

***26<sup>TH</sup> ANNUAL REPORT***  
***2018 - 2019***

## CORPORATE INFORMATION

### Board of Directors

Dr. Sura Surendranath Reddy -Chairman  
Mr. Sunil Chandra Kondapally -Managing Director  
Mrs. B. Vishnu Priya Reddy -Non-Executive Director  
Mr. K.V. Ravindra Reddy -Independent Director  
Mr. P. Kamalakar Rao -Independent Director  
Dr. Balamba Puranam -Independent Director

### Statutory Auditors

M/s. Ratnam Dhaveji & Co.,  
501, Akash Ganga, 6-3-635 & 637,  
Khairatabad, Hyderabad – 500004

### Registered Office

7-1-58/A/FF/8, Amrutha Business Complex,  
Ameerpet, Hyderabad-500016  
Ph: 040 42604250  
Email: [medicorp@medinovaindia.com](mailto:medicorp@medinovaindia.com)  
website: [www.medinovaindia.com](http://www.medinovaindia.com)

### Registrar and Share Transfer Agent

XL Softech Systems Ltd  
3, Sagar Society, Road No.2,  
Banjara Hills, Hyderabad – 500 034  
Phone No(s): 040-23545913 / 14 / 15  
Email: [xlfield@gmail.com](mailto:xlfield@gmail.com)

### Company Secretary

Mrs. V. Sri Lakshmi

### Bankers

HDFC Bank Limited  
Vijaya Bank  
UCO Bank

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### Disclaimer:

In this Annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## **NOTICE**

Notice is hereby given that the **Twenty-Sixth (26<sup>th</sup>)** Annual General Meeting of Medinova Diagnostic Services Limited will be held on Thursday, the 26<sup>th</sup> September, 2019 at 11.00 a.m. at Central Court Hotel, Lakdikapul, Hyderabad-500004, Telangana, to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and adopt:

(a) the audited standalone financial statements of the company for the financial year ended March 31, 2019 together with the reports of the Board of Directors and the Auditors thereon; and

(b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2019 together with the report of the Auditors thereon.

2. To appoint a Director in place of Dr. Sura Surendranath Reddy (holding DIN 00108599) who retires by rotation and being eligible, offers himself for reappointment.

3. To consider the re-appointment of M/s. Ratnam Dhaveji & Co., Chartered Accountants (Firm Registration No. 006677S) as the Statutory Auditors of the Company and to fix their remuneration and to pass the following as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby appoints M/s. Ratnam Dhaveji & Co., Chartered Accountants (Firm Registration No. 006677S) as the Statutory Auditors of the Company for a second term of five(5) consecutive years to hold office from the conclusion of this 26<sup>th</sup> Annual General Meeting of the Company until the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company and on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company."

### **SPECIAL BUSINESS:**

**4. To Appoint Mrs. B. Vishnu Priya Reddy as a Director of the Company.**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT** Mrs. B. Vishnu Priya Reddy (DIN:00108639), who was appointed by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee as an Additional Director of the Company effective from August 14, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013("Act") and the Articles of Association of the Company and who is eligible for appointment and consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

**5. To reappoint Mr. Sunil Chandra Kondapally as a Managing Director.**

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

**"RESOLVED THAT** in pursuance of the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and based on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the reappointment of Mr. Sunil Chandra Kondapally (DIN:01409332), as Managing Director of the Company for a further period of 5 (five) years with effect from September 25, 2019 without any remuneration.



**RESOLVED FURTHER THAT** the Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee be and is hereby authorized to do all such acts, deeds and things as it may consider necessary or expedient to give effect to this resolution."

**6. To Appoint Dr. Balamba Puranam as an Independent Director of the 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 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 including the Rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Balamba Puranam (DIN:08350028), who was appointed as an Additional Independent Director of the Company w.e.f. February 2, 2019 and who holds office until the date of the ensuing Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and who has already attained the age of 75 years and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for the first term of 5 (five) consecutive years with effect from April 1, 2019 to till 31<sup>st</sup> March, 2024."

**7. To re-appoint Mr. K. V. Ravindra Reddy as an Independent Director of the 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 provisions of Sections 149, 152 and other applicable provisions, if any, of Companies Act, 2013 ('Act') and Companies (Appointment & Qualification of Directors) Rules, 2014 ('Rules'), including any statutory modification(s) or re-enactment thereof read with Schedule IV of the Act and Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, ("LODR"), and based on the recommendation of the Nomination and Remuneration Committee, Mr. K. V. Ravindra Reddy (DIN:00083986), who has already attained the age of 75 years and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for the second term of 5 (five) consecutive years with effect from April 1, 2019 to till 31<sup>st</sup> March, 2024 and that he shall not be liable to retire by rotation."

**By the Order of the Board  
For Medinova Diagnostic Services Limited**

**Date: 14.08.2019  
Place: Hyderabad**

**Dr. Sura Surendranath Reddy  
Director  
DIN: 00108599**

Registered Office:  
#7-1-58/A/FF/8, Amrutha Business Complex,  
Ameerpet, Hyderabad: 500016,  
Telangana, India.  
CIN: L85110TG1993PLC015481  
Email: medicorp@medinovaindia.com; www.medinovaindia.com  
Tel:+91 Ph: 040 42604250



**Notes:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy, in order to be effective, should reach the registered office of the Company at least 48 hours before the time of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer books of the Company will remain closed from 19<sup>th</sup> September, 2019 to 26<sup>th</sup> September, 2019 (both days inclusive).
5. Shareholders are requested to bring their folio number/demat account number/DPID-Client ID and are requested to sign at the place provided on the attendance slip and hand it over at the entrance at the venue of the Annual General Meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories, in case of such demat shares.
10. Members holding shares in physical form are advised to submit particulars of their PAN, Bank Account details viz. name and address of the branch of the Bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent, M/s. XL Softech Systems Ltd, Unit: Medinova Diagnostic Services Limited, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. XL Softech Systems Ltd. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request.
12. All documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company on all working days between 11.00 a.m. and 1.00 p.m. upto the date of the 26<sup>th</sup> Annual General Meeting.
13. The annual report of the company circulated to the members of the company will be made available on the company's website: [www.medinovaindia.com-Investors](http://www.medinovaindia.com-Investors) section.
14. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the first term of the appointment of the current Statutory Auditors of the Company, M/s. Ratnam Dhavaj & Co., Chartered Accountants (Firm Registration No. 006677S) expires at the conclusion of this 26<sup>th</sup> Annual General Meeting. They were appointed by the Shareholders at the 21<sup>st</sup> Annual General Meeting held on September 25, 2014, for a period of 5 (Five) Years (i.e. from the conclusion of 21<sup>st</sup> Annual General Meeting to till the conclusion of 26<sup>th</sup> Annual General meeting).

The members are now requested to appoint M/s. Ratnam Dhaveji & Co., Chartered Accountants (Firm Registration No. 0066775) as Statutory Auditors of the Company for a second term of five (5) consecutive years to hold office from the conclusion of this 26<sup>th</sup> Annual General Meeting of the Company until the conclusion of the 31<sup>st</sup> Annual General Meeting of the Company and on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

15. Pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, details of Directors seeking appointment/re-appointment at the ensuing Annual General Meeting of the Company are provided in "Annexure to Notice". The Company has received the consents / declarations for their appointments / re-appointments under the Companies Act, 2013 and the rules there under.

#### **VOTING THROUGH ELECTRONIC MEANS:**

16. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to Members to exercise their right to vote by electronic means. The complete instructions on e-voting facility provided by the Company are annexed to this notice. Such remote e-voting facility is in addition to voting that may take place at the meeting venue on September 26, 2019.
17. The facility for voting through polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
18. The Company has appointed Mr. C. N. Kranthi Kumar, Practicing Company Secretary, as Scrutinizer to scrutinize the e-voting process as well as the Ballot process at the Annual General Meeting in a fair and transparent manner.
19. **The e-voting period begins on 23-09-2019 (9.00 A.M.) and ends on 25-09-2019 (5.00 P.M.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 19-09-2019 (the cut-off date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 19-09-2019.**

Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 19-09-2019, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **INSTRUCTIONS ON E-VOTING FACILITY:**

##### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**

**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 is mentioned below:**

##### **How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>, either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders" section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
- If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "[Forgot User Details/Password?](#)" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

- After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- Now, you will have to click on "Login" button.
- After you click on the "Login" button, Home page of e-Voting will open.

#### Details on Step 2 is given below:

<b>How to cast your vote electronically on NSDL e-Voting system?</b>	
<ol style="list-style-type: none"> <li>After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.</li> <li>After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.</li> <li>Select "EVEN" of company for which you wish to cast your vote.</li> <li>Now you are ready for e-Voting as the Voting page opens.</li> <li>Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.</li> <li>Upon confirmation, the message "Vote cast successfully" will be displayed.</li> <li>You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.</li> <li>Once you confirm your vote on the resolution, you will not be allowed to modify your vote.</li> </ol>	
<b>How to cast your vote electronically on NSDL e-Voting system?</b>	
<b>General Guidelines for shareholders</b>	
<ol style="list-style-type: none"> <li>Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/IPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to <a href="mailto:kranthisar369@gmail.com">kranthisar369@gmail.com</a> with a copy marked to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>.</li> <li>It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> to reset the password.</li> <li>In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of <a href="http://www.evoting.nsdl.com">www.evoting.nsdl.com</a> or call on toll free no.: 1800-222-990 or send a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a></li> </ol>	

- The Scrutinizer, after scrutinizing the votes cast at the meeting (Poll) and through remote e-voting, will, not later than 48 hours of conclusion of the Annual General Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. Thereafter, the Chairman or any other person authorized by the Chairman shall declare the result of the voting forthwith.
- The Voting Results on above resolutions along with the Scrutinizer's Report shall be placed on the Company's website [www.medinovaindia.com](http://www.medinovaindia.com) and on the NSDL website and be submitted to the BSE Limited within 48 hours from the conclusion of the AGM of the Company and the resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolutions.

## Annexure to Notice

Information provided pursuant to requirements given under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard in respect of individuals proposed to be appointed/ re-appointed as Director(s):

Name of Director	Dr. Sura Surendranath Reddy	Mr. Sunil Chandra Kondapally	Mr. K. V. Ravindra Reddy	Dr. Balamba Puranam	B. Vishnu Priya Reddy
Director Identification Number	00108599	01409332	00083986	08350028	00108639
Date of Birth	29.10.1948	20.07.1975	19.04.1942	23.07.1944	30.06.1979
Date of first Appointment	25.09.2014	25.09.2014	10.11.2014	02.02.2019	14.08.2019
Qualification	MD (Radiology)	B.Sc. (Electrical Engineering)	B.Sc., LLB	MD(Obstetrics & Gynecology)	Graduate in Computer Science
Category	Non-Executive Director	Executive Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Director
Terms & Conditions of Re-Appointment along with Remuneration sought to be paid	Being reappointed as a Director (Non-Executive) liable to retire by rotation. No remuneration is being paid except sitting fee for attending Board and Committee meetings.	Being reappointed as a Managing Director for a term of 5 years. No remuneration is paid.	Being reappointed as an Independent Director not liable to retire by rotation for a second term of 5 years. No remuneration is being paid except sitting fee for attending Board and Committee meetings.	Being reappointed as an Independent Director not liable to retire by rotation for the first term of 5 years. No remuneration is being paid except sitting fee for attending Board and Committee meetings.	Being reappointed as a Director liable to retire by rotation. No remuneration is being paid except sitting fee for attending Board and Committee meetings.
	The Directors have been appointed in terms of the provisions of Companies Act, 2013 and are responsible to undertake the roles and responsibilities prescribed under the provisions of the Companies Act, 2013 and other laws for the time being in force. In addition, the Directors are also responsible to undertake the roles and responsibilities assigned by the Board from time to time.				
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Dr. Surendranath Reddy is related to Mr. K. Sunil Chandra, and Mrs. B. Vishnu Priya Reddy	Mr. Sunil Chandra Kondapally is related to Dr. Surendranath Reddy and Mrs. B. Vishnu Priya Reddy	There is no inter-se relationship between Mr. K. V. Ravindra Reddy and other directors.	There is no inter-se relationship between Dr. P. Balamba and other directors.	Mrs. B. Vishnu Priya Reddy is related to Dr. Surendranath Reddy and Mr. K. Sunil Chandra.
Brief Resume and expertise in specific functional area	A doctor by profession and has experience in providing comprehensive range of diagnostic services spanning radiology and imaging, nuclear medicine, conventional and specialist lab services through the companies established by him.	He has vast experience in medical field. Engineer by qualification he has been closely involved in the operations, strategy administration at Vijaya Diagnostic Centre Private Limited since 1998. Also established a well-recognized contract research pharmaceuticals company in 2004, which became a joint venture with QPS LLC, USA in 2011.	He is an expert in Corporate Legal affairs. He retired as Chief General Manager (Legal) in Andhra Pradesh Industrial Development Corporation and has rich experience in Corporate Business, Administration and Management.	She is a Gynecologist and Obstetrician and has an experience of more than 53 years in these fields.	She has vast experience of working in various positions in diagnostic service sector, in hospitality industry and uplifting children along with women.
*Directorships held in other Companies and Bodies Corporate as on March 31, 2019	2	NIL	6	NIL	NIL
Chairman / Member of the Committee of the Board of Directors of the Company	Member of the Audit Committee, Nomination and Remuneration Committee and Chairman of Stakeholders Relationship Committee.	NIL	Member of the Audit Committee and Stakeholders Relationship Committee & Chairman of the Nomination and Remuneration Committee.	NIL	NIL
No. of Board Meetings attended during the year	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report	NA





Chairman/Member of the Committee of the Board of Directors in other Companies as on March 31, 2019	NIL	NIL	3	NIL	NA
No. of Equity Shares of Rs.10/- held in the Company as on 31.03.2019	NIL	NIL	NIL	NIL	NIL

\*(Excluding Private, Section 8 Companies & Foreign Companies)

### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**

#### **Item No. 4**

The Board of Directors ("Board") upon recommendation of the Nomination and Remuneration Committee, appointed Mrs. B. Vishnu Priya Reddy as an Additional (Non-Executive) Director of the Company effective from August 14, 2019. Pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, Mrs. B. Vishnu Priya Reddy will hold office up to the date of the ensuing Annual General Meeting ("AGM") and is eligible to be appointed as a Director of the Company. The Company has, in terms of Section 160 of the Act, received, in writing, a notice from a Member proposing the candidature of Mrs. B. Vishnu Priya Reddy for the office of Director. Mrs. B. Vishnu Priya Reddy, once appointed, will be liable to retire by rotation.

The Company has received from Mrs. B. Vishnu Priya Reddy Consent in writing to act as Director and intimation in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act. The profile and specific areas of expertise of Mrs. B. Vishnu Priya Reddy are provided as annexure to this Notice.

Mrs. B. Vishnu Priya Reddy is related to Dr. Surendranath Reddy, Director and Mr. K. Sunil Chandra, Managing Director of the Company.

Other than the aforesaid Directors and her relatives none of the other Directors, Key Managerial Personnel of the Company and their relatives are interested or concerned whether financially or otherwise in the Resolution set out at Item No. 4 of the Notice convening the meeting.

The Board of Directors recommends the resolution set out at item No.4 of the Notice for your approval.

#### **Item No. 5**

As per the provisions of the Companies Act, 2013 the present term of appointment of Mr. Sunil Chandra Kondapally (DIN 01409332), as a Managing Director of the Company expires on September 24, 2019. The Board of Directors of the Company on the recommendations of the Nomination and Remuneration Committee of the Board at its meeting held on August 14, 2019 subject to the approval of the members, accorded their approval for re-appointment of Mr. Sunil Chandra Kondapally as a Managing Director for a further period of 5 (five) years with effect from September 25, 2019 without any remuneration/perquisites payable to him.

However, the Board is authorised to pay remuneration and also vary the terms and conditions of his appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Sunil Chandra Kondapally subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

Mr. Sunil Chandra Kondapally is a B.Sc. (Electrical Engineering) from Florida State University, USA. He has vast experience in medical field. Engineer by qualification he has been closely involved in the operations, strategy administration at Vijaya Diagnostic Centre Private Limited since 1998. He also established a well-recognized contract research pharmaceuticals Company in 2004 which became a joint venture with QPS LLC, USA in 2011.

Mr. K. Sunil Chandra is related to Dr. Surendranath Reddy and Mrs. B. Vishnu Priya Reddy, Directors of the Company.

Other than the aforesaid Directors and his relatives none of the other Directors, Key Managerial Personnel of the Company and their relatives are interested or concerned whether financially or otherwise in the Resolution set out at Item No. 5 of the Notice convening the meeting.

The Board of Directors recommends the resolutions set out at item Nos. 5 of the Notice for the consideration and approval of the Members of the Company.

**Item No.6**

Based on the recommendations of the Nomination & Remuneration Committee ("NRC"), the Board of Directors of the Company have appointed Dr. Balamba Puranam (DIN: 08350028) as an Additional Director (Independent) of the Company to hold office for a period of five consecutive years, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ("AGM").

In terms of section 149 and any other applicable provisions of the Companies Act, 2013, Dr. Balamba Puranam being eligible and having given her consent, is proposed to be appointed as a Non-Executive Independent Director for a term of five years. The Company has received declaration from Dr. Balamba Puranam that she meets the criteria of independence as prescribed both under Section 149 read with schedule IV of the Companies Act, 2013 and applicable Regulations of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Dr. Balamba Puranam for the office of Independent Director, to be appointed as such under the provisions of Section 149(6) of the Companies Act, 2013.

In the opinion of the Board of Directors, Dr. Balamba Puranam the Independent Director proposed to be appointed, fulfills the conditions specified in the Act and the rules made thereunder and she is independent of the Management. A copy of the letter for the appointment of Dr. Balamba Puranam as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the registered office of the company during normal business hours on working days up to the date of AGM.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, ("Amendment Regulations, 2018"), inter alia, provides that "no listed company shall appoint a person or continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (seventy five) years unless it is approved by the members by passing a special resolution to that effect". Dr. Balamba Puranam already attained the age of 75 years and hence continuation beyond 75 years requires the approval of members by way of a special resolution.

Accordingly, special resolution is proposed to take shareholders' approval for appointment of Dr. Balamba Puranam as a Non-Executive Independent Director for the first term of five years w.e.f. 01.04.2019 to 31.03.2024.

Dr. Balamba Puranam is a Gynecologist and Obstetrician and has an experience of more than 53 years in these fields. The Board considers that her continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Dr. Balamba Puranam as an Independent Director.

The Board of Directors accordingly recommends the Special Resolution as mentioned at item No. 6 of this Notice for approval of the Members of the Company.

Save and except Dr. Balamba Puranam and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/ Key Managerial Personnel of the Company/ their relatives are concerned or interested, financially or otherwise, in the special resolutions set out at Item No.6 of the Notice.