buster drug within the first three hours (golden hour) of stroke. Only 2% of the stroke victims are able to reach any Hospital in time for this drug. Before starting the therapy it is of paramount importance to determine whether the stroke is caused by a block in a blood vessel or if it is secondary to the bleeding into the brain. A CT scan is the only investigation that can rapidly differentiate the two. Thus having a mobile CT scan which can go right up to the patients house can be a solution where both speed and diagnosis is achieved.

The mobile stroke unit will change the way's patients are treated not only in India but in the Asian continent. Coimbatore will be the first city in a developing country in the world to start such an ambitious programme. KMCH today is an undisputed leader by having taken this bold step to bring in the first mobile stroke unit to India. We hope in the years to come K MCH will be the role model hospital for treating stroke therapy.

KMCH is making great strides in transplant procedures with the steady increase in the number of liver transplants. We have also started "Living Donor Liver Transplant Programme" for the first time in this region. Our bone marrow and kidney transplant team comprises of internationally trained Doctors and Surgeons who adopt the best procedures and protocols in the world for better clinical outcomes. The center now aims to start pancreatic transplants in the near future.



KMCH is a pioneer in cardiac and cardio-thoracic procedures in India. We offer wide range of sophisticated invasive and non-invasive procedures. Our mission is to improve patient outcome and our commitment is to build and invest in complimentary innovative technology. This will allow physicians to treat more complex cardio-thoracic procedures.

Oncology team comprises of committed and international trained medical, surgical and radiation oncologists. The Department of oncology working in a multi-disciplinary approach has treated some extremely complex body tumours in the pelvis and in the head & neck region. Radiation planning based on MRI has become the standard of care in this center for head & neck and pelvic malignancies. The Department of Nuclear Medicine with its advanced diagnostic capabilities have pioneered in targeted therapy which produces substantial relief with minimal side effects for cancer patients.

The Department of neurosurgery and neuro sciences has been making commendable progress in the diagnosis and treatment of neurological disorders. It is the only center in the region with outstanding results in the field of neurovascular surgery. The Department of neurosciences has been recognised for its outstanding work in the management of movement disorders by deep brain stimulation.



The Radiology and Imaging Department offers highly advanced neuro, cardiac, spinal, chest, abdominal and whole body diagnostic services, supporting clinical departments with better out comes. The department also imparts training in the field of interventional radiology.

Committed to conserving energy and to support clean and green energy, KMCH has successfully installed a Solar Energy Plant for taking care of its sizeable energy needs.



The envisaged Chennai Hospital will focus on cutting edge technology, best practices and protocols in the world. It is an ambitious dream to move from a two tier city to a large metro to establish a world class health care facility. We believe that this will be another milestone and a turning point in the history of KMCH.

We have come a long way in the last 25 years. We look at the future with excitement and hope as we spread our wings to fly into uncharted territories to become a national leader.

NOTICE

NOTICE is hereby given that the **Thirtieth Annual General Meeting** of the Members of Kovai Medical Center and Hospital Limited will be held on Tuesday, the 30th August 2016 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 financial statement (including audited consolidated financial statements) for the financial year ended 31st March, 2016 and the Reports of the Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend and declare Final Dividend on equity shares for the Financial Year ended 31st March, 2016.
3. Dr.Mohan S Gounder, Director, retires by rotation and being eligible, offers himself for reappointment.
4. 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 Sections 139 and other applicable provisions of the Companies Act 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for time being in force), the company hereby ratifies the appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, Coimbatore having ICAI Firm Registration No: 103523W as the Statutory Auditors of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting to be held for the Financial Year 2016-17 on such remuneration as may be determined by the Board of Directors.”

SPECIAL BUSINESS

5. 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 and all other applicable provisions of the Companies Act 2013 and Companies (Audit and Audits) Rules 2014 (including any statutory modifications) or re-enactment thereof, for the time being in force, Mr.V.Sakthivel (Membership No.23292) Partner, M/s RKMS & Associates, Cost Accountants, Tirupur appointed by the Board of Directors of the Company on recommendation of the Audit Committee to conduct the audit of cost records of the company for the financial year 2016-17 on a remuneration of Rs.2,00,000/- (Rupees Two lacs only) plus service tax and out-of-pocket expenses if any for the purpose of audit be and is hereby ratified and confirmed.”

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

NOTES

1. **A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the company. The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or other authority shall be deposited at the Registered Office of the company at Post Box No.3209, Avanashi Road, Coimbatore – 641 014 not less than 48 hours before the commencement of the meeting.**
2. In case of joint holders attending the meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
3. Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
4. The statement of material facts pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Item No.5 of special business is annexed thereto.
5. Pursuant to the provisions of Section 91 of the Companies Act 2013, the Register of members and Share Transfer Books of the Company will remain closed from Saturday, 20th August 2016 to Tuesday, 30th August 2016 (both days inclusive) in connection with the 30th Annual General Meeting.
6. Dividend upon its declaration at the meeting will be paid within statutory period of 30 days to those members whose names appear:
 - a. As members on the Register of Members of the company as on 30th August 2016 after giving effect to all valid share transfers in physical form which would be received by the company upto the closing hours of business on 19th August 2016.
 - b. As beneficial owners as per the list to be furnished by NSDL/CDSL as at the closing hours of business on 19th August 2016.
7. **Electronic Clearing Service (ECS) Facility**
Shareholders holding shares in physical form who now wish to avail ECS facility, are requested to forward their ECS mandate in the prescribed form to the Company's Registrar and Share Transfer Agent, M/s GNSA Infotech Limited, STA Department, Nelson Chambers, F-Block, 4th Floor, No.115 Nelson Manickam Road, Aminjikarai, Chennai – 600 029.
8. Pursuant to the provisions of Section 124(6) of the Companies Act 2013, amended, dividend for the financial year ended 31st March 2009 and thereafter, which remains unclaimed for a period of 7 years from the date of transfer of the same to the unclaimed dividend account as referred to in sub-section (1) of section 205A of the Act, will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. Members who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2009 or subsequent financial years are requested to make their claim to the Secretarial Department, Post Box No.3209, Avanashi Road, Coimbatore – 641 014. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund as above, no claim shall lie in respect thereof.

9. The company transferred all unclaimed dividend declared upto the financial year ended 31st March 2008 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those Shareholders who have so far not claimed or collected their dividend upto the aforesaid financial year may claim their dividend from the Registrar of Companies, Tamil Nadu, Coimbatore Stock Exchange Building, Second Floor, 683 Trichy Road, Singanallur, Coimbatore – 641 005.
10. Members holding shares in physical form are requested to intimate the following directly to the company's Registrar and Share Transfer Agent, M/s GNSA Infotech Limited, STA Department, Nelson Chambers, F-Block, 4th Floor, No.115 Nelson Manickam Road, Aminjikarai, Chennai – 600 029.
 - a. Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.
 - b. Changes, if any, in their address at an early date along with proof for address change.
 - c. Application for consolidation of folios, if shareholdings are under multiple folios.
 - d. Despatch of share certificates for consolidation.
 - e. Request for nomination forms for making nominations as per amended provisions of the Companies Act, 2013.
 - f. Members are requested to quote ledger folio numbers in all their correspondences.
11. Members holding shares in dematerialised form (electronic form) are requested to intimate any change in their address, bank mandate etc. directly to their respective Depository Participants.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent M/s GNSA Infotech Limited, Chennai.
13. The Ministry of Corporate Affairs, New Delhi (MCA) has taken a 'Green initiative' in the corporate governance by permitting paperless compliances by companies vide its Circulars which validate the sending of documents through electronic mode and clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). The members are requested to support this 'Green initiative' by registering/ updating their e-mail address with the company or Share Transfer Agent M/s GNSA Infotech Limited, Chennai.
14. Documents referred to in the accompanying Notice and the Statement of material facts are open for inspection at the Registered Office of the Company during normal business hours (9:30 am to 6:00 pm) on all working days except Saturdays and Sundays (including Public Holidays) upto the date of the Annual General Meeting.

15. Members are requested to note that the Company's shares are under compulsory demat trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.
16. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
17. Electronic copy of the Annual Report for the year 2016 is being sent to all the members whose Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2016 is being sent in the permitted mode.
18. Pursuant to the requirements of Corporate Governance under SEBI (LODR) Regulations 2015, the brief resume of the Director proposed to be re-appointed, nature of his expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board/Committees, shareholding and relationships between Directors inter-se, are provided in the Directors' Report forming part of the Annual Report.
19. Members may also note that the Notice of the 30th Annual General Meeting and the Annual Report for the year 2016 will also be available on the Company's website for their download. The physical copies of the Notice and Annual Report will also be available at the Company's Registered Office during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: secretarialdept@kmchhospitals.com.
20. As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report to the meeting.
21. Members seeking any information as regards the accounts are requested to write to the Company atleast seven days prior to the meeting so as to enable the management to keep the information available.
22. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):