

# **LOOKS HEALTH SERVICES LIMITED**

(Earlier Known as Monarch Health Services Limited)

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## **2nd ANNUAL REPORT 2012 - 2013**

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## 2nd 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

Looks 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.

**NOTICE**

**NOTICE** is hereby given that the 2nd Annual General Meeting of the Company will be held at the Registered office of the company on 27th day of September, 2013 at 10.30 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 2013 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. Prashant Ramakant Vikram who retires by rotation and being eligible offers himself for reappointment.
- 4) To appoint a Director in place of Mr. Dhruvaprakash Shetty who retires by rotation and being eligible offers himself 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.

**BY ORDER OF THE BOARD  
FOR LOOKS HEALTH SERVICES LTD.**

Sd/-  
**(MR. PRITESH DOSHI)**  
**(DIRECTOR)**

DATE: 31/08/2013  
PLACE: MUMBAI

Sd/-

**NOTES:-**

1. The relevant details of the persons seeking reappointment as Director under Item No.3&4 of the Notice, pursuant to Clause 52 of the Listing Agreement entered into with the Stock Exchange is annexed herewith.
2. 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.
3. Members / proxies should bring the attendance slip, duly filled in for attending the meetings.
4. Members / proxies attending the meeting, should bring their copy of the annual report for reference at the meeting.
5. The register of members and the transfer books of the company will be closed from 24/09/2013 to 27/09/2013.

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

**ANNEXURE**

Information pursuant to Clause 52 of the Listing Agreement regarding appointment of new Director or reappointment of a Director -

<b>Name of the Director</b>	<b>Mr. Prashant R. Vikram</b>	<b>Mr. Dhruvaprakash Shetty</b>
Date of Birth	15/07/1966	30/05/1968
Date of Appointment	01/10/2011	05/01/2012
Specialised Expertise	Experienced Dermatologist	Practicing Chartered
		Accountant specializing in Bank & Corporate Audits, Corporate Law & Income tax matters.
Qualifications	M.B.B.S	B.Com., A.C.A.
Directorship of other Companies as at 31/03/13.	D.N.C.C. Pvt. Ltd. Maxgainz Finserve Pvt. Ltd.	N.A
Chairmanship/Membership of other Committees as at 31/03/13.	N.A.	N.A
No. of Shares held in Company as on 31/03/13.	69200 Shares	Nil.

**DIRECTOR'S REPORT**

To,  
Dear Shareholders,

Your directors have pleasure in presenting the 2nd Annual Report of the Company alongwith Audited Financial Results for the year ended 31st March 2013.

**1. FINANCIAL HIGHLIGHTS -**

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

(Amt. in Rs.)		
<b>PARTICULARS</b>	<b>For the year ended 31st March 2013</b>	<b>For the year ended 31st March 2012</b>
Gross Income	33,150,602	1,499,600
Net Profit \Net Loss Before Income Tax	622171	(4,500,951)
Provision for Income Tax	183913	(116,336)
Profit \Loss after Tax	438258	(4,384,615)
Appropriation out of profit	NIL	NIL
Proposed Dividend	NIL	NIL
Transfer to General Reserve	NIL	NIL
Transfer to Special Reserve	NIL	NIL
Balance Carried to Balance Sheet	438258	(4,384,615)

During the year under review, Company had 5 operational branches at Bandra, Andheri, Delhi, Goa (Calungut Beach) & Dadar & one at Chembur was in process from April'2013. Further company has opened another branch in Goa at Panjim and same was operational from August'2013.

Since Company was not operational for full year in previous year and hence comparison of current years financials with previous years will not be possible. Still Company could break even during the year under review & earn a nominal profit of Rs.4.38 Lacs during the year.

**Report on Utilization of IPO Funds during the year -**

<b>Particulars</b>	<b>Amount (In Rs.)</b>
Funds raised from Public Issue (including share premium)	12,00,00,000/-
<b>Less - Utilization of Funds</b>	
Medical Equipments, Computers & Other Assets	54,27,366/-
Working Capital	78,35,957/-
New Branch Off. Deposit & BSE IPO Deposit	16,80,000/-
Inter Corporate Deposits given (Temporary)	9,75,00,000/-
IPO Expenses	42,31,517/-
Balance held as Cash & Cash Equivalents	33,25,160/-

**2. CORPORATE GOVERNANCE**

Report on Corporate Governance along with the Management Discussion & Analysis Statement & Auditors Compliance Certificate is included as a part of this report.

**3. DIVIDEND**

Considering the expansion plans & in order to conserve resources for future, 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. Prashant R. Vikram & Mr. Dhruvaprakash Shetty 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 re-appointment.

**7. DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Companies Act' 1956, Directors confirm -

- (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 2012-13 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.5 Lac p.m.

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

The particulars which are required under section 217(1)(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 US\$ 1670 (Rs. 91783/-) for FY2012-13 (For Purchase of Imported Medical Equipments).

**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 LOOKS HEALTH SERVICES LTD.**

Sd/-

PLACE : MUMBAI  
DATE : 30/05/2013

**(MR. PRASHANT VIKRAM)  
CHAIRMAN**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**Industry Overview -**

India has emerged as one of the five countries in the world in terms of the number of people undergoing surgical and non surgical procedures. India is viewed as one of the most progressive countries for cosmetic surgical procedures and this trend is expected to continue in the future. Cosmetic surgery in India has evolved from being considered a risky or impractical procedure that was demanded by overly beauty conscious women to a highly specialized and advanced niche of plastic surgery that helps people attain happiness with fewer risks and greater affordability. This change in the mindset of people is a result of several factors. Firstly, the media has become much more widespread, disseminating honest and more detailed information regarding the safety of cosmetic surgical procedures. People are increasingly recognizing the fact that a plastic surgery is at par with adopting a new diet or exercise regimen since all such activities are aimed at the same objective, i.e. to improve one's appearance. Nevertheless, plastic cosmetic surgery offers an incomparable advantage to any other approach, i.e. the results are immediately visible and it can be customized with great precision.

According to industry experts, the cosmetic surgery market has been growing well in India as a result of increased awareness due to the easy availability of information and the rising exposure consumers have received through the internet as well as other forms of media. In India, the media has played a crucial role in changing the dressing sense as well as the outlook of consumers to matters such as cosmetic surgery. A procedure that was once looked at with suspicion has currently turned into a massive industry in itself.

**Future Outlook -**

The changing lifestyle and urbanization, growing awareness of cosmetic surgery procedures, availability of better infrastructure and the rising economic capacity are all driving the cosmetic surgeries market in India. India is bound to become favorite medical tourism space in the world.

**Our Strategy -**

Company presently has 7 branches viz. 4 (four) in Mumbai at Bandra, Andheri, Dadar & Chembur, 2(two) in Goa & 1(One) in Delhi but out of this only 5 branches of the Company were fully operative as on Mar'2013. Due to weak economic outlook and inflationary pressures, Company has restricted its branch expansion and is taking all precautions towards the same. However, once the economy starts moving, Company is highly upbeat about the business prospects of the Company. Considering the demand in the market the Company provides services like cosmetic and plastic surgeries, weight loss & hair gain treatment, dental surgeries and other dental treatments etc.

**Performance of our Company -**

During the year, Company earned revenue of Rs. 20,245, 277 /- and profit after tax for the year amounted to Rs. 438,258 & did turn around during the year, though marginally. The Company presently has 7 branches viz. 4 (four) in Mumbai at Bandra, Andheri, Dadar & Chembur, 2(two) in Goa & 1(One) in Delhi.

**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 LOOKS HEALTH SERVICES LIMITED**

Sd/-

**MR. PRASHANAT VIKRAM  
CHAIRMAN**

PLACE : MUMBAI  
DATE : 30/05/2013

**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 6 Directors, out of which Dr. Nishitha Sheth is Managing Director, Mr. Pritesh Doshi is Whole Time Director and all others are Non-Executive Directors (NED). Chairman of the Company is an Non-Executive Director and 3 out of 4 NED are Independent Directors (ID).

During the Year under review, 4 Board Meetings were held on 5th Apr. 2012, 30th July 2012, 31st Oct 2012 & 31st Jan 2013. 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	Category of Director Attended	Other Director-ships
Dr.Prashant Vikram	Yes	5	5	CNED	2
Dr.Nishita Sheth	Yes	5	5	MD	2
Mr.Pritesh Doshi	Yes	5	5	WTD	3
Mr.D.P.Shetty	Yes	5	2	NED/ID	--
Mr.Narpatraj Bafna	Yes	5	2	NED/ID	--
Mr. Deepak M Doshi	Yes	5	2	NED/ID	5

MD - Managing Director  
CNED - Chairman & Non Executive Director  
WTD - Whole Time Director  
NED - Non Executive Director  
ID - Independent Director

Dr. Prashant Vikram and Dr. Nishita Sheth are Husband and wife & are related to each other.

Related Party Transactions -

Please refer to Clause 14 at Significant Accounting Policies for Related Party Transactions.

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

Dr. Prashant R. Vikram -

Dr. Prashant Vikram is M.B.B.S. from Bangalore University. He has had over 20 years Experience working at various institutions before joining our Company. His immediate past Employment was with DNCC Private Limited, Mumbai, where he worked from 18.06.2004 till 01/10/2011. And held the Position of Director, Skin Department. His Duties and Responsibilities included Handling OPD of 50-60 Patients per day which required performing procedures necessary for all kinds of skin tag removal, other skin Surgeries and Treating Patients with Skin Diseases. The procedures performed included Skin Tag Removal, Skin Biopsy, and Chemical Peel for Melasma, other Pigment Removal and Tatoo Removal etc.

Over the years he has gained experience of working with tools like Cautery, Skin Surgery Equipment, and other procedures like Peel, Botox, Fillers, Laser (IPL), Q Switch- ND and Yag Laser etc. Prior to his immediate Past Employment, he had worked as Medical Officer and SHO/General Physician at Sneh Nirmal Hospital and ICU at Vadodara in Gujrat (India). His duties and responsibilities included handling 80-100 patients per day, and attending to both day and night duties - both surgical and non-surgical, including ICU and ICCU. He acquired experience of handling and attending to all Emergency Physician and Surgical Work including Stitching, Dressing, besides other Minor Operation Theatre Procedures. During this period he got hands on experience of using various surgical equipments, Foetal Monitoring ICU, ICCU, ECG and other assignments.

Mr. Dhruvaprakash Shetty -

Mr. Dhruvaprakash Shekat Shetty (Age 43 Years). He is a practicing Chartered Accountant since 1998 and his office is situated at 16, Kolsawala Building, 3rd Floor, Cawasji Patel Street, Fort, Mumbai - 500 001. His Firm M/S. Dhruvaprakash & Co. also established in 1998 bears the registration number 117674W. His Educational qualifications are B.Com from Mangaluru University, Karnataka and C.A. (Chartered Accountant, ICAI Batch of 1997). He has also been a Member of Western India Regional Council.

Over the years, he has acquired vast experience in the field of Corporate Audit, Corporate Law & Income tax matters, Bank Audits comprising Concurrent /Stock/Quarterly Review and Statutory Audit of Private and Public Sector Banks including State Bank of India, Financial Consultancy, Project Finance, FEMA related matters, Business Restructuring, Legal & Tax Matters relating to real estate/ properties, Consultancy on service tax, Maharashtra VAT, co-operative audits.

### **C) Committees of Board**

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

#### **1) Audit Committee**

Audit Committee comprises of 2 Non-Executive 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)

During the year under review, 4 Committee Meeting were held and all the members attended the meeting. The terms of reference of Audit Committee mandated by the Board of Directors are -

1. Review of the financial reporting system and Internal control systems ensuring correct & credible financial statements.
2. Ensuring compliance with regulatory guidelines.
3. Discussions on half yearly and annual financial results including major accounting entries involving exercise of judgment by the management.
4. Representation by the Statutory auditors to the management in regard to any internal control weakness observed by them during the course of their audit and the action taken by the management thereon.
5. Discussions with Statutory Auditors on matters related to their area of audit.
6. Review of the Risk Management framework concerning the critical operations of the Company.
7. Management Discussion and Analysis of the Company's operations.
8. Review of significant related party transactions.
9. Review of implementation of the Fraud Risk Management Policy and the Fraud Risk Assessment Reports.
10. Recommendation for appointment of Statutory Auditors and their remuneration.
11. Appointment, removal and terms of remuneration of the Chief Financial Officer (CFO) and Chief Internal Auditor.

The Audit Committee of the Company is governed by their respective Charters to ensure effective compliance with Clause 49 of the Listing Agreement. These charters are reviewed from time to time with a view to bring them in line with the regulatory framework.