



**MONARCH HEALTH SERVICES LIMITED**

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**1ST ANNUAL REPORT**  
**2011 - 2012**

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## 1ST ANNUAL REPORT

### BOARD OF DIRECTORS :

Dr.Prashant Vikram	CNED
Dr.Nishita Sheth	MD
Dr. Ajit Kadam	Jt. M.D.
Mr.Pritesh Doshi	WTD
Mr.D.P.Shetty	NED/ID
Mr.Narpatraj Bafna	NED/ID
Ms.Rekha Gulwani	NED/ID

**AUDITORS**  
**S.D. MOTTA & ASSOCIATES**  
Chartered Accountants

**BANKERS**  
**HDFC Bank**

### REGISTERED & CORPORATE OFFICE

Monarch Health Services Ltd.  
28/3, Next to Jari Mari Mandir,  
S.V.Road, Bandra (W) Mumbai : 400050

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**NOTE :** Shareholders are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting.

# *1st Annual Report 2011-2012*

## **NOTICE**

**NOTICE** is hereby given that the 1st Annual General Meeting of the Company will be held at the Registered office of the company on 29th day of September, 2012 at 10.00 a.m. for transacting the following business: -

### **Ordinary Resolutions -**

- 1) To consider and adopt the audited Profit & Loss A/c. of the Company for the period ended 31st March 2012 and the Balance Sheet as at that date together with the Directors report thereon.
- 2) To Appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.
- 3) To appoint a Director in place of Mr. Pritesh Doshi who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint a Director in place Dr. Nishita Sheth who retires by rotation and being eligible offers herself for reappointment.
- 5) To consider a adopt & if thought fit to discuss all the matters as would arise in the course of the meeting with the permission of chair person.

### **Special Resolutions -**

- 6) Change of Name of Company :

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Section 21 and other applicable provisions, if any, of the Companies act 1956, (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Shareholders in general meeting or any other authority as may be necessary, the consent of the Board be and is hereby given to change the name of the Company from Monarch Health Services Limited To Looks Health Services Limited.

"RESOLVED FURTHER THAT Mr. Pritesh Doshi, Director be and are hereby jointly & severally authorized to file forms, documents for making application for change of name & to do all such acts, deeds, things and matters as may be required or necessary in this matter on behalf of the Company."

**BY ORDER OF THE BOARD  
FOR MONARCH HEALTH SERVICES LTD**

Sd/-

**(DIRECTOR)**

DATE: 31/08/2012  
PLACE: MUMBAI.

## *1st Annual Report 2011-2012*

### **NOTES:-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

A proxy form to the effective must be lodged with the registered office of the Company at least 48 hours before the commencement of the meeting.

2. Members / proxies should bring the attendance slip, duly filled in for attending the meetings.
3. Members / proxies attending the meeting, should bring their copy of the annual report for reference at the meeting.
4. The register of members and the transfer books of the company will be closed 28th Sept' 2012 to 29th Sept '2012.

#### **Registered Office:-**

Monarch Health Services Ltd.  
28/3, Next to Jari Mari Mandir,  
S.V.Road, Bandra (w)  
Mumbai : 400050

# *1st Annual Report 2011-2012*

## **DIRECTOR'S REPORT**

To,  
Dear Shareholders,

Your directors have pleasure in presenting the 1st Annual Report of the Company alongwith Audited Financial Results for the year ended 31st March 2012.

### **1. FINANCIAL HIGHLIGHTS -**

The working results of the company for the year stand as under -

(Amount in Rs)	For the year ended 31st March 2012	For the year ended 31st March 2011
Gross Income	1,499,600	-
Net Profit \Net Loss Before Income Tax	(4,500,951)	-
Provision for Income Tax	(116,636)	-
Profit \Loss after Tax	(4,384,615)	-
Appropriation out of profit	NIL	-
Proposed Dividend	NIL	-
Transfer to General Reserve	NIL	-
Transfer to Special Reserve	NIL	-
Balance Carried to Balance Sheet	(4,384,615)	-

Company was incorporated in Oct'2011. Company has four branches at Bandra, Andheri, Delhi and Goa. But till 31st March'12 only two branches at Mumbai were fully operational. Further major loss is due to initial cost like Rent, Electricity Cost, Staff Salary that need to be incurred even if the clinic is not fully operational. Further the Cosmetic Surgery Business initially needs huge expenditure on Advertisement and Promotional activities. All this had weighed heavy on company's losses.

### **2. CORPORATE GOVERNANCE**

Report on Corporate Governance alongwith Auditors Compliance Certificate is included as a part of this report.

### **3. DIVIDEND**

In view of loss incurred & looking at expansion plans of the Company, directors do not recommend any dividend during the year under review.

### **4. MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Separate Management's Discussion & Analysis Report, which is enclosed, forms part of this report.

### **5. DIRETORS**

In accordance with the provision of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Pritesh Doshi & Dr. Nishita Sheth retire by rotation at this Annual General Meeting and being eligible offer themselves for reappointment.

## **6. AUDITORS**

M/s. S.D.MOTTA & ASSOCIATES , Chartered Accountants, who were appointed as Statutory Auditors of the Company to hold office till the conclusion of this Annual General Meeting and being eligible are recommended for Reappointment.

## **7. DIRECTORS RESPONSIBILITY STATEMENT**

Directors State: -

- (1) That in preparation of annual accounts the applicable accounting standards has been followed along with proper explanation relating to material departures.
- (2) That they have selected such accounting policies & applied them consistently & made judgements & estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs of company at the end of financial year & of profit & Loss Account of the company for that period.
- (3) That they have taken proper care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing & detecting fraud & irregularities.
- (4) That they have prepared the annual accounting on going concern basis.

## **8. PUBLIC DEPOSIT**

During the year 2011-12 the company has not accepted or invited any deposits from the public.

## **9. PARTICULARS OF EMPLOYEES**

The particulars that are required under section 217 (2A) of the Companies Act, 1956 are not applicable to the Company as no employee is paid remuneration above Rs.5Lac p.m.

## **11. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

The particulars which are required under section 217 (e) of the companies Act 1956, are not applicable to the Company. Company's earnings in Foreign Exchange are to the tune of Rs. Nil and outgoing are Rs. Nil.

## **11. ACKNOWLEDGEMENTS**

Your Directors wish to place on record their sincere appreciation for the encouragement and co-operation received by the company from the bankers, government authorities, Securities & Exchange Board of India. Directors also wish to place on record their deep appreciation for the work done by the employees. Your Directors are particularly grateful to you for your continued support, understanding encouragement.

FOR & ON BEHALF OF THE BOARD  
FOR MONARCH HEALTH SERVICES LTD

Sd/-

DIRECTOR

PLACE : MUMBAI  
DATE :31/08/2012

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industry Overview**

Looking for a nose job or tummy tuck? Now, Its destination India. Indian cosmetic surgery industry is growing at a pace of 5% annually and Asia's third-largest economy is looking to further its reputation in the services sector by targeting \$36 billion global market for cosmetic medical services or cosmetic surgery services. India is becoming a big Medical Tourist centre. Besides cost-competitiveness India also has a unique advantage that could catapult it ahead of its peers Thailand or Singapore. It is its tradition of Ayurveda and yoga, both Indian-origin practices that are now being perceived the world-over as complementary rehabilitative practices to modern surgical procedures.

"Cosmetic surgery is not just about altering the biological clock or genetics. It is as much about feel-good, wellness and self-confidence. The experience can be enhanced in India by Ayurveda and yoga practices.

There are several factors that work in India's favor to become a front-runner in this market. First it has the expertise, around 2,500 certified plastic surgeons and their number is fast growing. A sizeable number of these doctors have been trained in the U.S., U.K. and Germany and have been certified by the American Board of Plastic Surgery.

**Future Outlook**

As stated, India is becoming a top-notch hub for medical tourism industry. Company presently has 4 branches viz. two in Mumbai, one in Delhi and one in Goa. Looking at the bright prospects of the Industry, Company is planning to open more branches. But management had decided to expand its operations only after it establishes its brand in the industry and break-evens its initial operations at its four branches.

**Our Strategy**

Cosmetic Surgery Business is growing at rapid pace but since Company has just come into business it is establishing itself in this show business. Due to high staff turnover, high rentals, high initial advertisement and promotional expenses and other operative expenses management is of the view that it will take some time to come into profits. Management has decided to 1st break-even its operations at its existing four branches and then further go into expansion and hence further branch openings are kept in abeyance. Due to high rental and other operative cost, Company has appointed an external agency to carry out its branch expansion network, but due to current losses, its kept in abeyance.

**Performance of our Company**

Company was effectively operative only for 3 months during which only two of its branches were fully operative. During the year, Company earned revenue of Rs.1499600/- but due to high rental and other operative expense company made net loss of (Rs.43,84,615) during the year. Company expects to consolidate and break-even by next year.

**Internal Control Systems**

Your Company has adequate internal control procedures to commensurate with the nature and size of its business. Procedures ensure efficient and cost effective use of company's resources. Company has developed proper procedures to safeguard company's valuable assets against losses, to ensure timely and accurate preparation of accounts and compliance's of various rules and regulations.

**Employee Relations**

Company had smooth relations with its employees during the year under review.

**FOR & ON BEHALF OF THE BOARD  
FOR MONARCH HEALTH SERVICES LIMITED**

**DIRECTOR**

PLACE : MUMBAI

DATE : 31st Aug. 2012

**REPORT ON CORPORATE GOVERNANCE**

**A) Our Philosophy**

We believe in attaining full accountability and proper disclosures to all those connected with our Company and to all authorities. Good Corporate Governance has always been our endeavor.

**B) Board of Directors**

Present Board Strength Comprises of 7 Directors, out of which 1 is Managing Director, one Jt. M.D. and all others are Non-Executive Directors (NED). Chairman of the Company is an Non-Executive Director and 2 out of 5 NED are Independent Directors (ID).

During the Year under review, 5 Board Meetings were held on 07-10-2011, 24-11-2011, 02.01.2012, 17.01.2012 & 31st March'12. The attendance of Directors at each of these Board Meetings and their Directorship in other Companies are as under -

Name of Director	Attendance at Last AGM*	No. of Board Meetings Held	No. of Board Meetings Attended	Category of Director	Other Director-ships
Dr.Prashant Vikram	N.A.	5	5	CNED	Two
Dr.Nishita Sheth	N.A.	5	5	MD	Two
Dr. Ajit Kadam#	N.A.	5	4	Jt. M.D.	-
Mr.Pritesh Doshi	N.A.	5	5	WTD	Two
Mr.D.P.Shetty	N.A.	5	2	NED/ID	-
Mr.Narpatraj Bafna	N.A.	5	2	NED/ID	-
Ms.Rekha Gulwani	N.A.	5	2	NED/ID	-

\* This being 1st AGM of the Company.

# Dr. Ajit Kadam retired as Director W.e.f.08/08/2012

MD - Managing Director, Jt. MD - Joint Managing Director

CNED - Chairman & Non Executive Director

WTD - Whole Time Director

NED - Non Executive Director

ID - Independent Director

Related Party Transactions -

Please refer to Para No. Clause 14 at Significant Accounting Policies for Related Party Transactions.

Profile of Directors Retiring by Rotation and eligible for Re-appointment

Dr. Nishita Sheth, M.B.B.S., D.P.D.(Dermatology), Diploma in Anti-Ageing -

Dr. Nishita Sheth is professionally qualified Aesthetician, Cosmetician, Weight Loss Consultant having vast experience in this field. She has been member of many medical societies such as A4M (Anti Ageing Society in USA), International Aesthetician (U.K.), Member of City and Guild (U.K.), Cosmetic Society of India. She has been achieved woman achiever of the year award and best clinic award'2009 given by Health and Education Society, India. She has been one of the few doctors to inroad botox in India. Being eligible she offers herself for reappointment.



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Mr. Pritesh Doshi -

Mr. Pritesh Doshi is a commerce graduate having good accounting background by having worked with Dilip Thakur and Co., a CA Firm. He has also done his 3 years GNIIT Course from NIIT, Mumbai and also done Oracle 9i course. Presently he looks after the accounts, staff management and administration department of the company. Being eligible he offers himself for re-appointment.

### C) Committees of Board

Board has constituted following committees and delegated adequate power to them to carry out activities of the Company.

#### 1) Audit Committee

Audit Committee comprises of 2 Non-Executive Directors & Independent Directors & one Executive Director. Committee reviews all matters specified in clause 52 of the Listing agreement alongwith section 292A of the Companies Act, 1956. Committee Comprises of the following Directors -

D P Shetty	-	Chairman (Independent Director)
Narpatraj Bafna	-	Member (Independent Director)
Pritesh Doshi	-	Member (Executive Director)

Committee was formed in March'12 and hence during the year 1 meetings was held and all the members attended the meeting and Auditor and Executive Director of the Company were invitee.

#### 2) Remuneration Committee

Remuneration Committee comprises of 2 Non Executive Independent Directors and 1 Executive. Committee is empowered to decide and approve the remuneration of Directors. Committee comprised of following directors -

D P Shetty	-	Chairman (Independent Director)
Deepak Doshi	-	Member (Independent Director)
Pritesh Doshi	-	Member (Executive Director)

Committee met once in a year and all the Committee members were present in the meeting.

#### 3) Investors Grievance Committee

Committee Comprises of 2 Non Executive Independent Directors viz. Mr. Narpat Bafna (Chairman), Mr. D P Shetty (Member) and Mr. Pritesh Doshi (Member & Executive Director). Ms. Priyanka Mangwani, C.S. has been designated as Compliance Officer of the Company. Committee approves matters regarding transfer, transmission of shares, issue of duplicate shares, review redressal of investor's grievances etc.

Company has 106 investors. During the year, Company has received no complaints . No Shares are pending for Transfer as on the year end date.

### D) General Body Meetings

During the year two General Body Meetings were held as follows - 24th November 2011 & 3rd March 2012