TTK Healthcare
LIMITED

TTKH:SECL:GJ:201:18

August 14, 2018

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Company Code	:	**3153**
Scrip Code	:	**507747**

Dear Sirs,

Re : Submission of softcopy of the Annual Report for the year ended 31st March, 2018

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, we hereby submit the softcopy of the **Annual Report** for the year ended **31st March, 2018**, which was approved and adopted at the 60th Annual General Meeting of the Company held on 9th August, 2018.

Kindly take the above document on record.

Thanking you,

Yours faithfully
For TTK Healthcare Limited

Kalyanaraman

(S KALYANARAMAN)
Director & Wholetime Secretary

Encl. : a/a

Regd. Office : No. 6, Cathedral Road, Chennai - 600 086, INDIA
Phone : 91-44-28116106 - 08, Fax : 91-44-28116387
Email : info@ttkhealthcare.com Website : www.ttkhealthcare.com
CIN : L24231TN1958PLC003647

A ttk Group Company

60th Annual Report

2017-18

TTK Healthcare Limited

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TTK HEALTHCARE LIMITED

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BOARD OF DIRECTORS

Mr T T Jagannathan	Chairman
Mr T T Raghunathan	Executive Vice Chairman
Mr R K Tulshan	Director
Mr B N Bhagwat	Director
Mr K Shankaran	Director
Dr (Mrs) Vandana R Walvekar	Director
Mr Girish Rao	Director
Mr S Balasubramanian	Director
Mr N Ramesh Rajan	Director
Mr S Kalyanaraman	Director & Wholetime Secretary

COMPANY SECRETARY

Mr S Kalyanaraman

REGISTERED & ADMINISTRATIVE OFFICE

No.6, Cathedral Road, Chennai 600 086.
Website: www.ttkhealthcare.com CIN : L24231TN1958PLC003647
Tel: 044-28116106 E-mail: info@ttkhealthcare.com

FACTORIES

- No.5, Old Trunk Road, Pallavaram, Chennai 600 043, Tamil Nadu.
- No.2-B, Hosakote Industrial Area, 8th Kilometre, Hosakote Chinthamani Road, Hosakote Taluk, Bengaluru 562 114, Karnataka
- Site No.A28, KINFRA International Apparel Parks Ltd., St. Xavier's College P.O., Thumba, Thiruvananthapuram 695 586, Kerala.
- No.290, SIDCO Industrial Estate, Ambattur, Chennai 600 098, Tamil Nadu.
- No.3, Thiruneermalai Main Road, Chromepet, Chennai 600 044, Tamil Nadu.
- Plot No.DTA-005-005, Mahindra World City, Tehsil Sanganer, Jaipur 302 037, Rajasthan.
- No.20 & 21, Perali Road, Virudhunagar 626 001, Tamil Nadu.
- No.12, TTN Complex, K P Natham Road, Thiruvandarkoil, Pudhucherry 605 107.

DEPOTS

Ahmedabad, Bengaluru, Bhiwandi, Chandigarh, Chennai, Cuttack, Dehradun, Ernakulam, Ghaziabad, Guwahati, Hubli, Hyderabad, Indore, Jaipur, Jammu, Kolkata, Lucknow, Madurai, Meerut, Mumbai, Nagpur, New Delhi, Panchkula, Patna, Pune, Raipur, Ranchi, Salem, Siliguri, Tirupathi, Vijayawada and Zirakpur.

BANKERS

Bank of Baroda
Corporate Financial Services Branch
T.Nagar, Chennai 600 017

Corporation Bank
G T Branch
George Town, Chennai 600 001

STATUTORY AUDITOR

M/s PKF Sridhar & Santhanam LLP
KRD Gee Gee Crystal, No.91/92, 7th Floor,
Dr. Radhakrishnan Salai, Mylapore,
Chennai - 600 004

COST AUDITOR

M/s Geeyes & Co.
Cost Accountants
A-3, III Floor, 7th Avenue,
Ashok Nagar
Chennai 600 083

SECRETARIAL AUDITOR

Mr R Balasubramaniam
Practising Company Secretary
Flat A2, "Newry Suprit", J Block, Door No.27,
Second Street, Anna Nagar East, Chennai 600 102

REGISTRARS & TRANSFER AGENTS

M/s Data Software Research Co. Pvt. Ltd.
19, Pycrofts Garden Road, Off. Haddows Road
Nungambakkam, Chennai 600 006
Tel: 044-28213738 / 044-28214487
E-mail: ttk.healthcare@dsrc-cid.in

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Financial Highlights

(Rs. in lakhs)

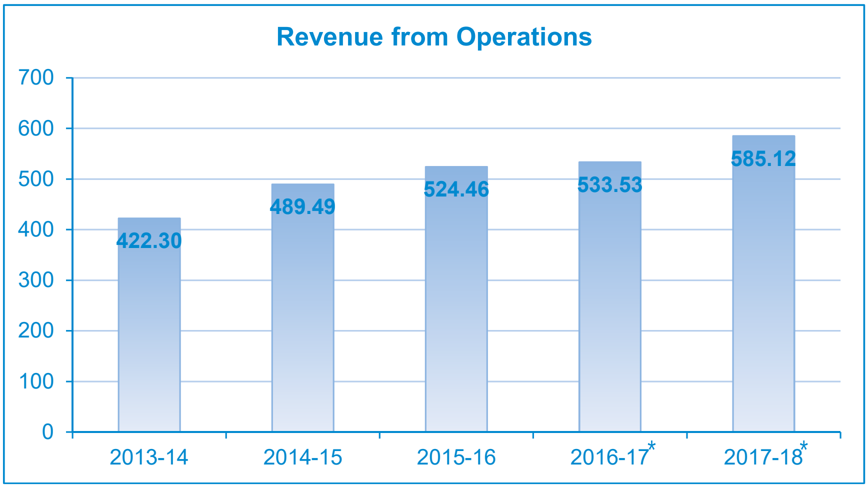
	2017-18*	2016-17*	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Sales & Other Income	**58,512.12**	53,353.30	52,445.76	48,949.44	42,230.31	38,903.69	35,844.64	31,535.20	25,619.81	22,490.92
Profit Before Tax	**3,014.71**	2,917.75	3,552.74	2,633.46	1,966.56	2,162.17	2,354.83	2,214.44	1,550.23	1,337.45
Current Tax	**1,125.00**	985.94	1,002.00	1,090.00	698.00	710.00	770.00	730.00	535.00	215.00
Deferred Tax	**73.18**	57.83	284.22	(72.06)	29.70	31.82	21.91	12.25	102.49	239.98
Fringe Benefit Tax	–	–	–	–	–	–	–	–	–	95.00
Profit After Tax	**1,816.53**	1,873.98	2,266.52	1,615.52	1,238.87	1,420.35	1,562.91	1,472.19	912.74	787.47
Other Comprehensive Income	**83.43**	207.79	–	–	–	–	–	–	–	–
Dividend - Amount	**388.30****	–	388.30	349.47	310.64	310.64	310.64	310.64	271.81	242.63
Rate	**50%**	–	50%	45%	40%	40%	40%	40%	35%	30%
Tax on Dividend	**79.05**	–	79.05	71.14	52.79	52.79	50.39	50.39	46.19	41.23
Retained Earnings	**1,432.61**	2,081.77	1,799.17	1,194.91	875.44	1,056.92	1,201.88	1,111.16	594.74	503.62
Earnings Per Share (EPS) of Rs.10/- each	**12.86**	24.13	29.19	20.80	15.95	18.29	20.13	18.96	11.68	9.71
Sources & Applications of Funds :										
Net Block	**11,031.75**	9,947.54	10,707.04	9,757.21	5,563.50	4,374.70	3,928.55	3,739.01	3,032.09	2,098.21
Investments	**925.89**	882.54	1,013.37	13.37	13.37	76.81	676.81	683.60	815.37	815.37
Net Current Assets	**13,448.08**	6,885.52	4,544.27	5,920.74	7,019.67	7,528.52	6,251.86	4,602.91	4,246.79	4,908.32
Long Term Loans & Advances	**2,754.91**	1,004.71	1,189.26	1,152.45	2,143.16	1,123.21	703.02	–	–	–
Deferred Tax Asset	**1,206.40**	590.77	131.99	115.05	106.38	85.43	65.39	54.50	69.44	177.27
Deferred Tax Liability	**(751.27)**	(832.09)	(638.80)	(337.64)	(401.02)	(350.38)	(298.51)	(265.71)	(268.40)	(273.74)
Total Assets	**28,615.76**	18,478.99	16,947.13	16,621.18	14,445.06	12,838.29	11,327.12	8,814.31	7,895.29	7,725.43
Share Capital	**1,413.03**	776.60	776.60	776.60	776.60	776.60	776.60	776.60	776.60	808.75
Reserves	**21,884.41**	14,970.46	12,844.61	11,050.45	9,916.04	9,045.63	7,993.74	6,796.88	5,690.74	5,400.88
Borrowings	**4,704.94**	2,287.34	2,195.31	2,230.12	1,324.01	2,155.40	1,754.51	1,240.83	1,427.95	1,515.80
Long Term Liabilities	**613.38**	444.59	1,130.61	2,564.01	2,428.41	860.66	802.27	–	–	–
Total Liabilities	**28,615.76**	18,478.99	16,947.13	16,621.18	14,445.06	12,838.29	11,327.12	8,814.31	7,895.29	7,725.43

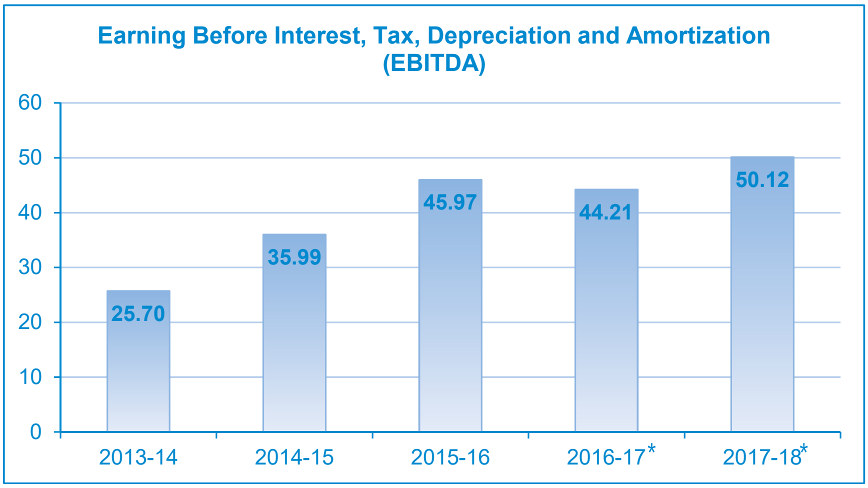
* The presentation is in line with Indian Accounting Standards (Ind AS).

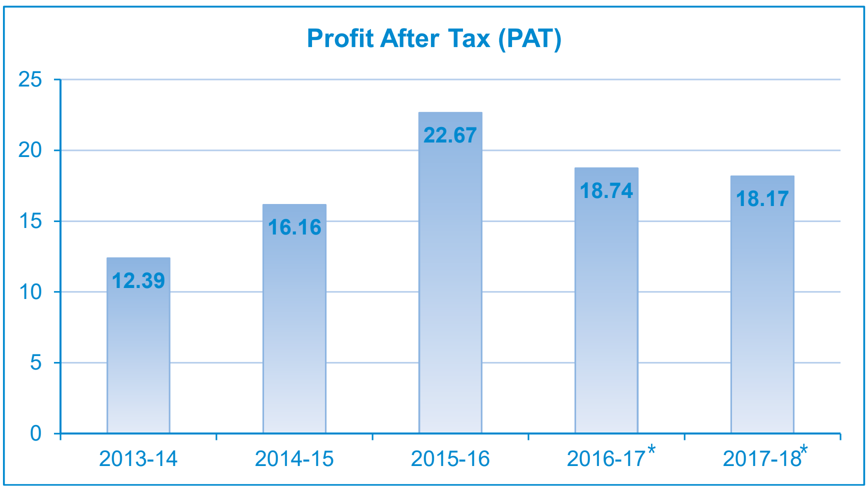
** Dividend pertaining to the year 2016-17 paid during the year 2017-18; Presented in line with Ind AS requirements.

Financial Highlights (Contd.)

(Rs. in Crores)







* The presentation is in line with Indian Accounting Standards (Ind AS).

Notice to Shareholders

NOTICE is hereby given that the **60th Annual General Meeting** of the Company will be held at **10.30 a.m.**, on **Thursday**, the **9th August, 2018** at **The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168 (Old No.306), TTK Road, Chennai 600 014**, to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2018 together with the Reports of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in the place of Mr T T Jagannathan (DIN:00191522) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in the place of Mr K Shankaran (DIN:00043205) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business

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

   "**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members be and is hereby accorded to Mr B N Bhagwat (DIN:00063628), Director of the Company to continue to hold office of Independent Director till the current tenure of his appointment which ends on 21st August, 2019 notwithstanding that he has attained the age of 75 years on 21st December, 2011".

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

   "**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members be and is hereby accorded to Dr (Mrs) Vandana R Walvekar (DIN:00059160), Director of the Company to continue to hold office of Independent Director till the current tenure of her appointment which ends on 21st August, 2019 notwithstanding that she has attained the age of 75 years on 10th April, 2018".

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

   "**RESOLVED THAT** pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members be and is hereby accorded to Mr S Balasubramanian (DIN - 02849971), Director of the Company to continue to hold office of Independent Director till the current tenure of his appointment which ends on 26th March, 2020 notwithstanding that he has attained the age of 75 years on 3rd November, 2017".

8. 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(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration of Rs.5,00,000 (Rupees Five lakhs only) plus applicable taxes and levies and reimbursement of travel and out-of-pocket expenses incurred in connection with the audit, payable to M/s Geeyes & Co., Cost Accountants (Firm Regn. No.000044), for conducting the audit of cost records of the Company, for the financial year ending 31st March, 2019, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified".

BY ORDER OF THE BOARD
S KALYANARAMAN
Director & Wholetime Secretary

Place: Chennai
Date : May 29, 2018

Registered Office:
No.6, Cathedral Road
Chennai 600 086

NOTES:

1. **A Member entitled to attend and vote at the meeting is entitled to appoint one or more Proxies to attend and vote instead of himself/ herself and the Proxy or Proxies so appointed need not be a Member or Members 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 duly notarized copy of that Power of Attorney or other authority shall be deposited at the Registered Office of the Company, not later than 48 hours before the time fixed for holding the meeting.

   A person shall not act as a Proxy for more than 50 members and holding in aggregate not more than 10% of the total voting Share Capital of the Company. However, a single person may act as a Proxy for a Member holding more than 10% of the total voting Share Capital of the Company provided that such person shall not act as a Proxy for any other person.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Businesses as set out in the Notice is annexed hereto.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from 6th August, 2018 to 9th August, 2018 (Both days inclusive), for the purpose of payment of Dividend for the financial year ended 31st March, 2018, if declared, at the meeting.
4. The Dividend on Equity Shares as recommended by the Board of Directors, if declared at the Meeting, will be paid to those Members whose names appear in the Register of Members on 9th August, 2018.
5. Members are requested to keep the Company informed of any change in their respective mailing addresses immediately. Members whose shareholding is in the electronic mode are requested to forward the change of address notifications and updation of Bank Account details to their respective Depository Participants.
6. Members / Proxies are requested to affix their signatures at the space provided in the Attendance Slip and handover the Slip at the entrance of the Meeting Hall. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote at the Annual General Meeting.
7. In terms of Sections 124(5) and 125 of the Companies Act, 2013 and the Rules made thereunder, the dividend declared by the Company for earlier years, which remained unclaimed / unpaid for a period of 7 years will be transferred on respective due dates to the Investor Education and

Notice to Shareholders (Contd.)

Protection Fund (IEPF), established by the Central Government.

The particulars of due dates for transfer of such unclaimed dividends to IEPF are furnished below:

Financial Year ended	Dividend Declared on	Due Date of Transfer	Unpaid / Unclaimed Amount as on 31.03.2018 (in Rs.)
31.03.2011	27.07.2011	02.09.2018	7,46,048
31.03.2012	13.08.2012	19.09.2019	7,99,092
31.03.2013	25.07.2013	31.08.2020	7,93,492
31.03.2014	22.08.2014	28.09.2021	7,44,924
31.03.2015	07.08.2015	13.09.2022	8,16,750
31.03.2016	05.08.2016	11.09.2023	9,61,120
31.03.2017	04.08.2017	05.09.2024	9,89,710

Members who have not encashed their Dividend Warrants in respect of the above period(s) are requested to make their claim(s) by surrendering the unencashed Dividend Warrants immediately to the Company.

Pursuant to Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has provided / hosted the required details of unclaimed amounts referred to under Section 125 of the Companies Act, 2013, on its website www.ttkhealthcare.com and also on the website of the Ministry of Corporate Affairs (MCA) in the relevant form every year.

8. In terms of Section 124(6) and 125 of the Companies Act, 2013 and the Rules made thereunder, the underlying shares in respect of dividends relating to the year 2010-11 remained unclaimed / unpaid for seven consecutive years or more would be transferred to the Demat Account of the IEPF Authority, within 30 days from the due date of transfer (2nd September, 2018) (i.e.) on or before 1st October, 2018.

   The Shareholders concerned whose shares are liable for transfer are being informed individually and an advertisement is also being published in Business Line and The Hindu Tamil. The details of the shares to be transferred are also being uploaded on the website of the Company.

9. Any unclaimed / unpaid dividends or shares already transferred to the IEPF, shall be claimed by the Shareholders concerned from the IEPF Authority by e-Filing Form IEPF-5, which is available under the link http://www.iepf.gov.in/IEPFA/refund.html or contact the RTA M/s Data Software Research Co. Pvt. Ltd., or the Company for assistance.

10. 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 their PAN to their Depositary Participant(s) and the Member holding shares in physical form are requested to submit their PAN details to the RTA (i.e.) M/s Data Software Research Co. Pvt. Ltd.

11. Members may note that the Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website www.ttkhealthcare.com.

12. The Register of Directors and Key Managerial Personnel and their shareholdings maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements maintained under Section 189 of the said Act, will be available for inspection at the AGM.

13. **Information and other Instructions relating to e-Voting (Voting through electronic means) are as under:**

    Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide e-Voting facility to its Members through Central Depository Services (India) Limited (CDSL), in respect of the businesses to be transacted at the 60th Annual General Meeting.

    The facility for voting through Polling Paper shall also be made available at the Meeting and the Members attending the Meeting who have not cast their vote by e-Voting shall be able to vote at the Meeting through Polling Paper.

    The Company has appointed Mr Balu Sridhar, Partner, M/s A K Jain & Associates, Practising Company Secretaries as the Scrutinizer for conducting both the e-Voting and the Poll processes in a fair and transparent manner and he has communicated his willingness for the same.

    The Members who have cast their vote by e-Voting may also attend the Meeting but shall not be entitled to cast their vote again.

    The voting rights of the shareholders / beneficial owners shall be reckoned on the Equity Shares held by them as on 3rd August, 2018 being the **cut-off date**. Shareholders of the Company holding shares either in physical or in dematerialized form, as on the cut-off date, may cast their vote electronically or at the venue of the meeting through Polling Paper.

    A person, whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date (i.e.) 3rd August, 2018 only shall be entitled to avail the facility of e-Voting.

    In case a person has become the Member of the Company after the despatch of Notice but on or before the cut-off date (i.e.) 3rd August, 2018, he / she may write to M/s Data Software Research Co. Pvt. Ltd. (DSRC), on the e-mail ID: ttk.healthcare@dsrc-cid.in or M/s Data Software Research Co. Pvt. Ltd., (Unit – TTK Healthcare Limited), No.19, Pycrofts Garden Road, Off. Haddows Road, Nungambakkam, Chennai 600 006 or contact Mr. S Chandrasekaran at contact No. 044-28213738 / 28214487 during office hours, requesting for the User ID and Password. After receipt of the above credentials, please follow the instructions for e-Voting to cast the vote.

    If the Member is already registered with CDSL e-Voting platform then he can use his existing User ID and password for casting the vote through e-Voting.

    The Scrutinizer, after scrutinizing the votes cast at the meeting by Poll and through e-Voting, will not later than two days of conclusion of the Meeting, make a consolidated Scrutinizer's Report and submit the same to the Chairman for declaring the results.

    The results declared along with the consolidated Scrutinizer's Report shall be placed on the Company's website www.ttkhealthcare.com and on the website of CDSL www.evotingindia.com. The results shall simultaneously be communicated to the Stock Exchanges.

    Subject to the requisite number of votes cast in favour of the Resolution(s), the same shall be deemed to be passed on the date of the Meeting (i.e.) 9th August, 2018.

Notice to Shareholders (Contd.)

Instructions for e-Voting:

(i) The voting period begins at 9.30 a.m. on 5th August, 2018 and ends at 5.00 p.m. on 8th August, 2018. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd August, 2018 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The Shareholders should log on to the e-Voting website www.evotingindia.com.

(iv) Click on "Shareholders" tab.

(v) Now Enter your User ID:

(a) For CDSL: 16 digits beneficiary ID;
(b) For NSDL: 8 character DP ID followed by 8 digits Client ID;
(c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of zeroes before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)#	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the Depository or Company, please enter the Member ID / Folio No. in the Dividend Bank details field as mentioned in instruction (v).

* Members who have not updated the PAN details with the Company/ Depository Participant are requested to use the "Sequence Number" provided under the e-Voting details in the Attendance Slip in the PAN details field. (Wherever Members have updated the PAN details, the same has also been provided, for their ready reference).

Members who have not updated their DOB or Dividend Bank Details with the Company / Depository Participant are requested to use the User ID, as provided under the e-Voting details in the Attendance Slip, in the Dividend Bank details field.

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for "TTK HEALTHCARE LIMITED" on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

• After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the login password earlier used then enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders & Custodians:

- Non-individual Shareholders (i.e. other than individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin and login password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual

Notice to Shareholders (Contd.)

available at www.evotingindia.com under Help Section or write an e-mail to helpdesk.evoting@cdslindia.com.

14. Information required under Regulation 36(3) of the SEBI (LODR) Regulations, 2015:

Particulars of Directors seeking re-appointment:

(a) **Mr T T Jagannathan**

Mr T T Jagannathan retires by rotation and is eligible for re-appointment.

Mr T T Jagannathan is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA. He is the Chairman of the TTK Group of Companies. He has over four decades of Industrial experience. He has been on the Board of your Company since 1984.

Age: 70 years.

Nature of expertise in specific functional areas: Innovation, Technology, Manufacturing, Marketing & Distribution, Business Promotion & Management.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: Mr T T Raghunathan, Executive Vice Chairman (Brother).

Directorships and Committee Memberships in Listed Companies:

Mr T T Jagannathan is a Director on the Board of TTK Prestige Limited.

He is the Chairman of the Corporate Social Responsibility (CSR) Committee of TTK Prestige Limited.

Shareholding: He holds 7,59,298 Equity Shares in the Company (in his individual capacity).

(b) **Mr K Shankaran**

Mr K Shankaran retires by rotation and is eligible for re-appointment.

Mr K Shankaran is a qualified Cost & Management Accountant and Company Secretary and has been a Director of the Company since 2000. Mr Shankaran has industry experience of 37 years.

Age: 64 years.

Nature of expertise in specific functional areas: Finance, Taxation, Corporate Laws / Legal, Corporate Governance, Human Resource and General Business Management.

Disclosure of inter-se relationships between Directors and Key Managerial Personnel: NIL

Directorships and Committee Memberships in Listed Companies:

Mr Shankaran is a Director on the Board of TTK Prestige Limited.

He is a Member of the Stakeholders Relationship Committee of TTK Prestige Limited.

Shareholding: He holds 247 Equity Shares in the Company.

BY ORDER OF THE BOARD
S KALYANARAMAN
Director & Wholetime Secretary

Place : Chennai
Date : May 29, 2018

Registered Office:
No.6, Cathedral Road
Chennai 600 086

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013:

The following explanatory statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No.5

The Shareholders of the Company at the 56th Annual General Meeting held on 22nd August, 2014, appointed Mr B N Bhagwat as an Independent Director, for a term of five years, effective 22nd August, 2014, by means of a Special Resolution.

The Securities and Exchange Board of India (SEBI) notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on 9th May, 2018, which would be effective from 1st April, 2019.

As per Regulation 17(1A) of the said amendment, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director, who has attained the age of seventy five years, unless a Special Resolution is passed to that effect.

Accordingly, the Company seeks the approval of the Members by means of a Special Resolution for Mr Bhagwat, who has attained the age of 75 years on 21st December, 2011, to continue to hold office as Independent Director till his current tenure of appointment which ends on 21st August, 2019.

The Board recommends the Special Resolution at Item No.5 for approval by the Members.

Except Mr B N Bhagwat, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

Item No.6

The Shareholders of the Company at the 56th Annual General Meeting held on 22nd August, 2014, appointed Dr (Mrs) Vandana R Walvekar as an Independent Director, for a term of five years, effective 22nd August, 2014, by means of an Ordinary Resolution.

Notice to Shareholders (Contd.)

The Securities and Exchange Board of India (SEBI) notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on 9th May, 2018, which would be effective from 1st April, 2019.

As per Regulation 17(1A) of the said amendment, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director, who has attained the age of seventy five years, unless a Special Resolution is passed to that effect.

Accordingly, the Company seeks the approval of the Members by means of a Special Resolution for Dr (Mrs) Vandana R Walvekar, who has attained the age of 75 years on 10th April, 2018, to continue to hold office as Independent Director till her current tenure of appointment which ends on 21st August, 2019.

The Board recommends the Special Resolution at Item No.6 for approval by the Members.

Except Dr (Mrs) Vandana R Walvekar, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

Item No.7

The Shareholders of the Company by way of Postal Ballot, appointed Mr S Balasubramanian as an Independent Director, for a term of five years, effective 27th March, 2015, by means of an Ordinary Resolution.

The Securities and Exchange Board of India (SEBI) notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 on 09th May, 2018, which would be effective from 01st April, 2019.

As per Regulation 17(1A) of the said amendment, no listed entity shall appoint a person or continue the directorship of any person as a Non-Executive Director, who has attained the age of seventy five years, unless a Special Resolution is passed to that effect.

Accordingly, the Company seeks the approval of the Members by means of a Special Resolution for Mr S Balasubramanian, who has attained the age of 75 years on 3rd November, 2017, to continue to hold office as Independent Director till his current tenure of appointment which ends on 26th March, 2020.

The Board recommends the Special Resolution at Item No.7 for approval by the Members.

Except Mr S Balasubramanian, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

Item No.8

The Board, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s Geeyes & Co., Cost Accountants as Cost Auditors, to conduct audit of the cost accounting records maintained by the Company, for the following product categories:

(i) Drugs and Pharmaceuticals under the Regulated Sector;

(ii) Rubber and its Allied Products viz., Male Contraceptives; and Medical Devices viz., Heart Valves and Orthopaedic Implants under Non-Regulated Sector;

for the financial year ending 31st March, 2019.

In accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the remuneration of Rs.5,00,000/- (Rupees Five lakhs only) plus applicable taxes and levies and reimbursement of travel and out-of-pocket expenses incurred in connection with the audit, payable to the said Cost Auditors, for the financial year ending 31st March, 2019, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be ratified by the Shareholders of the Company.

The Board recommends the Ordinary Resolution at Item No.8 for ratification by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in this resolution.

BY ORDER OF THE BOARD
S KALYANARAMAN
Director & Wholetime Secretary

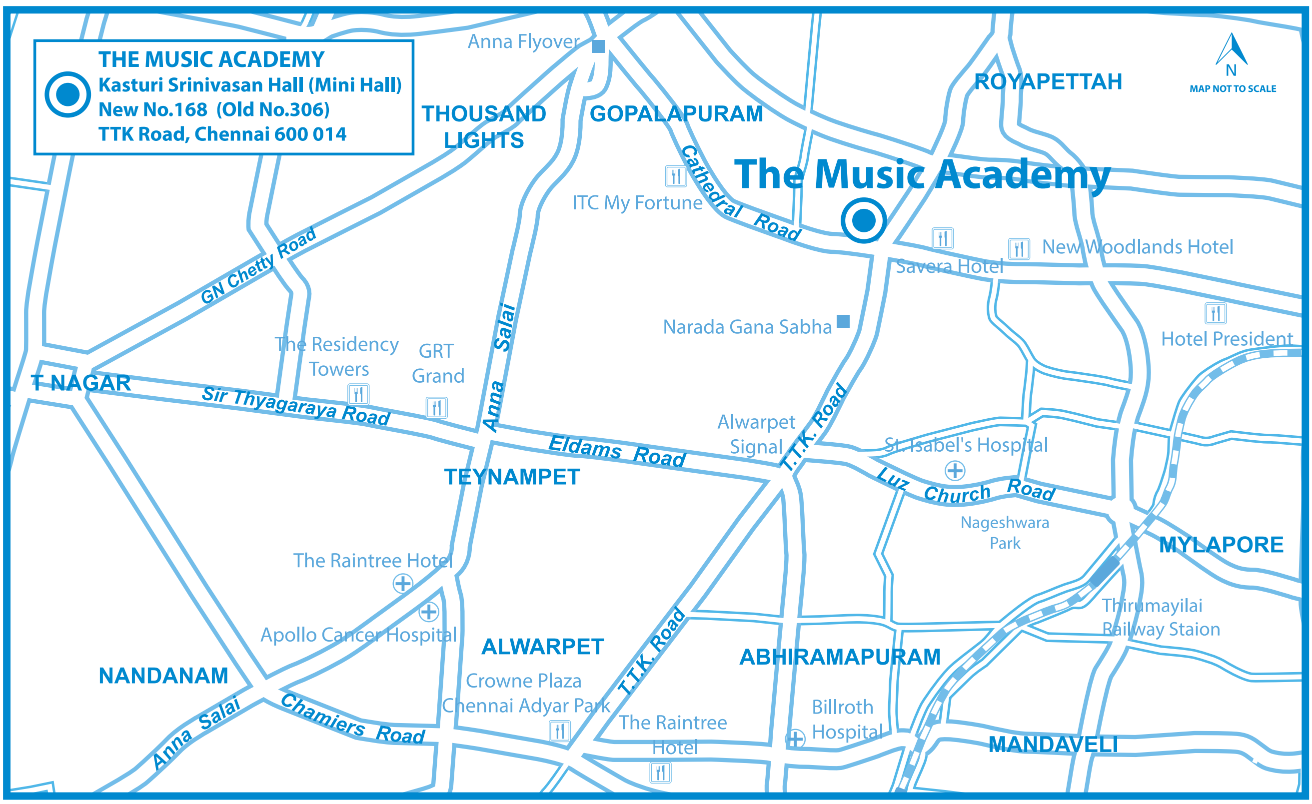
Place : Chennai
Date : May 29, 2018

Registered Office:
No.6, Cathedral Road
Chennai 600 086

Route Map

ROUTE MAP TO THE VENUE OF THE 60th ANNUAL GENERAL MEETING

10.30 a.m. - 9th August, 2018



Board's Report

(Including Management Discussion and Analysis Report)

Your Directors have pleasure in presenting the 60th Annual Report together with the Audited Financial Statements for the financial year ended 31st March, 2018.

Financial Results:

(Rs. in lakhs)

		2017-18		2016-17
Profit before Depreciation & Tax		**4,538.93**		4,109.34
Less: Depreciation		**1,524.22**		1,191.59
Profit before Tax		**3,014.71**		2,917.75
Less: Provision for Tax				
Current Tax	**1,125.00**		985.94	
Deferred Tax	**73.18**	**1,198.18**	57.83	1,043.77
Profit after Tax		**1,816.53**		1,873.98
Surplus Account:				
Balance as per last Balance Sheet		**8,832.64**		7,633.44
Add: Surplus pursuant to Merger		**746.18**		–
Total		**9,578.82**		7,633.44
Add: Profit for the year		**1,816.53**		1,873.98
Other Comprehensive Income for the year (Net of Tax)		**40.09**		(7.43)
Total		**11,435.44**		9,499.99
Less: Dividend Paid		**388.30**		388.30
Dividend Tax		**79.05**		79.05
Amount transferred to General Reserve		–		200.00
Total		**10,968.09**		8,832.64

Scheme of Amalgamation:

The Scheme of Amalgamation between TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited and your Company was sanctioned by the National Company Law Tribunal (NCLT), Division Bench, Chennai vide its Order dated 15th December, 2017 and the Appointed Date of the Scheme was 1st April, 2012.

Consequent to the above, the erstwhile TTK Protective Devices Limited has become a Division of your Company and for operational convenience, it has been named as "Protective Devices Division".

The figures for the year under review include the operations of the erstwhile TTK Protective Devices Limited (i.e.) Protective Devices Division.

Review of Performance:

During the year under review, the Revenue from Operations amounted to Rs.577.55 crores as against the previous year's figure of Rs.527.81 crores, a growth of around 9%. On like-to-like basis without considering the revenues of the Protective Devices Division, the Revenue from Operations of the Company was almost similar to that of the previous year.

Pre-Tax Profit for the year stood at Rs.30.15 crores as against the previous year's figure of Rs.29.18 crores.

The performance was impacted during the First Quarter on the eve of the implementation of the Goods and Services Tax (GST) Regime by the Central Government. However, there has been a good recovery in the subsequent quarters resulting in a satisfactory performance for the year as a whole.

A detailed review is presented under the Section "Segmentwise Performance".

Dividend:

Your Directors are pleased to recommend a dividend of Rs.5.00 (50%) per Equity Share of Rs.10/- each for the year ended 31st March, 2018. [Previous Year - Rs.5.00 (50%) per Equity Share].

Share Capital:

During the year under review, the Authorised Equity Share Capital of the Company has been increased from Rs.10 crores to Rs.20 crores.

Your Company allotted 63,64,350 Equity Shares of Rs.10/- each fully paid-up to the Shareholders of erstwhile TTK Protective Devices Limited, pursuant to the Scheme of Amalgamation sanctioned by the National Company Law Tribunal (NCLT), Division Bench, Chennai, vide its Order dated 15th December, 2017, in the ratio of 9 Equity Shares of Rs.10/- each fully paid-up of your Company for every 2 Equity Shares of Rs.10/- each fully paid-up held by them in the erstwhile TTK Protective Devices Limited. These Equity Shares shall rank for dividend, voting and all other rights *pari passu* with the existing Equity Shares of your Company.

Consequent to the above, the Paid-up Equity Share Capital of the Company stands increased from 77,65,983 Equity Shares of Rs.10/- each aggregating to Rs.776.60 lakhs to 1,41,30,333 Equity Shares of Rs.10/- each aggregating to Rs.1,413.03 lakhs.

Your Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity.

MANAGEMENT DISCUSSION AND ANALYSIS:

(A) INDUSTRY STRUCTURE AND DEVELOPMENTS:

During the year 2017-18, the GDP growth was estimated at 6.6% as against the previous year's growth of 7.1%.

The year 2017-18 witnessed a major economic policy development (i.e.) implementation of Goods and Services Tax (GST) with effect from 1st July, 2017. Though the GST implementation had its impact during the first-half of the year, the overall domestic economic scenario towards later part of the year 2017-18 has shown signs of improvement as compared to the previous year.

The Indian Pharmaceutical Market (IPM) currently valued at Rs.1,19,386 crores [MAT March 2018], grew by 5.7%.

The growth was driven by (i) growth in volume of existing brands (3.8%) and (ii) new introductions (2.7%). However, price revisions reported a negative trend (-0.8%). Market was driven by Chronic and Sub-Chronic Segments. Therapeutic segments like Anti-diabetic (11.6%), Derma (10.4%) and Vaccines (14.4%) reported double digit growth. (Source: Pharmatrac).

(B) OPPORTUNITIES AND THREATS:

Opportunities:

- Economic growth, rising incidence of chronic diseases, increase in healthcare access and expected growth in per capita income would drive further expansion of the healthcare segment. Therefore, there is opportunity for your Company to grow the Pharma Business further.
- Your Company has the unique advantage of an exclusive network for distribution of FMCG / OTC products. This can be leveraged for launch of new products under own brands so as to ensure improved profitability and value creation through brand building.

Board's Report (Contd.)

- On Medical Devices, the market continues to be dominated by imported medical devices / implants. Since your Company manufactures world class products and these are priced competitively, this segment provides opportunity for growth. The "Make in India" initiative by the Government would further enhance the growth prospect for this Segment. These products also have export potential.
- The Government of India is extending its price control policy to cover medical devices in a phased manner. In fact, ceiling prices for Ortho Implants have already been announced and implemented with effect from 15th August, 2017. While this may be seen as a threat, there is also an opportunity for domestic manufacturers like your Company as these products are likely to witness higher demand due to competitive pricing.
- The Central Government has also recently announced a massive Medical Insurance Scheme to cover poor families and this initiative is also likely to increase the number of treatment procedures which would, in turn, improve the demand for medical implants viz., Heart Valves and Ortho Implants manufactured by your Company.
- Considering the size of the market for food products, the Foods Business of your Company has potential for growth including branding / retail and export opportunities.

Threats:

- The Product Patent Regime has restricted the access for Indian Pharma Companies to the latest molecules which were earlier available. However, there may be opportunities to launch products that are out of patents regimentation.
- The Drugs Price Control may have an adverse impact on the sales / margins of Pharmaceutical Companies.
- Banning of Fixed Dose Combinations (FDCs) restricted launch of new combinations which is likely to impact the overall size / growth of the market.

(C) SEGMENTWISE PERFORMANCE:

Your Company is engaged in Pharmaceuticals, Consumer Products, Medical Devices and Foods Businesses.

A look at the performance of individual Business Segments:

Pharmaceutical Business:

The Ethical Pharma Business of your Company deals in Pharmaceutical Formulations both Herbal and Allopathic, in various therapeutic segments.

Ethical Products Division (EPD) & Ventura Division

During the year 2017-18, EPD and Ventura Divisions registered a turnover of Rs.140.74 crores, a performance almost similar to that of last year.

The performance would have been better but for the introduction of GST, which resulted in stockists drastically reducing their stockholdings thereby affecting sales. Further, due to change in tax structure (on account of GST) there has been reduction in net sales value.

High attrition continues to be a cause of concern. During the year, your Company started various Employee Engagement Programmes such as loyalty bonus, etc. to increase retention, benefit of which is likely to accrue during this year.

Due to the disturbed market scenario on account of GST implementation, new product launches were specifically deferred by your Company. However, steps have now been taken to launch 3 - 4 new products during the current year.

During 2018-19, the strategy is to introduce a few more new brands, focus on high potential existing brands to strengthen the position in Gynaecology and Infertility Segments and to improve productivity / retention through continuous training and motivation.

Animal Welfare Division (AWD)

During the year under review, the Animal Welfare Division reported a sales turnover of Rs.51.59 crores, with a growth of around 9% over the previous year.

But for Bovianim (Livestock), the other two sub-divisions Gallus (Poultry) and Companim (Pet) have reported a decent growth. The performance of the Division particularly that of Bovianim was impacted due to the constraints faced by the industry during the period of GST implementation.

Though the performance till August, 2017 was quite sluggish, it gathered momentum with healthy growth during the period September 2017–March 2018, resulting in an overall satisfactory performance.

The strategy for 2018-19 would be to ensure healthy growth through efficient Key Account Management, focused promotion of Ossomin-Tefroli-Orcal-P (OTO) brands, introduction of new products, venturing into aqua segment, geographical expansion, etc.

Consumer Products Business:

The Division reported a turnover of Rs.184.29 crores, with marginal decline in revenue due to GST implementation. Further, with the new tax structure under GST regime, there has also been reduction in the net sales prices.

Woodward's registered a volume growth of 1.2% despite losing momentum during the GST implementation period.

EVA had a challenging year, with a decline of around 8% in turnover. However, the performance of base product EVA 125 ml is steady and has registered a growth of 3.4% in volumes.

Despite the impact of GST implementation, the homecare brand Good Home managed to maintain almost the same revenues as that of the previous year.

In the coming year, your Company would be restructuring the Route-to-Market strategy to give a major thrust to emerging channels like Modern Trade and E-Commerce. Your Company would be reviving the emphasis on increasing distribution, to focus on chemists & grocers' channels to drive growth.

Medical Devices Business:

Heart Valve Division

During the year under review, the performance of Heart Valve Division has been quite satisfactory, with a turnover of Rs.18.81 crores.

The initial response to the recently-launched Bi-Leaflet Valves manufactured by CardiaMed, Netherlands has been satisfactory and steps are being taken to scale up sales.

Necessary regulatory clearances have been obtained for import and sale of Bio-Prosthetic Valves from a Brazilian Company and the test marketing would commence shortly.

Steps are also being taken for obtaining necessary regulatory clearances for the commencement of clinical trials for the Improved Heart Valves and Vascular Grafts.

Board's Report (Contd.)

The focus for 2018-19 would be to grow the volumes of existing Heart Valve and to gain further volumes through Bi-Leaflet / Tissue Valves.

Ortho Division

The Ortho Division reported an encouraging performance during the year under review, with a turnover of Rs.13.84 crores.

In line with the steady increase in offtake, the production capacity at the existing facility at Ambattur has been enhanced to meet the increasing demand.

In order to spearhead the growth plans of this Division, a dedicated Senior Resource has been recruited to head the operations.

Regulatory Affairs Team has been further strengthened to meet the requirements of ISO, EU Medical Device Regulation & Indian Medical Device Rules, 2017.

CE scope extension audit for Co-Cr Mobile Bearing Uncemented version meant for overseas markets has been completed and technical review is being carried out by the Notifying Body - DNV, Norway.

Development of Cementless Hip Implant is in progress and is expected to be launched during this year.

The plan for 2018-19 would be to grow the Ortho Business through geographical expansion, launch of new products, increasing the support from the existing surgeons and adding new surgeons, both in the domestic and permitted export markets.

Protective Devices Division

The National Company Law Tribunal (NCLT), Division Bench, Chennai vide its Order dated 15th December, 2017 sanctioned the Scheme of Amalgamation between TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited and your Company.

Consequent to the above, the erstwhile TTK Protective Devices Limited has become a Division of your Company and for operational convenience, it has been named as "Protective Devices Division".

During the year under review, the Division achieved a sales turnover of Rs.100.67 crores. This Division operates in three segments of business viz.-

(i) manufacturing and selling under Company's own Brand "SKORE";

(ii) supplies to Third Party Brand owners both in India and abroad as Contract Manufacturer; and

(iii) supplies under Domestic and International Public Tenders.

The Division currently manufactures and supplies Condoms out of its factory in Puducherry and has its Research & Development facility at Chennai.

Branded Condoms market has witnessed intense competition with the re-launch of competitive brands. SKORE reported a growth of around 8%. Portfolio mix with focus on SKORE Champion series has aided the brand growth.

SKORE is now the No.2 brand in value terms in All India Urban markets.

Your Company has also successfully launched a range of personal lubricants under the brand name SKORE during the year under review.

Your Company is pleased to report that Quality Audits as part of the continual assessment were conducted by the British Standards Institution for ISO and CE Mark, by South African Bureau of Standards for SABS Certification and by SGS Global for Forest Stewardship Council Certification during the year and the Company has successfully retained the certifications without any major or critical non-conformances. Your Company is also one of the pre-qualified suppliers under UNFPA / WHO Prequalification Scheme for Male Latex Condoms.

Your Company's R&D Centre is in the process of developing value added, innovative and differentiated products and these will help your Company in developing the business further.

The focus for 2018-19 would be to grow the branded Condoms business through brand differentiation / innovation; to develop relationship with Third Party Brand Contract Manufacturing customers for increasing the volumes; and to work on cost optimization to be more competitive in Bid Business.

Foods Business:

During the year under review, the Foods Division achieved a sales turnover of Rs.67.01 crores, with stagnant volumes.

Increase in the number of competitors has severely impacted the margins and the volumes of the trade business. In order to overcome this challenge, your Company has been putting a lot of thrust on other segments of business like exports and institutional business apart from launching several new products.

The R&D Centre at Hosakote, Bengaluru developed a number of new products during the year under review and is working on many other products which would be launched progressively.

During the year under review, your Company's Jaipur factory has been accredited with ISO 22000:2005 certification. Both the Hosakote and Jaipur factories have also obtained KOSHER certification and this will enable your Company to increase its footprint in overseas markets.

Total Productive Maintenance (TPM) is being successfully implemented in both the factories.

The strategy for the current year would be to increase the capacity utilisation at Jaipur facility through enhanced focus on domestic / institutional and export businesses and also to work on developing and launching innovative and differentiated products to improve volumes.

(D) OUTLOOK:

In view of the above developments and initiatives, the outlook for your Company as a whole for 2018-19, appears promising.

(E) RISKS AND CONCERNS:

The analysis presented in the Industry Scenario and Opportunities and Threats Section of this Report throws light on the important risks and concerns faced by your Company. The strategy of your Company to de-risk against these factors is also outlined in the said Sections.

(F) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has necessary Internal Control Systems in place which is commensurate with the size, scale and complexity of its operations. Further, your Company has retained the services of an External Consultant for further strengthening the Internal Financial Control System. The suggestions made by him in relation to various activities / areas such as Properties, Plant & Equipments, Petty Cash Management, Revenue recognition from operations, Inventories – Control & Valuation, etc., have been implemented.

Board's Report (Contd.)

Internal Audits are regularly conducted through In-house Audit Department and also through External Audit Firms. The Reports are periodically discussed internally. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies at all locations of your Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

(G) FINANCIAL PERFORMANCE:

(Rs. in lakhs)

	2017-18	2016-17
Revenue from Operations	**57,754.65**	52,780.55
Other Income	**757.47**	572.75
Total Income	**58,512.12**	53,353.30
Cost of Materials Consumed	**24,159.34**	24,343.96
Employee Benefits Expense	**10,898.71**	8,799.47
Other Expenses	**18,442.21**	15,789.04
Profit before Finance Cost and Depreciation	**5,011.86**	4,420.83
Finance Cost	**472.93**	311.49
Depreciation	**1,524.22**	1,191.59
Profit before Tax	**3,014.71**	2,917.75
Less: Provision for Tax		
Current Tax	**1,125.00**	985.94
Deferred Tax	**73.18**	57.83
Profit after Tax	**1,816.53**	1,873.98

ANALYSIS OF PERFORMANCE:

- The performance for the year under review includes the operations of TTK Protective Devices Limited which merged with your Company. The previous year's figures represent the performance of the Company on a standalone basis. Hence these figures are not comparable.
- Revenue from Operations registered a growth of around 9%. On like-to-like basis without considering the revenues of the Protective Devices Division, the Revenue from Operations of the Company was almost similar to that of the previous year.
- During the year under review, Other Income stood at Rs.757.47 lakhs as against the previous year's figure of Rs.572.75 lakhs. The increase mainly relates to Interest on Fixed Deposits held by the erstwhile TTK Protective Devices Limited.
- Goods Consumption as a percentage of Revenue from Operations for the year works out to 41.83% as against the previous year's figure of 46.12%. The decrease was mainly due to SKORE brand of Condoms which was hitherto a trading line now becoming Own Branded Goods, consequent to the amalgamation of TTK Protective Devices Limited with the Company.
- The increase in employee benefits expense was mainly due to regular annual increments / revision in packages and addition of employees pursuant to Merger.
- Bad Debts Written Off during the year under review, amounted to Rs.67.37 lakhs: Pharma Division - Rs.24.99 lakhs; Consumer Products Division - Rs.2.73 lakhs; Heart Valve Division - Rs.3.74 lakhs; Ortho Division - Rs.15.51 lakhs; and Foods Division - Rs.20.40 lakhs.
- The increase in other expenses are due to amalgamation of TTK Protective Devices Limited with the Company and are in line with the level of operations.
- The additions to Fixed Assets mainly include the following:
  - **(i)** Purchase of Plant and Machinery relating to-
    - Pharma Division – Rs.14.49 lakhs;
    - Foods Division, Jaipur – Rs.31.73 lakhs;
    - Ortho Division – Rs.63.23 lakhs; and
    - Protective Devices Division – Rs.44.83 lakhs.
  - **(ii)** Purchase of Computers relating to-
    - Pharma Division – Rs.26.40 lakhs; and
    - Ortho Division – Rs.3.00 lakhs.
- As per the Scheme of Amalgamation, a Special Contingency Reserve of Rs.20 crores was created out of the General Reserve of the Company to meet the re-organisation expenditure and crystallization of any contingent liabilities of the erstwhile TTK Protective Devices Limited. Out of this, a sum of Rs.8.99 crores (Rs.5.88 crores net of deferred tax) was utilized towards expenses incurred on Voluntary Retirement Scheme, relating to the erstwhile TTK Protective Devices Limited, which merged with the Company.

(H) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

Human Resources:

Your Company attaches significant importance to continuous upgradation of Human Resources for achieving the highest levels of efficiency, customer satisfaction and growth.

As part of the overall HR Strategy, initiatives such as Balanced Score Card (BSC), Total Productive Maintenance (TPM), Performance Management Processes, etc., have been implemented to enhance employee productivity and corporate performance. Senior Management team has been strengthened by inducting experienced professionals from the industry across businesses and corporate functions apart from implementing leadership development for internally groomed managers. Further, your Company continues to place emphasis on regular training programs to enable continuous improvement of employee capabilities.

Several attractive initiatives have been implemented to improve employee engagement and to control field staff attrition.

As on 31st March, 2018, the employee strength was 2244. (Previous Year - 1853). The increase was due to amalgamation of TTK Protective Devices Limited with your Company.

Industrial Relations:

The industrial relations during the year under review continued to be cordial. The Directors place on record their sincere appreciation for the services rendered by employees at all levels.

Your Company entered into a long term wage settlement with the Workers' Union of the Foods Division, Hosakote and this will be in force for a period of four years, from 1st January, 2017 to 31st December, 2020.

Board's Report (Contd.)

(I) INFORMATION TECHNOLOGY:

Your Company successfully deployed GST Module in Oracle E-Business Suite across all Divisions of the Company Pan India. Your Company is in the process of exploring state-of-the-art Cloud hosting of Oracle E-Business Suite applications.

(J) FUTURISTIC STATEMENTS:

This analysis may contain certain statements, which are futuristic in nature. Such statements represent the intentions of the management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on various factors, both internal and external. Therefore, the investors are requested to make their own independent judgments by taking into account all relevant factors before taking any investment decision.

DISCLOSURES UNDER THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER:

(a) Extract of Annual Return:

Extract of Annual Return (Form MGT-9) is enclosed as **Annexure-1.**

(b) Number of Meetings of the Board:

The Board of Directors met 4 (four) times during the year 2017-18. The details of the Board Meetings and the attendance of the Directors are provided in the Report on Corporate Governance.

(c) Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee consists of Mr T T Raghunathan as Chairman, Mr K Shankaran, Dr (Mrs) Vandana R Walvekar and Mr Girish Rao as Members. Mr S Kalyanaraman is the Secretary of the Committee.

The Corporate Social Responsibility (CSR) Policy enumerating the CSR activities to be undertaken by your Company, in accordance with Schedule VII to the Companies Act, 2013 was recommended to the Board and the Board adopted the same. The said policy was also made available on the Company's website www.ttkhealthcare.com.

The Annual Report under CSR Activities is annexed to this Report as **Annexure-2.**

The details relating to the meetings convened, etc., are furnished in the Report on Corporate Governance.

(d) Composition of Audit Committee:

The Audit Committee consists of Mr Girish Rao as Chairman, Mr B N Bhagwat, Mr K Shankaran and Mr S Balasubramanian as Members. Mr S Kalyanaraman is the Secretary of the Committee. More details on the Committee are given in the Report on Corporate Governance.

(e) Related Party Transactions:

During the year under review, no transaction of material nature has been entered into by your Company with its promoters, the directors or the key managerial personnel or their relatives, etc., that may have a potential conflict with the interests of your Company.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are repetitive in nature. A statement giving details of the transactions entered into with the related parties, pursuant to the omnibus approval so granted, is placed before the Audit Committee and the Board of Directors for their approval / ratification on a quarterly basis.

During the year under review, your Company renewed the contracts entered into with M/s T T Krishnamachari & Co., in respect of the following:

Nature of the Contract	Licence Agreement	C&FA Agreement
Duration of the Contract	Renewed for a further period of five years from 1st November, 2017 to 31st October, 2022.	Renewed for a further period of five years from 9th August, 2018 to 8th August, 2023.
Particulars of the Contract or Arrangement	For using the ***ttk*** monogram in relation to the goods manufactured, outsourced from third parties, marketed, traded, distributed, etc., and for other business activities of the Company.	For availing the Clearing and Forwarding Agent services of M/s T T Krishnamachari & Co.
Material Terms of the Contract or Arrangement including the value, if any.	Half-a-percent (½%) of the Net Sales Value of the Company, plus applicable taxes and levies	3% of the Net Sales Value of the Company, plus applicable taxes and levies
Manner of determining the pricing and other commercial terms, both included as part of Contract and not considered as part of the Contract.	M/s T T Krishnamachari & Co., popularly known as TTK, have been in business of various consumer and pharmaceutical products and has been marketing and distributing such products for several decades and earned a wide reputation and created a strong image and awareness in the minds of the public. They are the owners of the copyright in the artistic work ***ttk*** monogram, having secured the registration of the said copyright vide Registration No.A-39006/83 under the Copyright Act, 1957. Use of the ***ttk*** monogram on the products of the Company is of immense help to establish these products all these years. Considering the reputation enjoyed by the ***ttk*** monogram and the advantages available to the Company by the use thereof, the consideration proposed to be paid are quite reasonable and fully justified.	M/s T T Krishnamachari & Co., popularly known as TTK, have been in marketing and distribution services for nearly 90 years and have established reputation all over India. They have warehousing and modern infrastructural facilities with Computers in various locations ideal for providing C&F services. Considering the products handled, the services rendered, the quantum of goods handled and the employment of qualified personnel in the operation and also the responsibilities cast upon them, the C&FA charges @ 3% of net sales is quite reasonable and fully justified.
Interested Directors	Mr T T Jagannathan, Chairman and Mr T T Raghunathan, Executive Vice Chairman are interested as Partners of M/s T T Krishnamachari & Co.	Mr T T Jagannathan, Chairman and Mr T T Raghunathan, Executive Vice Chairman are interested as Partners of M/s T T Krishnamachari & Co.

Board's Report (Contd.)

The Register of Contracts containing the details of the transactions, in which directors / key managerial personnel are interested, is placed before the Audit Committee / Board regularly.

The Board of Directors of your Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between your Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Policy as approved by the Board is uploaded on the Company's website www.ttkhealthcare.com.

Form AOC-2 containing the details of Related Party Transactions is annexed as **Annexure-3** to this Report.

(f) Corporate Governance:

Your Company has complied with the various requirements of the Corporate Governance Code under the provisions of the Companies Act, 2013 and as stipulated under the SEBI (LODR) Regulations, 2015.

A detailed Report on Corporate Governance forms part of this Annual Report.

(g) Risk Management:

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of your Company.

Your Company has a risk identification and management framework appropriate to the size of your Company and the environment in which it operates.

Your Company constituted a Risk Management Group (RMG) with due representations from each of the Businesses / Functions of your Company to effectively implement the Risk Management Framework and to address the key risks.

The meetings of the RMG were convened periodically, in order to have detailed interactions / discussions with the Members / Risk Owners on the various risks identified and the status of the mitigation plans.

The detailed Report of the RMG incorporating the update on the various risks identified and the mitigation plans in respect thereof are periodically placed before the Audit Committee and the Board, for their discussions and record.

(h) Directors and Key Managerial Personnel:

None of the Directors are disqualified from being appointed or holding office as Directors, as stipulated under Section 164 of the Companies Act, 2013.

(i) Appointment / Re-appointment of Directors:

Mr T T Jagannathan and Mr K Shankaran, liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board recommends their re-appointment.

The Board seeks the approval of the Members for Mr B N Bhagwat, Dr (Mrs) Vandana R Walvekar and Mr S Balasubramanian, who have attained the age of 75 years, to continue to hold office as Independent Directors of the Company, till the current tenure of their respective appointments, in line with Regulation 17(1A) of the SEBI (LODR) (Amendment) Regulations, 2018.

(ii) Statement on Declaration by the Independent Directors of the Company:

All the Independent Directors of your Company have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The terms and conditions of appointment of the Independent Directors are posted on the Company's website www.ttkhealthcare.com.

(iii) Key Managerial Personnel (KMP):

The following managerial personnel are Key Managerial Personnel (KMP):

- Mr T T Raghunathan, Executive Vice Chairman [Chief Executive Officer (CEO)];
- Mr S Kalyanaraman, Director & Wholetime Secretary [Company Secretary]; and
- Mr B V K Durga Prasad, Senior Vice President – Finance [Chief Financial Officer (CFO)].

(iv) Performance Evaluation of the Board, its Committees and the Directors:

In compliance with the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Report on Corporate Governance.

(v) Remuneration Policy:

Your Company adopted a Policy relating to selection, remuneration and evaluation of Directors and Senior Management. The said Policy is posted on the Company's website www.ttkhealthcare.com.

(i) Auditors:

(i) Statutory Auditor and their Report:

- The Shareholders at the 59th Annual General Meeting held on 4th August, 2017 appointed M/s PKF Sridhar & Santhanam LLP as Statutory Auditors of the Company, for a term of five years, to hold office from the conclusion of the 59th Annual General Meeting till the conclusion of the 64th Annual General Meeting, subject to ratification at every Annual General Meeting, in accordance with the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder.

  Pursuant to notification of the Companies (Amendment) Act, 2017, the first proviso to Section 139 relating to the ratification of appointment of Statutory Auditors by the Members at every general meeting was omitted, vide notification dated 7th May, 2018. Consequently, the ratification of appointment of M/s PKF Sridhar & Santhanam LLP as Statutory Auditors is not required.

- **Auditor's Report for the year ended 31st March, 2018:**

  The Auditor's Report to the Shareholders for the year under review does not contain any qualifications.

(ii) Cost Auditor and Cost Audit Report:

- **Enhancement of Scope of Cost Audit for the year 2017-18:**

  Your Company appointed M/s Geeyes & Co., for conducting audit of the Cost Records of the Company for the financial year 2017-18

Board's Report (Contd.)

relating to "Drugs and Pharmaceuticals" under Regulated Sectors, as the overall annual turnover of the Company from all its products during the immediately preceding financial year exceeded the threshold limit Rs.50 crores and also the aggregate turnover of the individual product or products for which cost records are required to be maintained exceeded the threshold limit of Rs.25 crores.

Consequent upon the amalgamation of TTK Protective Devices Limited with the Company, the Male Contraceptives manufactured by the Protective Devices Division of the Company come under the purview of Cost Audit under the Non-Regulated Sector under the Product category "Rubber and Allied Products; including products regulated by the Rubber Board constituted under the Rubber Act, 1947 (XXIV of 1947)" under CTA Heading 4014, as the overall annual turnover of the Company from all its products during the immediately preceding financial year exceeded Rs.100 crores and also the aggregate turnover of the individual product or products for which cost records are required to be maintained exceeded the threshold limit of Rs.35 crores.

Further, the Heart Valves and the Orthopaedic Implants manufactured by your Company too would come under the purview of Cost Audit under the Non-Regulated Sector under the product category "Production, Import and Supply or Trading of Medical Devices" under CTA Heading 9021, since the aggregate turnover of the individual product or products for which cost records are required to be maintained exceeded the threshold limit of Rs.35 crores.

The existing Cost Auditors of the Company, M/s Geeyes & Co., had expressed their willingness for conducting the cost audit in addition to Drugs and Pharmaceuticals under Regulated Sectors, also for the product categories (i) Rubber and its Allied Products viz., Male Contraceptives; and (ii) Medical Devices viz., Heart Valves and Orthopaedic Implants under the Non-Regulated Sectors, for the financial year 2017-18.

Accordingly, your Company included the above two product categories within the scope of the audit of the existing Cost Auditors, M/s Geeyes & Co., for the financial year 2017-18 and also sent necessary intimation to the Central Government. The remuneration of Rs.3.50 lakhs per annum plus applicable taxes and levies and out-of-pocket expenses incurred in connection with the audit, payable to the Cost Auditors was already ratified by the Shareholders in their meeting held on 4th August, 2017.

- **Appointment for the year 2018-19:**

Pursuant to Section 148 of the Companies Act, 2013 and the Rules made thereunder, the Cost Records of your Company shall be audited for the following product categories, for the financial year 2018-19:

(a) Under Regulated Sectors:
  - Drugs and Pharmaceuticals.

(b) Under Non-Regulated Sectors:
  - Male Contraceptives under Rubber and Allied Products;
  - Heart Valves and Orthopaedic Implants under Production, Import and Supply or Trading of Medical Devices.

The Board of Directors, on the recommendation of the Audit Committee, appointed M/s Geeyes & Co. as Cost Auditors of your Company, for the financial year 2018-19 and fixed their remuneration at Rs.5 lakhs plus applicable taxes and levies and reimbursement of travel and out-of-pocket expenses incurred in connection with the audit. Necessary intimation has also been given to the Central Government.

M/s Geeyes & Co., have confirmed that their appointment is within the limits prescribed under Section 141 of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under the said Section.

The Audit Committee also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with your Company.

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Rules made thereunder, the ratification of the Members is sought by means of an Ordinary Resolution for the remuneration of Rs.5 lakhs plus applicable taxes and levies and reimbursement of travel and out-of-pocket expenses incurred in connection with the audit, payable to M/s Geeyes & Co., Cost Auditors, under Item No.8 of the Notice convening the Annual General Meeting.

The Cost Audit Report for the year ended 31st March, 2018 would be filed on or before the due date (i.e.) 27th September, 2018 or within 30 days from the date of submission of the said Report to the Board, whichever is earlier.

- **Cost Audit Report for the year 2016-17:**

The Cost Audit Report for the financial year ended 31st March, 2017 was filed on 2nd September, 2017 vide SRN G51927648 on the website of the Ministry of Corporate Affairs.

(iii) Secretarial Auditor and Secretarial Audit Report:

The Board had appointed Mr R Balasubramaniam, Company Secretary in Wholetime Practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18. The Report of the Secretarial Auditor in Form MR-3 is annexed to this Report as **Annexure-4**. The Report does not contain any qualification or reservation or adverse remarks.

(j) Transfer to Investor Education and Protection Fund:

- **Unclaimed Dividends for the year ended 31st March, 2010:**

Your Company has transferred a sum of Rs.6.04 lakhs during the financial year 2017-18 to the Investor Education and Protection Fund established by the Central Government, in compliance with Sections 123 - 125 of the Companies Act, 2013. The said amount represents the unclaimed dividends for the year ended 31st March, 2010, which were lying unclaimed with your Company for a period of seven years from the due date of payment.

- **Transfer of Shares to the Demat Account of the IEPF Authority:**

In accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and as amended from time to time, your Company transferred 72,067 Equity Shares of Rs.10/- each fully paid-up, in respect of which the

Board's Report (Contd.)

dividends relating to the year 2008-09, remained unclaimed / unpaid for a period of seven consecutive years, to the Demat Account of the IEPF Authority held with CDSL on 27th November, 2017 and 29th November, 2017.

Since there were no underlying shares in respect of which dividends relating to the year 2009-10, remained unclaimed / unpaid for a period of seven consecutive years, no shares were due for transfer to the Demat Account of the IEPF Authority.

(k) Disclosure under Schedule V(F) of the SEBI (LODR) Regulations, 2015:

Your Company does not have any Unclaimed Shares issued in physical form pursuant to Public Issue / Rights Issue.

(l) Conservation of Energy:

The prescribed particulars under Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, are furnished in **Annexure-5** to this Report.

(m) Particulars of Employees:

The information required under Section 197 of the Companies Act, 2013 and the Rules made thereunder are annexed to this Report as **Annexure-6**.

(n) Subsidiary Company:

Your Company does not have any Subsidiary.

(o) Deposits:

As on 31st March, 2018, your Company was not holding any amount under Fixed Deposit Account.

(p) Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013:

During the year under review, your Company had not given any loan and provided any guarantee under Section 186 of the Companies Act, 2013.

During the year under review, your Company made an investment of Rs.2.50 lakhs in M/s Renew Wind Power (AP) Private Limited, in connection with purchase of wind power, by way of transfer from Renew Wind Power (Karnataka Three) Private Limited, 2,500 Equity Shares of face value of Rs.10/- each at a price of Rs.100 per Equity Share, thus totally holding 3,400 Equity Shares of Rs.10/- each (Rs.3.40 lakhs) as on 31st March, 2018 and the same has been classified as Deposits in the Financial Statements, in line with Ind AS.

(q) Significant and Material Orders passed by the Regulators or Courts:

There are no significant and material orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

(r) Whistle Blower Policy:

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and also the SEBI (LODR) Regulations, 2015, your Company established a vigil mechanism termed as Whistle Blower Policy, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Corporate Governance Officer / Chairman of the Audit Committee and the Executive Vice Chairman, in exceptional cases.

The Whistle Blower Policy was also hosted on the Company's website www.ttkhealthcare.com.

During the year under review, your Company had not received any complaint.

(s) Listing of Equity Shares:

- ❖ Your Company's shares are listed with-
  - BSE Limited (BSE), Mumbai; and
  - National Stock Exchange of India Limited (NSE), Mumbai.
- ❖ Your Company obtained listing and trading approval from-
  - BSE Limited (BSE), Mumbai vide their communication No.DCS/AMAL/TP/ST/6625/ 2018-19 dated 13th April, 2018; and
  - National Stock Exchange of India Limited (NSE), Mumbai vide their communication No.NSE/LIST/2016/16073 dated 12th April, 2018;

  for 63,64,350 Equity Shares of Rs.10/- each fully paid-up allotted on 2nd March, 2018 to the Shareholders of the erstwhile TTK Protective Devices Limited, pursuant to the sanctioned Scheme of Amalgamation.
- ❖ Your Company paid the Listing Fees for the financial year 2018-19.

(t) Obligation of your Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

In order to prevent sexual harassment of women at workplace, a legislation - The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 was notified on 9th December, 2013. Under the said Act, every Company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at workplace of any woman employee.

Your Company has adopted a policy for prevention of Sexual Harassment of Women at Workplace and has constituted an Internal Complaints Committee (ICC) with an NGO as one of its Members. During the year 2017-18, there were no complaints. Further, adequate awareness programmes were also conducted for the employees of your Company.

(u) Directors' Responsibility Statement:

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors hereby confirm that-

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Appropriate accounting policies had been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2018 and of the Profit of the Company for that period;
- Proper and sufficient care had been taken 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 and detecting fraud and other irregularities;

Board's Report (Contd.)

- The Annual Accounts had been prepared on a going concern basis;
- The Internal Financial Controls had been laid down, to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- In order to ensure compliance with the provisions of all applicable laws, proper systems had been devised and that such systems were adequate and operating effectively.

General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including Sweat Equity Shares and ESOS) to employees of the Company under any scheme.

Acknowledgement:

Your Directors place on record their grateful thanks to the Bankers, Customers, Vendors and Members for their continued support and patronage.

For and on behalf of the Board
T T JAGANNATHAN
CHAIRMAN

Place : Chennai
Date : May 29, 2018

Registered Office:
No.6, Cathedral Road
Chennai 600 086

Annexure to the Board's Report

ANNEXURE-1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

As on the Financial Year Ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I	REGISTRATION AND OTHER DETAILS:		
(i)	CIN	:	L24231TN1958PLC003647
(ii)	Registration Date	:	21st May, 1958
(iii)	Name of the Company	:	TTK HEALTHCARE LIMITED
(iv)	Category / Sub-Category of the Company	:	Company having Share Capital
(v)	Address of the Registered Office and Contact Details	:	No.6, Cathedral Road, Chennai 600 086 Tel: 044 – 28116106 Website: www.ttkhealthcare.com E-mail: info@ttkhealthcare.com
(vi)	Whether Listed Company	:	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s Data Software Research Co. Pvt. Ltd. No.19, Pycrofts Garden Road Off. Haddows Road, Nungambakkam Chennai 600 006 Tel: 044 – 28213738 / 28214487 E-mail: ttk.healthcare@dsrc-cid.in

II	PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:		
All the business activities contributing 10% or more of the total turnover of the Company shall be stated:			
Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Allopathic Medicines	3004 90 99	19.89%
2.	Ayurvedic Medicines	3004 90 11	19.05%
3.	Rubber Contraceptives - Male (Condoms)	4014 10 10	17.37%
4.	Pappads	1905 90 40	11.60%
5.	Deodorants	3307 20 00	9.88%

III	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:				
Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
	NONE				

IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual / HUF	9,26,835	–	9,26,835	11.94	9,25,875	58,950	9,84,825	6.97	(4.97)
(b) Central Govt.	–	–	–	–	–	–	–	–	–
(c) State Govt(s).	–	–	–	–	–	–	–	–	–
(d) Bodies Corporate	10,080	–	10,080	0.13	10,080	8,775	18,855	0.13	–
(e) Banks / FI	–	–	–	–	–	–	–	–	–
(f) Any other – Partnership Firm	41,44,085	–	41,44,085	53.36	41,44,085	53,88,525	95,32,610	67.46	14.10
Sub-Total (A)(1)	**50,81,000**	–	**50,81,000**	**65.43**	**50,80,040**	**54,56,250**	**1,05,36,290**	**74.57**	**9.14**
(2) Foreign									
(a) NRIs – Individuals	–	–	–	–	–	–	–	–	–
(b) Other – Individuals	–	–	–	–	–	–	–	–	–
(c) Bodies Corporate	–	–	–	–	–	–	–	–	–
(d) Banks / FI	–	–	–	–	–	–	–	–	–
(e) Any other	–	–	–	–	–	–	–	–	–
Sub-Total (A)(2)	–	–	–	–	–	–	–	–	–
Total Shareholding of Promoter (A) = (A)(1) + (A)(2)	**50,81,000**	–	**50,81,000**	**65.43**	**50,80,040**	**54,56,250**	**1,05,36,290**	**74.57**	**9.14**

Annexure to the Board's Report (Contd.)

Category of Shareholders		No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B.	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	3,24,803	5,272	3,30,075	4.25	3,24,803	5,172	3,29,975	2.34	(1.91)
(b)	Banks / FI	200	516	716	0.01	505	516	1,021	0.01	–
(c)	Central Govt.	–	–	–	–	–	–	–	–	–
(d)	State Govt(s).	–	–	–	–	–	–	–	–	–
(e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f)	Insurance Companies	5,503	–	5,503	0.07	935	–	935	0.01	(0.06)
(g)	FIIs	4,61,814	936	4,62,750	5.96	3,64,573	912	3,65,485	2.59	(3.37)
(h)	Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
(i)	Others (specify)	–	–	–	–	–	–	–	–	–
	Sub-Total (B)(1)	**7,92,320**	**6,724**	**7,99,044**	**10.29**	**6,90,816**	**6,600**	**6,97,416**	**4.94**	**(5.35)**
(2)	**Non-Institutions**									
(a)	Bodies Corporate									
(i)	Indian	57,737	9,079	66,816	0.86	1,47,485	3,621	1,51,106	1.07	0.21
(ii)	Overseas	–	–	–	–	–	9,00,000	9,00,000	6.37	6.37
(b)	Individuals									
(i)	Individual Shareholders holding Nominal Share Capital upto Rs.1 lakh	7,07,405	3,85,379	10,92,784	14.07	7,95,058	3,09,847	11,04,905	7.82	(6.25)
(ii)	Individual Shareholders holding Nominal Share Capital in excess of Rs.1 lakh	6,18,620	25,000	6,43,620	8.29	6,33,299	25,000	6,58,299	4.66	(3.63)
(c)	Others (specify)									
	NRIs	78,467	4,252	82,719	1.07	78,461	3,856	82,317	0.58	(0.49)
	Sub-Total (B)(2)	**14,62,229**	**4,23,710**	**18,85,939**	**24.28**	**16,54,303**	**12,42,324**	**28,96,627**	**20.50**	**(3.78)**
Total Public Shareholding (B) = (B)(1) + (B)(2)		**22,54,549**	**4,30,434**	**26,84,983**	**34.57**	**23,45,119**	**12,48,924**	**35,94,043**	**25.43**	**(9.14)**
C.	**Shares held by Custodian for GDRs & ADRs**	–	–	–	–	–	–	–	–	–
Grand Total (A+B+C)		**73,35,549**	**4,30,434**	**77,65,983**	**100.00**	**74,25,159**	**67,05,174**	**1,41,30,333**	**100.00**	–

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% Change in Shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	
1.	M/s T T Krishnamachari & Co. represented by its Partners	41,44,085	53.36	–	95,32,610	67.47	–	14.11
2.	Mr T T Jagannathan	7,30,048	9.40	–	7,59,298	5.37	–	(4.03)
3.	Mr T T Raghunathan	9,547	0.12	–	38,797	0.28	–	0.16
4.	Mrs Stina Vasu	960	0.01	–	450	0.00	–	(0.01)
5.	Mrs Shanthi Ranganathan	58,360	0.76	–	58,360	0.41	–	(0.35)
6.	Mrs Latha Jagannathan	29,728	0.39	–	29,728	0.21	–	(0.18)
7.	Mrs Bhanu Raghunathan	56,000	0.72	–	56,000	0.40	–	(0.32)
8.	Mr T T Mukund	14,096	0.18	–	14,096	0.10	–	(0.08)
9.	Mr T T Lakshman	14,096	0.18	–	14,096	0.10	–	(0.08)
10.	Mr T T Venkatesh	14,000	0.18	–	14,000	0.10	–	(0.08)
11.	M/s TTK Prestige Limited	1,440	0.02	–	1,440	0.01	–	(0.01)
12.	M/s TTK Tantex Limited	8,640	0.11	–	8,640	0.06	–	(0.05)
13	M/s Packwell Packaging Products Limited	–	–	–	8,775	0.06	–	0.06
	Total	**50,81,000**	**65.43**	–	**1,05,36,290**	**74.57**	–	**9.14**

Annexure to the Board's Report (Contd.)

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Shareholder's Name	Shareholding		Increase / (Decrease) in Shareholding			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of Total Shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of Total Shares of the Company
1.	M/s T T Krishnamachari & Co. represented by its Partners.	41,44,085	53.36	01.04.2017	–	–	41,44,085	53.36
				02.03.2018	53,88,525	Allotment pursuant to sanctioned Scheme of Amalgamation	95,32,610	67.46
		95,32,610	67.46	31.03.2018	–	–	95,32,610	67.46
2.	Mr T T Jagannathan	7,30,048	9.40	01.04.2017	–	–	7,30,048	9.40
				02.03.2018	29,250	Allotment pursuant to sanctioned Scheme of Amalgamation	7,59,298	5.37
		7,59,298	5.37	31.03.2018	–	–	7,59,298	5.37
3.	Mr T T Raghunathan	9,547	0.12	01.04.2017	–	–	9,547	0.12
				02.03.2018	29,250	Allotment pursuant to sanctioned Scheme of Amalgamation	38,797	0.27
		38,797	0.27	31.03.2018	–	–	38,797	0.27
4.	Mrs Stina Vasu	960	0.01	01.04.2017	–	–	960	0.01
				03.04.2017	(960)	Transfer	-	-
				02.03.2018	450	Allotment pursuant to sanctioned Scheme of Amalgamation	450	0.00
		450	0.00	31.03.2018	–	–	450	0.00
5.	Mrs Shanthi Ranganathan	58,360	0.75	01.04.2017	No change during the year		58,360	0.75
		58,360	0.41	31.03.2018			58,360	0.41
6.	Mrs Latha Jagannathan	29,728	0.38	01.04.2017	No change during the year		29,728	0.38
		29,728	0.21	31.03.2018			29,728	0.21
7.	Mrs Bhanu Raghunathan	56,000	0.72	01.04.2017	No change during the year		56,000	0.72
		56,000	0.40	31.03.2018			56,000	0.40
8.	Mr T T Mukund	14,096	0.18	01.04.2017	No change during the year		14,096	0.18
		14,096	0.10	31.03.2018			14,096	0.10
9.	Mr T T Lakshman	14,096	0.18	01.04.2017	No change during the year		14,096	0.18
		14,096	0.10	31.03.2018			14,096	0.10
10.	Mr T T Venkatesh	14,000	0.18	01.04.2017	No change during the year		14,000	0.18
		14,000	0.10	31.03.2018			14,000	0.10
11.	M/s TTK Tantex Limited	8,640	0.11	01.04.2017	No change during the year		8,640	0.11
		8,640	0.06	31.03.2018			8,640	0.06
12.	M/s TTK Prestige Limited	1,440	0.02	01.04.2017	No change during the year		1,440	0.02
		1,440	0.01	31.03.2018			1,440	0.01
13.	M/s Packwell Packaging Products Limited	–	–	01.04.2017	–	–	–	–
				02.03.2018	8,775	Allotment pursuant to sanctioned Scheme of Amalgamation	8,775	0.06
		8,775	0.06	31.03.2018	–	–	8,775	0.06

Annexure to the Board's Report (Contd.)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding		Increase / (Decrease) in Shareholding			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of Total Shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of Total Shares of the Company
1.	MCap India Fund Limited, Mauritius	–	–	02.03.2018	9,00,000	Allotment pursuant to sanctioned Scheme of Amalgamation	9,00,000	6.37
		9,00,000	6.37	31.03.2018	–	–	9,00,000	6.37
2.	Axis Mutual Fund Trustee Ltd. a/c Axis Mutual Fund	3,24,803	4.18	01.04.2017	No change during the year		3,24,803	4.18
		3,24,803	2.30	31.03.2018			3,24,803	2.30
3.	National Westminster Bank PLC as Trustee of the Jupiter India Fund	1,94,311	2.50	01.04.2017	–	–	1,94,311	2.50
				30.06.2017	11,776	Transfer	2,06,087	2.65
				09.02.2018	46,696	Transfer	2,52,783	3.26
		2,52,783	1.79	31.03.2018	–	–	2,52,783	1.79
4.	Vidhit K Tulshan	1,65,780	2.13	01.04.2017	–	–	1,65,780	2.13
				07.04.2017	(21)	Transfer	1,65,759	2.13
				14.04.2017	(200)	Transfer	1,65,559	2.13
				21.04.2017	(200)	Transfer	1,65,359	2.13
				05.05.2017	(300)	Transfer	1,65,059	2.13
				12.05.2017	(364)	Transfer	1,64,695	2.12
				19.05.2017	(85)	Transfer	1,64,610	2.12
				26.05.2017	(301)	Transfer	1,64,309	2.12
				09.06.2017	(900)	Transfer	1,63,409	2.10
				16.06.2017	(593)	Transfer	1,62,816	2.10
				23.06.2017	(649)	Transfer	1,62,167	2.09
				30.06.2017	(2,293)	Transfer	1,59,874	2.06
				07.07.2017	(19)	Transfer	1,59,855	2.06
				14.07.2017	(600)	Transfer	1,59,255	2.05
				21.07.2017	(1,020)	Transfer	1,58,235	2.04
				11.08.2017	(300)	Transfer	1,57,935	2.03
				25.08.2017	(49)	Transfer	1,57,886	2.03
				08.09.2017	(100)	Transfer	1,57,786	2.03
				15.09.2017	150	Transfer	1,57,936	2.03
				22.09.2017	(50)	Transfer	1,57,886	2.03
				27.10.2017	(310)	Transfer	1,57,576	2.03
				03.11.2017	(165)	Transfer	1,57,411	2.03
				17.11.2017	(102)	Transfer	1,57,309	2.03
				24.11.2017	(205)	Transfer	1,57,104	2.02
				15.12.2017	(190)	Transfer	1,56,914	2.02
				22.12.2017	(30)	Transfer	1,56,884	2.02
				29.12.2017	(114)	Transfer	1,56,770	2.02
				05.01.2018	(123)	Transfer	1,56,647	2.02
				12.01.2018	(834)	Transfer	1,55,813	2.01
				19.01.2018	(145)	Transfer	1,55,668	2.00
				09.02.2018	(341)	Transfer	1,55,327	2.00
				16.02.2018	(1,023)	Transfer	1,54,304	1.99
				23.02.2018	(16)	Transfer	1,54,288	1.99
		1,54,288	1.09	31.03.2018	–	–	1,54,288	1.09

Annexure to the Board's Report (Contd.)

5.	M/s Jupiter South Asia Investment Co. Ltd. a/c Jupiter South Asia Investment Company	1,25,465	1.62	01.04.2017			1,25,465	1.62
				23.06.2017	(12,067)	Transfer	1,13,398	1.46
				30.06.2017	(765)	Transfer	1,12,633	1.45
				09.02.2018	(46,696)	Transfer	65,937	0.85
		65,937	0.47	31.03.2018	–	–	65,937	0.47
6.	Sarala Tulshan	76,917	0.99	01.04.2017	–	–	76,917	0.99
				07.04.2017	(50)	Transfer	76,867	0.99
				14.04.2017	(504)	Transfer	76,363	0.98
				21.04.2017	(300)	Transfer	76,063	0.98
				05.05.2017	(200)	Transfer	75,863	0.98
				12.05.2017	(401)	Transfer	75,462	0.97
				19.05.2017	(14)	Transfer	75,448	0.97
				02.06.2017	100	Transfer	75,548	0.97
				23.06.2017	(145)	Transfer	75,403	0.97
				14.07.2017	(200)	Transfer	75,203	0.97
				21.07.2017	(626)	Transfer	74,577	0.96
				08.09.2017	(90)	Transfer	74,487	0.96
				15.09.2017	(150)	Transfer	74,337	0.96
				20.10.2017	(100)	Transfer	74,237	0.96
				27.10.2017	(230)	Transfer	74,007	0.95
				17.11.2017	(25)	Transfer	73,982	0.95
				24.11.2017	(260)	Transfer	73,722	0.95
				08.12.2017	(25)	Transfer	73,697	0.95
				15.12.2017	(11)	Transfer	73,686	0.95
				22.12.2017	(40)	Transfer	73,646	0.95
				12.01.2018	(319)	Transfer	73,327	0.94
				19.01.2018	(436)	Transfer	72,891	0.94
				09.02.2018	(143)	Transfer	72,748	0.94
				23.02.2018	(200)	Transfer	72,548	0.93
		72,548	0.51	31.03.2018			72,548	0.51
7.	Veena K Jagwani	75,000	0.97	01.04.2017	–	-	75,000	0.97
				16.02.2018	(1,000)	Transfer	74,000	0.95
		74,000	0.52	31.03.2018			74,000	0.52
8.	Premier Investments Fund Limited	74,251	0.96	01.04.2017	–	–	74,251	0.96
				14.04.2017	(25,767)	Transfer	48,484	0.62
				21.04.2017	(4,576)	Transfer	43,908	0.57
				28.04.2017	(15,866)	Transfer	28,042	0.36
				26.05.2017	(10,173)	Transfer	17,869	0.23
		17,869	0.13	31.03.2018			17,869	0.13
9.	Manoj Tulshan	68,035	0.88	01.04.2017	No change during the year		68,035	0.88
		68,035	0.48	31.03.2018			68,035	0.48
10.	Seema Tulshan	50,500	0.65	01.04.2017	No change during the year		50,500	0.65
		50,500	0.36	31.03.2018			50,500	0.36

Annexure to the Board's Report (Contd.)

(v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sl. No.	For each of the Directors and KMP	Shareholding		Increase / (Decrease) in Shareholding			Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017) / end of the year (31.03.2018)	% of Total Shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of Total Shares of the Company
1.	Mr T T Jagannathan Chairman	7,30,048*	9.400	01.04.2017	–	–	7,30,048*	9.400
				02.03.2018	29,250*	Allotment pursuant to sanctioned Scheme of Amalgamation	7,59,298*	5.370
		7,59,298*	5.370	31.03.2018	–	–	7,59,298*	5.370
2.	Mr T T Raghunathan Executive Vice Chairman / Chief Executive Officer	9,547*	0.123	01.04.2017	–	–	9,547*	0.123
				02.03.2018	29,250*	Allotment pursuant to sanctioned Scheme of Amalgamation	38,797*	0.275
		38,797*	0.275	31.03.2018	–	–	38,797*	0.275
3.	Mr R K Tulshan Director	220	0.003	01.04.2017	No change during the year		220	0.003
		220	0.002	31.03.2018			220	0.002
4.	Mr K Shankaran Director	247	0.003	01.04.2017	No change during the year		247	0.003
		247	0.002	31.03.2018			247	0.002
5.	Mr S Kalyanaraman Director & Wholetime Secretary	70	0.001	01.04.2017	No change during the year		70	0.001
		70	0.001	31.03.2018			70	0.001
6.	Mr B V K Durga Prasad Chief Financial Officer	–	–	01.04.2017	–	–	–	–
		–	–	31.03.2018	–	–	–	–

*Held in their individual capacity.

V. INDEBTEDNESS				(in Rs.)
Indebtedness of the Company including interest outstanding / accrued but not due for payment:				
Particulars	**Secured Loans excluding Deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
Indebtedness at the beginning of the financial year:				
(i) Principal Amount	22,00,49,082	–	–	22,00,49,082
(ii) Interest due but not paid	–	–	–	–
(iii) Interest accrued but not due	–	–	–	–
Total (i)+(ii)+(iii)	22,00,49,082	–	–	22,00,49,082
Change in Indebtedness during the financial year:				
• Addition	2,42,18,301	–	–	2,42,18,301
• Addition pursuant to merger	21,96,34,025			21,96,34,025
• Reduction	–	–	–	–
Net Change	24,38,52,326	–	–	24,38,52,326
Indebtedness at the end of the financial year				
(i) Principal Amount	46,39,01,408	–	–	46,39,01,408
(ii) Interest due but not paid	–	–	–	–
(iii) Interest accrued but not due	–	–	–	–
Total (i)+(ii)+(iii)	**46,39,01,408**	–	–	**46,39,01,408**

Annexure to the Board's Report (Contd.)

VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):			
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager:			(in Rs.)
Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Managerial Remuneration
		Mr T T Raghunathan (Executive Vice Chairman) (01.04.2017 - 31.03.2018)	Mr R Saranyan (Executive Director of the erstwhile TTK Protective Devices Limited) (01.04.2017 - 15.12.2017)	
(1)	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	65,30,077	31,10,413	96,40,490
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	8,96,510	6,44,800	15,41,310
(c)	Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961	–	–	–
(2)	Stock Option	–	–	–
(3)	Sweat Equity	–	–	–
(4)	Commission			
	• As % of Profit	–	–	–
	• Others, specify [Difference between 5% of the Profit and the amounts paid under (1) and (5)]	24,25,892	–	24,25,892
(5)	Others, please specify (Productivity Incentive)	60,29,423	–	60,29,423
	Total (A)	**1,58,81,902**	**37,55,213**	**1,96,37,115**
Ceiling as per the Act		**Rs.3,22,40,825 (Being 10% of the Net Profit of the Company calculated as per Section 198 of the Companies Act, 2013)**		

B.	Remuneration to Other Directors:						(in Rs.)
Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
(1)	Independent Directors	Mr B N Bhagwat	Dr (Mrs) Vandana R Walvekar	Mr Girish Rao	Mr S Balasubramanian	Mr N Ramesh Rajan	
	• Fee for attending Board / Committee Meetings	1,60,000	80,000	2,60,000**	1,20,000	80,000	7,00,000
	• Commission	–	–	–	–	–	–
	• Others, please specify	–	–	–	–	–	–
	Total (1)	1,60,000	80,000	2,60,000	1,20,000	80,000	7,00,000
(2)	Other Non-Executive Directors	Mr T T Jagannathan	Mr R K Tulshan	Mr K Shankaran	Mrs Bhanu Raghunathan#	Mrs H T Rajan#	
	• Fee for attending Board / Committee Meetings	1,20,000**	1,20,000	2,80,000	40,000	40,000	6,00,000
	• Commission	–	–	–	–	–	–
	• Others, please specify	–	–	–	–	–	–
	Total (2)	1,20,000	1,20,000	2,80,000	40,000	40,000	6,00,000
	Total (B) = (1) + (2)						**13,00,000***
	Total Managerial Remuneration (A) + (B)						**2,09,37,115**
Overall ceiling as per the Act		**Rs.3,54,64,908 (Being 11% of the Net Profit of the Company calculated as per the Section 198 of the Companies Act, 2013)**					

* Exclusive of Service Tax.

** Includes the sitting fees paid to them in their capacity as Directors of the erstwhile TTK Protective Devices Limited, which merged with the Company.

Directors of the erstwhile TTK Protective Devices Limited, which merged with the Company.

Annexure to the Board's Report (Contd.)

C.	Remuneration to Key Managerial Personnel (KMP) other than MD / WTD / Manager:			(in Rs.)
Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr S Kalyanaraman Company Secretary	Mr B V K Durga Prasad Chief Financial Officer	
(1)	Gross Salary			
(a)	Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	77,01,720	59,20,360	1,36,22,080
(b)	Value of perquisites u/s 17(2) of Income-tax Act, 1961	8,13,876	6,13,412	14,27,288
(c)	Profits in lieu of Salary u/s 17(3) of Income-tax Act, 1961	–	–	–
(2)	Stock Option	–	–	–
(3)	Sweat Equity	–	–	–
(4)	Commission	–	–	–
	• As % of Profit	–	–	–
	• Others, specify	–	–	–
(5)	Others, please specify	–	–	–
	Total	**85,15,596**	**65,33,772**	**1,50,49,368**

VII.	PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
A.	COMPANY					
	Penalty	NONE				
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty	NONE				
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty	NONE				
	Punishment					
	Compounding					

For and on behalf of the Board
T T JAGANNATHAN
CHAIRMAN

Place : Chennai
Date : May 29, 2018

Registered Office:
No.6, Cathedral Road
Chennai 600 086

Annexure to the Board's Report (Contd.)

ANNEXURE-2

Annual Report on Corporate Social Responsibility (CSR) Activities

1. **A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:**

CSR PHILOSOPHY AND POLICY:

The Company considers society as an important stakeholder and shall discharge its responsibilities to the society proactively. The activities or projects that will be undertaken by the Company shall include one or more of the following as may be recommended by the CSR Committee and approved by the Board of Directors:

- Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward Groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural development projects.
- Slum area development.
- Such other projects as may be notified by the Government from time to time.

The Company shall give preference to various local areas and areas around which the Company is carrying out its activities.

Weblink: www.ttkhealthcare.com.

2. **The Composition of the CSR Committee:**

Name	Position
Mr T T Raghunathan	Chairman
Mr K Shankaran	Member
Dr (Mrs) Vandana R Walvekar	Member
Mr Girish Rao	Member
Mr S Kalyanaraman	Secretary

3. **Average Net Profit of the Company for the last three financial years:**

Average Net Profit for the last three financial years 2014-15, 2015-16 and 2016-17 – Rs.4.64 crores. (Including the figures of the erstwhile TTK Protective Devices Limited, which merged with the Company).

4. **Prescribed CSR Expenditure (2% of the amount as in Item 3 above)**

The Company is required to spend Rs.9.28 lakhs towards CSR activities.

5. **Details of CSR spent during the financial year:**

(a) Total amount to be spent for the financial year: Rs.10.00 lakhs

(b) Amount unspent, if any: NIL

Annexure to the Board's Report (Contd.)

(c) Manner in which the amount spent during the financial year is detailed below:

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local Area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs. in lakhs)	Amount spent on the projects or programs Subheads: (1) Direct expenditure on projects or programs (2) Overheads (Rs. in lakhs)	Cumulative expenditure upto the reporting period (Rs. in lakhs)	Amount spent: Direct or through implementing agency (Rs. in lakhs)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Implementation of Projects relating to animal welfare, protection of flora and fauna, ecological balance, etc.	Environment	Bandipur, Chamrajnagar, Karnataka	5.00	(1) 5.00 (2) –	5.00	5.00*
2.	Provision of educational assistance / scholarships to needy and deserving students and also provision of medical relief to poor people.	Education & Healthcare	Chennai, Tamil Nadu	5.00	(1) 5.00 (2) –	5.00	5.00*
TOTAL AMOUNT = Rs.10 lakhs							

* Through Implementing Agency

Details of Implementing Agency:

1. Junglescapes, Bangalore 560 038
2. Sri Venkateswara Trust, Chennai 600 086

6. **In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount:**

   Not Applicable

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**

Responsibility Statement of the CSR Committee

It is hereby confirmed that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.

T T RAGHUNATHAN
Executive Vice Chairman
&
Chairman, CSR Committee

Annexure to the Board's Report (Contd.)

ANNEXURE-3

Form No.AOC-2

[Pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of Contract / Arrangements entered into by the Company with Related Parties referred to under Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(1) Details of contracts or arrangements or transactions not at arm's length basis: Nil

Sl. No.	Particulars	Details
(a)	Name(s) of the Related Party and nature of relationship	Not Applicable
(b)	Nature of contracts / arrangements / transactions	
(c)	Duration of the contracts / arrangements / transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the Special Resolution was passed in General Meeting as required under first provision to Section 188	

(2) Details of material contracts or arrangements or transactions at arm's length basis:

Sl. No.	Particulars	Details									
(a)	Name(s) of the Related Party	TTK Prestige Limited			T T Krishnamachari & Co.			Pharma Research & Analytical Laboratories		Packwell Packaging Products Limited	
	Nature of relationship	Four of the Directors as Directors			Two of the Directors as Partners			One of the Directors and wife of one of the Directors as Partners		Two of the Directors as Share-holders and one of the Directors as Director	
(b)	Nature of contracts/ arrangements / transactions	Sale of Goods	Purchase of Promotional Items/ Others	Receipt of Lease Rent	*Payment of Logo Charges	Payment of C&FA Charges	*Payment of Rent	Receipt of Rent	*Payment of charges for Testing and Analytical Services	*Packing Charges	*Payment of Rent
(c)	Duration of the contracts / arrangements / transactions	As and when need arises	As and when need arises	01.04.1999 to 31.03.2029	01.11.2017 to 31.10.2022	09.08.2013 to 08.08.2018	01.04.2015 to 31.03.2018	01.03.2017 to 28.02.2020	01.07.2014 to 30.06.2019	01.01.2018 to 31.12.2018	01.06.2017 to 31.05.2022
(d)	Salient terms of the contracts / arrange-ments / transactions including the value, if any.	As mutually agreed based on prevailing trade practices	As mutually agreed based on prevailing trade practices	Rs.100 p.m.	½% of Sales for using their monogram "ttk"	3% of sales for availing their services as Clearing & Forwarding Agents	As per rental Agreement	As per rental Agreement	Monthly lump sum payment with an appropriate increase every year	As per the agreement dated 01.01.2012	As per Rental Agreement
	Value (Rs.)	29,806	50,99,463	1,407	3,38,79,153	4,24,83,121	73,51,575	2,81,400	84,03,360	40,43,958	14,77,350
(e)	Date(s) of approval by the Board, if any	03.02.2016	03.02.2016	03.02.2016	30.05.2017	01.02.2013	03.02.2016	03.02.2016	05.02.2014	–	03.02.2016
(f)	Amount paid as advance, if any (Rs.)	–	–	–	–	–	20,00,000	–	–	–	5,50,000

* Include the amounts paid by the erstwhile TTK Protective Devices Limited, which merged with the Company.

For and on behalf of the Board

Place : Chennai
Date : May 29, 2018

T T JAGANNATHAN
CHAIRMAN

Annexure to the Board's Report (Contd.)

ANNEXURE-4

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
TTK Healthcare Limited
No.6, Cathedral Road
Chennai 600 086

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TTK HEALTHCARE LIMITED** (hereinafter called **"the Company"**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **TTK HEALTHCARE LIMITED** for the financial year ended on 31st March, 2018, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company has no overseas direct investment and External commercial borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   (b) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (e) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
   (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) With respect to the other laws applicable to the Company as stated in **Annexure 'B'**, based on the written representations received from the officials / executives of the Company, I state that there are adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance of such applicable laws, rules, regulations and guidelines.

I report that, the provisions of the following regulations are not applicable to the Company during the reporting period:

(a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
(b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
(d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

I further report that the applicable financial laws, such as the Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory audit and by other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that-

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

(b) Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

(c) Majority decision was carried through while there were no dissenting Members.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the petition filed by the Company before the Hon'ble Madras High Court for the Scheme of Amalgamation of TTK Protective Devices Limited (TTKPD) (formerly known as TTK-LIG Limited) and its Wholly Owned Subsidiary TSL Techno Services Limited (TSL) with the Company has been transferred to the National Company Law Tribunal, Division Bench, Chennai vide Petition Nos.TP(HC)/166/CAA/2017, TP(HC)/167/CAA/2017 and TP(HC)/168CAA/2017, respectively and the said Scheme was approved by the NCLT vide its Order dated 15th December, 2017 and Form No.CAA-7 dated 22nd December 2017. Pursuant to the sanctioned Scheme of Amalgamation, the Company has made an allotment of 63,64,350 Equity Shares of Rs.10/- each fully paid-up to the Shareholders of the erstwhile TTK Protective Devices Limited, on 2nd March, 2018.

Annexure to the Board's Report (Contd.)

I further report that during the year under review the Company transferred 72,067 Equity Shares of Rs.10/- each fully paid-up in respect of which the dividends were remaining unclaimed / unpaid for seven consecutive years, relating to the year 2008-09 and since there were no underlying shares in respect of which dividends were remaining unclaimed/ unpaid for seven consecutive years, relating to the year 2009-10, no shares were due for transfer to the Demat Account of Investor Education and Protection Fund Authority.

I further report that during the audit period, there were no instances of:

(i) Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity, etc.

(ii) Redemption / Buy-back of securities.

(iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 for disposal of undertaking.

(iv) Foreign technical collaborations.

This report is to be read with my letter of even date which is annexed as Annexure "A" and "B" and both the annexures form an integral part of this report.

R. Balasubramaniam
Practising Company Secretary
FCS No. 2397 /C. P. No. 1340

Place : Chennai
Date : May 09, 2018

ANNEXURE-A

To
The Members
TTK Healthcare Limited
No.6, Cathedral Road
Chennai - 600 086

My report of even date is to be read along with this letter.

(1) Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.

(2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

(3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

(5) The compliances of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of Management. My examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

R. Balasubramaniam
Practising Company Secretary
FCS No.2397 /C. P. No.1340

Place : Chennai
Date : May 09, 2018

ANNEXURE-B

To
The Members
TTK Healthcare Limited
No.6, Cathedral Road
Chennai 600 086

My report of even date is to be read along with this letter.

The internal system followed / adopted by the Company ensures the compliance of the provisions of the following Acts, Rules, Regulations and Guidelines:

(a) The Factories Act, 1948.

(b) Employees State Insurance Act, 1948

(c) The Employees' Provident Fund and Misc. Provisions Act, 1952 and other labour related laws.

(d) Drug and Cosmetics Act, 1940 and Rules thereunder.

(e) The Environment (Protection) Act, 1986.

(f) The Water (Prevention and Control of Pollution) Act, 1974.

(g) The Air (Prevention and Control of Pollution) Act, 1981.

(h) Food Safety and Standards Act, 2006, Rules and Regulations thereunder.

(i) Legal Metrology Act, 2009 along with Legal Metrology (Packaged Commodities) Rules, 2011.

(j) Indian Boilers Act, 1923 along with amended Act, 2007.

(k) Chennai City Municipal Corporation Act, 1919.

(l) Explosives Act, 1884 and the Rules, 2008.

(m) The Petroleum Act, 1934 with Rules 2002.

(n) Indian Electricity Act and Rules, 2003.

R. Balasubramaniam
Practising Company Secretary
FCS No.2397 /C. P. No.1340

Place : Chennai
Date : May 09, 2018

Annexure to the Board's Report (Contd.)

ANNEXURE-5

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, etc.

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the financial year ended 31st March, 2018:

(A)	**Conservation of Energy:**	
(i)	Steps taken or impact on conservation of energy:	Majority of the Company's operations are not power-intensive except the Foods Manufacturing operations.
(ii)	Steps taken by the Company for utilizing alternate sources of energy:	Further, your Company outsources most of its products from Third Party Manufacturers. Nevertheless, steps are initiated to achieve possible improvements with reference to energy conservation.
(iii)	Capital Investment on energy conservation equipment:	Your Company has entered into an arrangement with M/s Renew Wind Energy (AP) Private Limited for purchase of wind energy for its Foods Factory at Hosakote.
(B)	**Technology Absorption:**	
(i)	Efforts made towards technology absorption:	The Ministry of Science & Technology, Government of India has transferred two technologies to your Company – One for the Improved Chitra Heart Valves and the other one for Coated Vascular Grafts. Both these products would now have to proceed for clinical trials. Steps are being taken for designing trial protocol and also to set up necessary facility with appropriate regulatory clearances for the production of these devices to be used in clinical trials.
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution:	Development of Cementless Hip Implant with HA Coated Stems and Cementless Cup with Plasma coating is in progress. The state-of-the-art R&D Centre of the Foods Division at Hosakote is engaged in developing value-added / innovative and differentiated products. During the year under review, Papad with visible inclusions and innovative shapes like spiral were developed at the R&D Centre. Further, R&D Centre is also working on optimising the costs of the current products and also developing recipes utilizing the indigenous raw materials replacing the imported ingredients. The Centre is also working on to build in-house capability to design the machinery parts, dies and tools, etc., so as to reduce the independence on overseas supplies. Similarly, a number of products have been developed and launched utilizing the inhouse R&D facilities under Pharma Division.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): (a) Details of technology imported (b) Year of import (c) Whether the technology been fully absorbed (d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	Not Applicable
(iv)	Expenditure incurred on Research and Development	

	Particulars	**2017-18**	2016-17
		Rs.	Rs.
(a)	Capital	–	92,96,691
(b)	Recurring	**2,23,04,168**	2,34,78,756
(c)	Total	**2,23,04,168**	3,27,75,447
(d)	% of R&D Expenses to Sales	**0.39%**	0.62%

Annexure to the Board's Report (Contd.)

(C) Foreign Exchange Earnings and Outgo:

(i) Actual Inflows:

Particulars	2017-18	2016-17
	Rs.	Rs.
Foreign Exchange Earnings:		
Exports (FOB)	17,20,32,272	5,27,01,960
Total	17,20,32,272	5,27,01,960

(ii) Actual Outflows:

Particulars	2017-18	2016-17
	Rs.	Rs.
Foreign Exchange Outgo:		
• Imports		
- Raw Materials	3,32,25,032	5,20,62,528
- Capital Goods	9,85,150	23,13,518
- Spares	4,51,756	–
• Royalty, Consultancy, Product Registration / Promotion Expenses, Travelling, etc.	2,05,34,813	1,47,63,815
Total	5,51,96,751	6,91,39,861

For and on behalf of the Board

Place : Chennai
Date : May 29, 2018

T T JAGANNATHAN
CHAIRMAN

Annexure to the Board's Report (Contd.)

ANNEXURE-6

Disclosure as per Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Mr T T Raghunathan, Executive Vice Chairman 1: 57

ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name	Designation	Cost-to-Company (CTC) (Rs.)	% Increase / (Decrease) in CTC
Mr T T Raghunathan	Executive Vice Chairman	1,58,81,902	0.38%
Mr S Kalyanaraman	Director & Wholetime Secretary	85,15,596	4.28%
Mr B V K Durga Prasad	Senior Vice President - Finance	65,33,772	3.01%
Mr R Saranyan	Executive Director of the erstwhile TTK Protective Devices Limited	37,55,213*	–

* Remuneration paid upto 15th December, 2017.

iii. The percentage increase in the median remuneration of employees in the financial year:

Around 8% (Excluding unionized employees).

iv. The number of permanent employees on the rolls of the Company:

2244 employees.

v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration is around 9% for Employees other than Managerial Personnel and around 6% for Managerial Personnel.

vi. Affirmation that the remuneration is as per the remuneration policy of the Company:

Yes.

Statement showing the details of Employees of the Company as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

S. No.	Name of the Employee	Designation of the employee	Remuneration received (Rs.)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	Age of the employee	Last employment held by such employee before joining the Company	Percentage of Equity Shares held by the Employee in the Company	Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
A.	Top ten employees in terms of remuneration drawn:									
1.	Mr S Kalyanaraman	Director & Wholetime Secretary	85,15,596	Regular	B.Com., ACS., ACMA with 37 years' experience	05.10.1987	55 years	Finance Manager & Company Secretary, T T Maps & Publications Ltd.	70 (0.0005%)	No
2.	Mr B V K Durga Prasad	Sr. VP – Finance	65,33,772	Regular	B.Com., ACA., Grad. CMA with 32 years' experience	06.03.1986	57 years	–	NIL	No
3.	Mr G Sreenivaasan	President – CPD	*61,04,987	Regular	B.E., MBA with 32 years' experience	14.12.2011	55 years	VP–Marketing, EID Parry (India) Ltd.	NIL	No
4.	Mr S Ranganath Rao	Sr. VP – Business Development (Foods)	58,06,224	Regular	B.Sc., MBA with 31 years' experience	04.03.1992	53 years	Sales Executive, BPL India Ltd.	NIL	No
5.	Mr Yogesh Yadav	VP – National Sales (CPD)	56,31,320	Regular	B.A., MBA with 31 years' experience	26.07.1996	51 years	Area Sales Manager, Shogun Group of Industries	NIL	No
6.	Mr R Saranyan	President – Protective Devices Division	**51,88,408	Regular	B.Sc., ACA with 27 years' experience	05.04.2008	51 years	General Manager – Finance Ford India Pvt. Ltd.	NIL	No
7.	Mr K Sunil	Sr. VP – Heart Valve	50,38,119	Regular	B.Sc., B.E. with 30 years' experience	01.07.1992	55 years	Manager – Projects, Peninsula Polymers Ltd.	NIL	No
8.	Mr Brijj Balaji Singh	VP – Operations (PDD)	44,03,653	Regular	B.E with 29 years' experience	18.01.2013	50 years	Managing Director, Latex Medical Products (Pte) Ltd., Botswana	NIL	No

Annexure to the Board's Report (Contd.)

<table>
<tr><td>9.</td><td>Mr K Ramaprasad</td><td>VP – Supply Chain</td><td>37,83,360</td><td>Regular</td><td>M.Com., Diploma in Software Engineering with 25 years' experience</td><td>08.03.2017</td><td>48 years</td><td>General Manager – Zydus Wellness</td><td colspan="2">NIL</td><td>No</td></tr>
<tr><td>10.</td><td>Dr Surinder Kumar</td><td>Head - Strategy & Business Development / NPD (EPD)</td><td>37,61,031</td><td>Regular</td><td>M.B.B.S. M.D., with 28 years' experience</td><td>02.07.1997</td><td>55 years</td><td>Sr. Manager, NEPC Pharmachem</td><td colspan="2">NIL</td><td>No</td></tr>
<tr><td>B.</td><td colspan="11">Employee(s) in receipt of remuneration, not less than Rs.1.02 crores p.a.:</td></tr>
<tr><td rowspan="3">1.</td><td rowspan="3">Mr T T Raghunathan</td><td rowspan="3">Executive Vice Chairman</td><td rowspan="3">1,58,81,902</td><td rowspan="3">Contractual</td><td rowspan="3">B.Com with 45 years' experience</td><td rowspan="3">01.11.2001</td><td rowspan="3">66 years</td><td rowspan="3">Managing Director, TTK Tantex Ltd.</td><td>Particulars</td><td>No. of Shares (% to Total Share Capital)</td><td>Brother of Mr T T Jagannathan, Chairman</td></tr>
<tr><td>In his personal capacity</td><td>38,797 (0.27%)</td><td></td></tr>
<tr><td>His wife's Holding</td><td>56,000 (0.40%)</td><td></td></tr>
</table>

* Since resigned; Remuneration paid was upto 30th November, 2017.

** Mr Saranyan was Executive Director of the erstwhile TTK Protective Devices Limited upto 15th December, 2017 and has been designated as President – Protective Devices Division, consequent upon amalgamation of TTK Protective Devices Limited, with the Company.

For and on behalf of the Board

Place : Chennai **T T JAGANNATHAN**

Date : May 29, 2018 **CHAIRMAN**

Report on Corporate Governance

[Pursuant to Schedule V (C) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015}]

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

In line with the tradition of the TTK Group, the Board of Directors of TTK Healthcare Limited view their role as trustees of the various stakeholders and the society at large and it is their endeavour to observe the best corporate governance practices which *inter alia* include transparency, accountability and fairness in all dealings and pursuing a policy of appropriate disclosures and communication.

It is the philosophy of the Board that the Company continues to follow fair business and organizational practices to fulfil the mission of "Quality Products at Affordable Prices" and in the process deliver long term sustainable shareholder value. It is also the Philosophy of the Board that practice of Corporate Governance should travel beyond statutory requirements and further encompass social responsibilities.

The Board of Directors believe that excellence in Corporate Governance Practices can be achieved only if the spirit of Corporate Governance is followed right from the top Management to the last level employee of the Company.

BOARD OF DIRECTORS:

Composition and Category of Directors:

The composition of the Board conforms to Section 149(4) of the Companies Act, 2013 and the Rules made thereunder and Regulation 17(1) of the SEBI (LODR) Regulations, 2015.

The Board consists of ten Directors, as detailed below:

Category		Name of Director / Position	DIN
Promoter	Non-Executive	Mr T T Jagannathan, *Chairman*	00191522
	Executive	Mr T T Raghunathan, *Executive Vice Chairman*	00043455
Non-Independent	Non-Executive	Mr R K Tulshan	00009876
		Mr K Shankaran	00043205
		Mr S Kalyanaraman *Director & Wholetime Secretary*	00119541
Independent	Non-Executive	Mr B N Bhagwat	00063628
		Dr (Mrs) Vandana R Walvekar	00059160
		Mr Girish Rao	00073937
		Mr S Balasubramanian	02849971
		Mr N Ramesh Rajan	01628318

Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting (AGM):

Name of the Director	Date of the Board Meetings and Attendance				Date of the last AGM & Attendance
	30.05.2017	04.08.2017	08.11.2017	02.02.2018	04.08.2017
Mr T T Jagannathan	✓	✓	✓	LOA	✓
Mr T T Raghunathan	✓	✓	✓	✓	✓
Mr R K Tulshan	✓	✓	✓	LOA	✓
Mr B N Bhagwat	✓	✓	✓	✓	✓
Mr K Shankaran	✓	✓	✓	✓	✓
Dr (Mrs) Vandana R Walvekar	LOA	✓	✓	✓	✓
Mr Girish Rao	✓	✓	✓	LOA	✓
Mr S Balasubramanian	✓	LOA	✓	✓	LOA
Mr N Ramesh Rajan	✓	✓	✓	✓	✓
Mr S Kalyanaraman	✓	✓	✓	✓	✓

LOA - Leave of absence

No. of Other Board of Directors or Committees in which the Company Directors are Members / Chairman:

Name of the Director	No. of Other Directorships & Committee Memberships / Chairmanships		
	Other Directorships	Committee Memberships	Committee Chairmanships
Mr T T Jagannathan	3	–	–
Mr T T Raghunathan	3	–	–
Mr R K Tulshan	2	–	–
Mr B N Bhagwat	–	–	–
Mr K Shankaran	1	1	–
Dr (Mrs) Vandana R Walvekar	1	–	–
Mr Girish Rao	–	–	–
Mr S Balasubramanian	8	7	–
Mr N Ramesh Rajan	1	–	2
Mr S Kalyanaraman	1	–	–

Notes:

- Other Directorships do not include Private Companies and Overseas Entities.
- Chairmanship / Membership of the Audit Committee and the Stakeholders Relationship Committee alone was considered for the above and also for the purpose of reckoning the limit of Chairmanship / Membership of the Board level Committees.
- None of the Directors is a Member of more than 10 Board-level Committees of Public Limited Companies or is a Chairman of more than 5 such Committees.

Board Meetings held during the year 2017-18 and its dates:

During the year under review, the meetings of the Board of Directors were held four times, on the following dates and conform to the Regulation 17(2) of the SEBI (LODR) Regulations, 2015:

- 30th May, 2017
- 4th August, 2017
- 8th November, 2017
- 2nd February, 2018

The Company placed before the Board the Annual Plans and Budget, Capital Budget, Performance of the various Divisions, Unaudited Quarterly Financial Results, Audited Annual Financial Results and various other information / details, as specified under Schedule II Part A of the SEBI (LODR) Regulations, 2015, from time to time.

Disclosure of relationships between Directors *inter se*:

None of the Directors is related to any other Directors / Key Managerial Personnel of the Company except Mr T T Jagannathan and Mr T T Raghunathan who are brothers.

Report on Corporate Governance (Contd.)

No. of Shares and Convertible Instruments held by Non-Executive Directors:

Names of the Non-Executive Directors	No. of Equity Shares of Rs.10/- each held
Mr T T Jagannathan	7,59,298
Mr R K Tulshan	220
Mr B N Bhagwat	–
Mr K Shankaran	247
Dr (Mrs) Vandana R Walvekar	–
Mr Girish Rao	–
Mr S Balasubramanian	–
Mr N Ramesh Rajan	–
Mr S Kalyanaraman	70

Separate Meeting of Independent Directors:

As stipulated under Schedule IV to the Companies Act, 2013 and Regulation 25(3) of the SEBI (LODR) Regulations, 2015, the Independent Directors met once during the year on 2nd February, 2018. Amongst other matters, they reviewed the performance of Non-Independent Directors and the Board as a whole; reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors; and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The review was carried out, in line with the guidelines provided by SEBI vide its Circular No.SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated 5th January, 2017.

Familiarization Programmes imparted to Independent Directors:

Pursuant to Regulation 25(7) of the SEBI (LODR) Regulations, 2015, familiarization programmes to Independent Directors of the Company, on the nature of the industry and the business model of the Company, roles, rights and responsibilities of the Independent Directors and other relevant information were conducted periodically.

Your Company has the following process for induction and training of Board Members:

- Discussing with Independent Directors and ascertaining their further training/ updating needs and arranging programmes outside the Company and arranging presentation by experts in the field.
- A detailed induction programme is in place to familiarize the new directors of the entire operations of the Company. The programme includes presentations by various business / functional heads.
- Visit to the manufacturing units of the Company is also arranged based on their request.

Details regarding familiarization programme are provided in Company's website www.ttkhealthcare.com.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, functions, duties and responsibilities as a director. The terms and conditions of the appointment of Independent Director are also available on Company's website www.ttkhealthcare.com.

AUDIT COMMITTEE:

Terms of Reference:

As per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18(3) of & Schedule II – Part C to the SEBI (LODR) Regulations, 2015, the brief terms of reference of the Audit Committee of the Company, *inter alia* include-

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the Auditor's independence and performance and effectiveness of audit process.
- Review with the Management the quarterly Financial Statements and the annual Financial Statements and the Auditor's report thereon, before submission to the Board for approval.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters.

Composition, Name of the Members and Chairperson:

The composition of the Committee is in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulations, 2015, as detailed below:

Name of Director	Position	Category
Mr Girish Rao	Chairman	Non-Promoter / Non-Executive / Independent
Mr B N Bhagwat	Member	Non-Promoter / Non-Executive / Independent
Mr K Shankaran	Member	Non-Promoter / Non-Executive / Non-Independent
Mr S Balasubramanian	Member	Non-Promoter / Non-Executive / Independent
Mr S Kalyanaraman	Secretary	–

Meetings and Attendance during the year 2017-18:

During the year under review, the Committee met four times. The details of the meetings and the attendance of the Members are provided below:

Name of Director	Date of the Meetings and Attendance			
	29.05.2017	03.08.2017	08.11.2017	02.02.2018
Mr Girish Rao	✓	✓	✓	LOA
Mr B N Bhagwat	✓	✓	✓	✓
Mr K Shankaran	✓	✓	✓	✓
Mr S Balasubramanian	✓	LOA	✓	✓

LOA - Leave of absence

The Audit Committee Meetings were also attended by the Statutory / Cost / Internal Auditors, wherever necessary.

NOMINATION AND REMUNERATION COMMITTEE:

Terms of reference:

The brief terms of reference are as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 19(4) of & Schedule II – Part D to the SEBI (LODR) Regulations, 2015, which *inter alia* include-

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

Report on Corporate Governance (Contd.)

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

Composition, Name of Members and Chairperson:

The composition of the Committee is in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19(1) of the SEBI (LODR) Regulations, 2015, as detailed below:

Name of Director	Position	Category
Mr B N Bhagwat	Chairman	Non-Promoter / Non-Executive / Independent
Mr R K Tulshan	Member	Non-Promoter / Non-Executive / Non-Independent
Mr K Shankaran	Member	Non-Promoter / Non-Executive / Non-Independent
Dr (Mrs) Vandana R Walvekar	Member	Non-Promoter / Non-Executive / Independent
Mr S Kalyanaraman	Secretary	–

Meeting and Attendance:

No meeting was convened during the year under review.

Performance Evaluation criteria for Independent Directors:

The performance evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated.

The criteria for evaluation was formulated in the Remuneration Policy of the Company and for the year 2017-18, the Independent Directors were evaluated, on the basis of a few parameters comprising of attendance at meetings either in person or through video / teleconferencing, participation in discussions on various items on the agenda, dealing with respect to conflict of interest situation and any specific ideas and contribution to the long term business strategy of the Company.

Further, the evaluation of the Independent Directors also included the additional criteria provided by SEBI in its Guidance Note on Board Evaluation contained in Circular No.SEBI/HO/CFD/CMD/CIR/P/ 2017/004 dated 5th January, 2017.

REMUNERATION OF DIRECTORS:

Your Company adopted a Policy relating to selection, remuneration and evaluation of Directors and Senior Management. The said Policy was made available on the Company's website www.tttkhealthcare.com.

There are no pecuniary relationships or transactions of the Non-Executive Directors vis-à-vis the Company during the year.

Criteria of making payments to Non-Executive Directors:

The Non-Executive Directors are paid Sitting Fees of Rs.20,000 per meeting, attended by them for the Board Meetings and the Committee Meetings and are entitled for reimbursement of expenses for participation in the Board / Committee Meetings. No other payment viz., Commission is made to the Non-Executive Directors. This information has been posted in the Company's website www.ttkhealthcare.com.

Disclosure with respect to Managerial Remuneration paid to Mr T T Raghunathan, Executive Vice Chairman (CEO) and Mr R Saranyan, Executive Director of the erstwhile TTK Protective Devices Limited for the year 2017-18:

Particulars of Remuneration	Mr T T Raghunathan [01.04.2017 – 31.03.2018]	Mr R Saranyan* [01.04.2017 – 15.12.2017]
Salary (Rs.)	36,00,000	22,14,290
Benefits:		
HRA & Other Allowances (Rs.)	21,93,189	2,75,726
Contribution to PF & Other Funds (Rs.)	12,05,197	5,97,859
Commission (Rs.)	24,25,892	–
Fixed Component	–	–
Performance Linked Incentives along with Performance Criteria (Rs.)	60,29,423	–
Performance Criteria	Productivity Linked	–
Others (Rs.)	4,28,201	6,67,338
Service Contract	5 years (w.e.f. 01.11.2016)	–
Notice Period	6 months	–
Severance Fees	Yes. As per Section 202 of the Companies Act, 2013	–
Pension	–	–
Stock Option	–	–
Total (Rs.)	**1,58,81,902**	**37,55,213**

*Executive Director of the erstwhile TTK Protective Devices Limited, which merged with the Company.

Your Company currently does not have Stock Options Scheme.

The managerial remuneration paid to the Wholetime Directors of the Company is in line with the provisions of Section 197 and other applicable provisions, if any, of and Schedule V to the Companies Act, 2013 and the Rules made thereunder.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition, Name of Members and Chairperson:

The composition of the Stakeholders Relationship Committee is in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015, as detailed below:

Name of Director	Position	Category
Mr K Shankaran	Chairman	Non-Promoter / Non-Executive / Non-Independent
Mr R K Tulshan	Member	Non-Promoter / Non-Executive / Non-Independent
Mr Girish Rao	Member	Non-Promoter / Non-Executive / Independent
Mr S Kalyanaraman	Secretary	–

Meetings and Attendance during the year 2017-18:

During the year under review, the Committee met four times. The details of the meetings and the attendance of the Members are provided below:

Report on Corporate Governance (Contd.)

Name of Director	Date of the Meetings and Attendance			
	30.05.2017	04.08.2017	08.11.2017	01.02.2018
Mr K Shankaran	✓	✓	✓	✓
Mr R K Tulshan	✓	✓	✓	LOA
Mr Girish Rao	✓	✓	✓	✓

LOA - Leave of absence

Name and Designation of Compliance Officer:

Name of the Compliance Officer	Designation
Mr S Kalyanaraman	Director & Wholetime Secretary

Details of Shareholders' Complaints received during the year 2017-18:

Nature of Complaints	Complaints received during the year 2017-18	Not solved to the satisfaction of the Shareholders	Pending Complaints
Non-receipt of Dividends	31	–	–
Non-receipt of Shares sent for transfer/transmission	7	–	–
Others	–	–	–
Total	**38**	–	–

GENERAL BODY MEETINGS:

The location and time of the Annual General Meetings held during the last three years and number of Special Resolutions passed at that meetings:

Year	Date	Time	Venue	No. of Special Resolutions passed
2015	7th August, 2015	10.15 a.m.	The Music Academy Kasturi Srinivasan Hall (Mini Hall) New No.168, (Old No.306) TTK Road, Chennai 600 014	–
2016	5th August, 2016	10.15 a.m.	Narada Gana Sabha (Mini Hall) No.314, TTK Road Chennai 600 018	1
2017	4th August, 2017	10.15 a.m.	The Music Academy Kasturi Srinivasan Hall (Mini Hall) New No.168, (Old No.306) TTK Road, Chennai 600 014	–

Special Resolutions passed through Postal Ballot and details of Voting Pattern:

No Special Resolutions were passed through Postal Ballot during the year 2017-18.

Passing of Special Resolutions through Postal Ballot during the year 2018-19:

There is no such proposal as of now. In case, any Special Resolution needs to be passed through Postal Ballot during the year 2018-19, the procedure laid down under Section 110 of the Companies Act, 2013 and the Rules thereunder will be complied with.

MEANS OF COMMUNICATION:

- The Unaudited Financial Results for every Quarter and the Annual Audited Financial Results of the Company, in the prescribed format, are taken on record by the Board and are submitted to the Stock Exchanges.
- The same are published, within 48 hours, in "Business Standard" and "Makkal Kural".
- The Quarterly / Annual Results are also posted on the Company's website www.ttkhealthcare.com and also on the website of the BSE Limited and National Stock Exchange of India Limited.
- All the official news releases are disseminated on the Company's website.
- The presentations made to institutional investors or to the analysts are posted on the Company's website.

GENERAL SHAREHOLDERS INFORMATION:

(a) Date, Time and Venue of the Annual General Meeting:

Date	:	9th August, 2018
Day	:	Thursday
Time	:	10.30 a.m.
Venue	:	The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168 (Old No.306), TTK Road, Chennai 600 014.

(b) Particulars of Financial Calendar:

Financial Year	:	April – March
Unaudited First Quarter Results	:	By 14th August
Unaudited Second Quarter Results	:	By 14th November
Unaudited Third Quarter Results	:	By 14th February
Audited Annual Results	:	By 30th May

(c) Dividend Payment Date:

The Dividend for the financial year 2017-18, if declared by the Shareholders in this meeting, would be paid on or before 30th August 2018.

(d) Name and Address of Stock Exchanges where the Company's shares are listed and confirmation of payment of Annual Listing Fees:

(i)	BSE Limited (BSE)	Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street Mumbai 400 001
(ii)	National Stock Exchange of India Limited (NSE)	Exchange Plaza Bandra Kurla Complex Bandra East Mumbai 400 051

The listing fees have been paid for the financial year 2018-19.

(e) Stock Code:

BSE	507747
NSE	TTKHLTCARE
ISIN	INE910C01018

Report on Corporate Governance (Contd.)

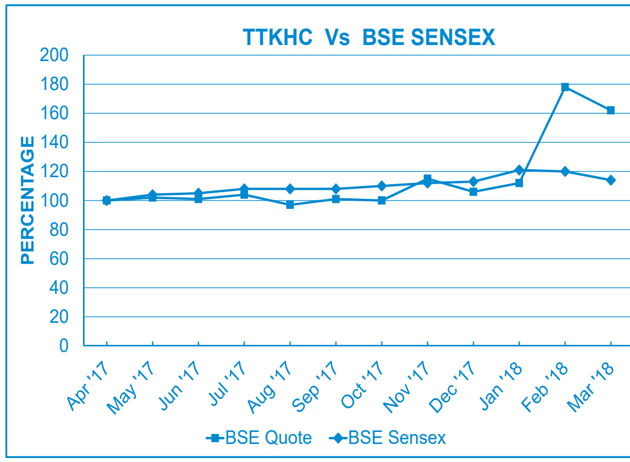
(f) Market Price Data:

Month	BSE (2017-18)			BSE (2016-17)		
	High	Low	Volume	High	Low	Volume
	Rs.	Rs.	No. of Shares	Rs.	Rs.	No. of Shares
April	**819.90**	**768.05**	**14,675**	1,019.75	930.00	5,239
May	**835.00**	**750.00**	**18,295**	1,035.00	926.05	7,682
June	**825.00**	**753.00**	**24,503**	961.00	901.00	3,624
July	**855.00**	**722.00**	**14,089**	987.65	920.00	3,579
August	**795.05**	**685.00**	**17,298**	1,054.00	913.00	14,621
September	**825.00**	**732.00**	**7,900**	1,110.00	945.95	10,408
October	**822.00**	**740.10**	**2,589**	1,060.00	980.00	27,819
November	**945.00**	**766.20**	**73,998**	1,011.00	870.00	2,353
December	**866.40**	**782.05**	**6,004**	937.00	839.95	1,630
January	**915.00**	**788.00**	**6,541**	950.00	859.00	2,414
February	**1,457.65**	**805.05**	**2,87,971**	900.00	799.00	8,550
March	**1,329.80**	**1,015.00**	**50,544**	831.00	770.00	28,416

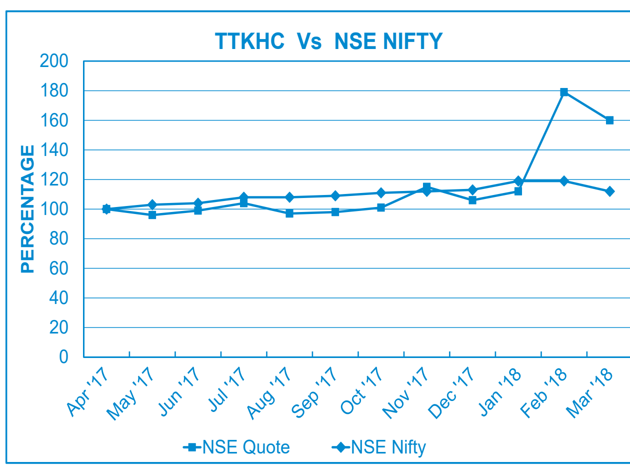
Month	NSE (2017-18)			NSE (2016-17)		
	High	Low	Volume	High	Low	Volume
	Rs.	Rs.	No. of Shares	Rs.	Rs.	No. of Shares
April	**820.00**	**770.00**	**1,08,012**	1,039.00	888.00	13,786
May	**790.00**	**744.75**	**1,39,936**	1,050.00	930.00	20,867
June	**809.00**	**751.55**	**49,486**	954.95	900.00	12,831
July	**853.95**	**750.00**	**1,35,530**	994.90	898.00	7,939
August	**794.60**	**680.00**	**71,174**	1,054.00	929.00	25,288
September	**800.00**	**732.00**	**26,531**	1,100.00	927.00	28,457
October	**824.45**	**726.00**	**43,107**	1,060.00	980.00	33,101
November	**945.00**	**752.55**	**3,18,183**	1,000.00	860.00	6,601
December	**911.50**	**801.05**	**28,339**	945.00	845.05	2,942
January	**922.40**	**815.05**	**34,553**	908.95	857.40	3,40,420
February	**1,466.00**	**803.00**	**12,73,212**	900.00	798.15	21,220
March	**1,314.00**	**1,021.10**	**2,52,523**	819.80	771.05	39,340

(g) Performance comparison to BSE Sensex and Nifty:

STOCK PERFORMANCE Vs BSE SENSEX				
Month	BSE Quote (High) (Rs.)	% to Base	BSE Sensex (High) (Rs.)	% to Base
Apr 2017	819.90	100	30,184.22	100
May 2017	835.00	102	31,256.28	104
Jun 2017	825.00	101	31,555.42	105
Jul 2017	855.00	104	32,672.68	108
Aug 2017	795.05	97	32,686.48	108
Sep 2017	825.00	101	32,524.11	108
Oct 2017	822.00	100	33,340.17	110
Nov 2017	945.00	115	33,865.95	112
Dec 2017	866.40	106	34,137.97	113
Jan 2018	915.00	112	36,443.98	121
Feb 2018	1,457.65	178	36,256.83	120
Mar 2018	1,329.80	162	34,278.63	114



STOCK PERFORMANCE Vs NSE NIFFTY				
Month	NSE Quote (High) (Rs.)	% to Base	NSE Nifty (High) (Rs.)	% to Base
Apr 2017	820.00	100	9,367.15	100
May 2017	790.00	96	9,649.60	103
Jun 2017	809.00	99	9,709.30	104
Jul 2017	853.95	104	10,114.85	108
Aug 2017	794.60	97	10,137.85	108
Sep 2017	800.00	98	10,178.95	109
Oct 2017	824.45	101	10,384.50	111
Nov 2017	945.00	115	10,490.45	112
Dec 2017	911.50	106	10,552.40	113
Jan 2018	922.40	112	11,171.55	119
Feb 2018	1,466.00	179	11,117.35	119
Mar 2018	1,314.00	160	10,525.50	112



Report on Corporate Governance (Contd.)

(h) Suspension of Securities from trading by Directors - Not applicable

(i) Registrars & Share Transfer Agents:

M/s Data Software Research Co. Pvt. Ltd.
No.19, Pycrofts Garden Road,
Off. Haddows Road, Nungambakkam
Chennai 600 006
Tel : 044-28213738 / 044-28214487
Fax: 044-28214636
E-mail: ttk.healthcare@dsrc-cid.in

(j) Share Transfer System:

In compliance of SEBI requirement, Share Transfers are entertained, both under Demat Form and Physical Form.

Share Transfers in respect of physical shares are normally effected within a maximum of 15 days from the date of receipt, if all the required documentation is complete in all respects.

Also the Company has made arrangements for simultaneous dematerialization of Share Certificate(s) lodged for transfer, subject to the regulations specified by SEBI in this regard.

As at 31st March, 2018, no Equity Shares were pending for transfer.

(k) Distribution of Shareholding as on 31st March, 2018:

Shareholding of Nominal Value of (Rs.)	Number of Shareholders		% to Number of Shareholders		Share Amount (Rs.)		% to Total	
	Physical	Electronic	Physical	Electronic	Physical (Rs.)	Electronic (Rs.)	Physical	Electronic
1	2	3	4	5	6	7	8	9
Upto 5000	3,973	8,209	31.625	65.343	27,34,240	48,49,900	1.935	3.432
5001 - 10000	16	187	0.127	1.488	1,15,900	13,63,960	0.082	0.965
10001 - 20000	9	78	0.072	0.621	1,24,500	11,09,640	0.088	0.785
20001 - 30000	1	19	0.008	0.151	24,000	4,78,490	0.017	0.339
30001 - 40000	1	8	0.008	0.064	33,600	2,77,600	0.024	0.196
40001 - 50000	1	8	0.008	0.064	43,000	3,52,120	0.030	0.249
50001 - 100000	3	13	0.024	0.103	2,78,750	10,17,940	0.197	0.720
100001 & Above	7	30	0.056	0.239	6,36,97,750	6,48,01,940	45.079	45.860
Total	**4,017**	**8,552**	**31.960**	**68.040**	**6,70,51,740**	**7,42,51,590**	**47.452**	**52.548**
Grand Total	**12,563**		**100.00**		**14,13,03,330**		**100.00**	

Categories of Equity Shareholders as on 31st March, 2018:

Category	Category of Shareholder	No. of Shareholders	No. of Shares held	Shareholding as a % of total number of shares	No. of Equity Shares held in Dematerialized Form
(A)	**Promoter & Promoter Group**				
(1)	**Indian**				
(a)	Individuals / Hindu Undivided Family	9	9,84,825	6.97	9,25,875
(b)	Central Government / State Government(s)	–	–	–	–
(c)	Financial Institutions / Banks	–	–	–	–
(d)	Any other (specify)				
	(i) Partnership Firm	1	95,32,610	67.46	41,44,085
	(ii) Bodies Corporate	3	18,855	0.13	10,080
	Sub-Total (A)(1)	**13**	**1,05,36,290**	74.57	**50,80,040**
(2)	**Foreign**				
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	–	–	–	–
(b)	Government	–	–	–	–
(c)	Institutions	–	–	–	–
(d)	Foreign Portfolio Investor	–	–	–	–
(e)	Any other (specify)	–	–	–	–
	Sub-Total (A)(2)	–	–	–	–
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**13**	**1,05,36,290**	**74.57**	**50,80,040**
(B)	**Public**				
(1)	**Institutions**				
(a)	Mutual Funds	6	3,29,975	2.34	3,24,803
(b)	Venture Capital Funds	–	–	–	–
(c)	Alternate Investment Funds	–	–	–	–
(d)	Foreign Venture Capital Investors	–	–	–	–
(e)	Foreign Portfolio Investors	–	–	–	–
(f)	Financial Institutions / Banks	7	1,021	0.01	505
(g)	Insurance Companies	1	935	0.01	935
(h)	Provident Funds / Pension Funds	–	–	–	–
(i)	Any other (specify)				
	Foreign Institutional Investors	10	3,65,485	2.59	3,64,573
	Sub Total (B)(1)	**24**	**6,97,415**	**4.94**	**6,90,816**
(2)	**Central Government / State Government(s) / President of India**	–	–	–	–
	Sub Total (B)(2)	–	–	–	–
(3)	**Non-Institutions**				
(a)	Individuals -				
(i)	Individual Shareholders holding nominal share capital upto Rs.2 lakhs.	11,842	11,23,183	7.95	8,13,336
(ii)	Individual Shareholders holding nominal share capital in excess of Rs.2 lakhs	9	6,40,021	4.53	6,15,021

Report on Corporate Governance (Contd.)

(b)	NBFCs registered with RBI	–	–	–	–
(c)	Employee Trusts	–	–	–	–
(d)	Overseas Depositories (holding DRs)	–	–	–	–
(e)	Any other (specify)	675	11,33,423	8.02	2,25,946
(i)	Bodies Corporate	294	10,51,106	7.44	1,47,485
(ii)	Non-Resident Indians	381	82,317	0.58	78,461
	Sub-Total (B)(3)	**12,526**	**28,96,627**	**20.50**	**16,54,303**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+ (B)(3)	**12,550**	**35,94,043**	**25.43**	**23,45,119**
	Total (A+B)	**12,563**	**1,41,30,333**	**100.00**	**74,25,159**

Note:

Indian Promoters include M/s T T Krishnamachari & Co., represented by its Partners and constituents of TTK Group. The constituents of TTK Group include T T Krishnamachari & Co., TTK Prestige Limited, TTK Tantex Limited, Packwell Packaging Products Limited and Partners & Relatives of the Partners of M/s T T Krishnamachari & Co.,

Dematerialization of Shares and Liquidity as on 31st March, 2018:

Particulars	No. of Shareholders	No. of Shares	% of Shares
In Physical Mode	4,017	67,05,174	47.45
In Electronic Mode	8,552	74,25,159	52.55
Total	**12,569**	**1,41,30,333**	**100.00**

Days taken for Dematerialization	No. of Requests	No. of Shares	% of Shares
15 days	1,230	77,036	0.545

Particulars	National Securities Depository Limited (NSDL)		Central Depository Services (I) Limited (CDSL)	
	2017-18	2016-17	**2017-18**	2016-17
No. of Shares Dematerialized	**13,320**	18,788	**5,131**	11,552
No. of Shares Rematerialized	–	–	–	–

(l) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments:

The Company has not issued any GDRs / ADRs / Warrants or Convertible Instruments.

(m) Commodity price risk or foreign exchange risk and hedging activities:

Not Applicable

(n) Plant Locations:

(i)	**Pharma Division:**	No.5, Old Trunk Road, Pallavaram, Chennai 600 043, Tamil Nadu
(ii)	**Heart Valve Division:**	Site No.A28, KINFRA International Apparel Parks Ltd., St. Xavier's College P.O., Thumba, Trivandrum 695 586, Kerala
(iii)	**Ortho Division:**	• No.290, SIDCO Industrial Estate, Ambattur, Chennai 600 098, Tamil Nadu
		• No.3, Thiruneermalai Main Road, Chromepet , Chennai 600 044, Tamil Nadu
(iv)	**Foods Division:**	• No.2-B, Hosakote Industrial Area 8th Kilometre, Hosakote Chinthamani Road, Hosakote Taluk, Bengaluru 562 114, Karnataka
		• Plot No.DTA-005-005, Mahindra World City, Tehsil Sanganer, Jaipur 302 037, Rajasthan
(v)	**Protective Devices Division:**	• No.3, Thiruneermalai Road, Chromepet, Chennai 600 044, Tamil Nadu
		• No.20 & 21, Perali Road, Virudhunagar 626 001, Tamil Nadu
		• No.12, TTN Complex, K P Natham Road, Thiruvandarkoil, Pudhucherry 605 107

(o) Address for Correspondence:

Registered Office:
No.6, Cathedral Road,
Chennai 600 086
Tel: 044-28116106
Fax: 044-28116387
E-mail: info@ttkhealthcare.com

Administrative Office & Investor Correspondence Address:
Secretarial Department
No.6, Cathedral Road, Chennai 600 086
Tel: 044-28116106 Fax: 044-28116387
E-mail: investorcare@ttkhealthcare.com

OTHER DISCLOSURES:

Related Party Disclosure:

During the year under review, no transaction of material nature has been entered into by the Company with its promoters, the directors or the key managerial personnel or their relatives, etc., that may have a potential conflict with the interests of the Company.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are repetitive in nature. A statement giving details of the transactions entered into with the related parties, pursuant to the omnibus approval so granted, is placed before the Audit Committee and the Board of Directors for their approval / ratification on a quarterly basis.

The Register of Contracts containing the details of the transactions, in which the directors are interested, is placed before the Audit Committee / Board regularly.

The Board of Directors of the Company, on the recommendation of the Audit Committee, adopted a policy on Related Party Transactions, to regulate the transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Policy as approved by the Board is uploaded on the Company's website www.ttkhealthcare.com.

The details of the Related Party Transactions in Form AOC-2 are annexed as **Annexure 3** to the Board's Report. (Please refer Page No.30 of this Annual Report).

Report on Corporate Governance (Contd.)

The particulars of transactions between the Company and its related parties as per Accounting Standard 18 (AS-18) are set out in Page No.83 & 84 of this Annual Report.

Non-Compliances by the Company:

There has been no instance of non-compliance by the Company on any matter related to Capital Markets during the last three financial years and hence no penalties or strictures were imposed by SEBI, the Stock Exchanges or any statutory authorities.

Establishment of Vigil Mechanism / Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

In accordance with the provisions of Section 177(9) of the Companies Act, 2013 and the Rules made thereunder and also Regulation 22 of the SEBI (LODR) Regulations, 2015, your Company established a vigil mechanism termed as Whistle Blower Policy, for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy, which also provides for adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Corporate Governance Officer/ Chairman of the Audit Committee and the Executive Vice Chairman, in exceptional cases.

The Whistle Blower mechanism is devised in such a manner that would enable the stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

The Whistle Blower Policy is available on the Company's website www.ttkhealthcare.com.

Compliance with Mandatory Requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements of Corporate Governance norms as enumerated under Schedule II to the SEBI (LODR) Regulations, 2015 and the disclosure relating to adoption of Non-mandatory / Discretionary requirements are provided in this Report.

NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT:

The Company has complied with all the mandatory requirements of Corporate Governance Report.

DISCLOSURE RELATING TO ADOPTION OF DISCRETIONARY REQUIREMENTS:

(a) The Board:
No reimbursement of expenses is made to the Non-Executive Chairman in connection with the maintenance of his office.

(b) Shareholders Right:
The Company does not mail the Unaudited Half-yearly Financial Results individually to its shareholders. However, these are published in "Business Standard" & "Makkal Kural" and are also posted on the Company's website www.ttkhealthcare.com and also on the website of BSE Ltd. (www.bseindia.com) and National Stock Exchange of India Ltd. (www.nseindia.com).

(c) Modified Opinion(s) in Audit Report:
The Audit Report for the year 2017-18 is an unmodified one and does not contain any qualifications.

(d) Separate posts of Chairperson and Chief Executive Officer (CEO):
The posts of Chairman and Chief Executive Officer (CEO) are held separately.

(e) Reporting of Internal Auditor:
The Internal Auditors report to the Audit Committee.

DISCLOSURE OF COMPLIANCE:

Regulation 17 – Board of Directors:

(i) The composition and meetings of Board of Directors are complied with.

(ii) Periodical review of Statutory Compliance Report, Quarterly / Half-yearly / Annual Corporate Governance Report, Quarterly Investor Grievance Report, etc. are carried out by the Board of Directors.

(iii) **Code of Conduct for the Directors (incorporating the duties of Independent Directors) and Senior Management of the Company:**

The Board of Directors had laid down a Code of Conduct applicable to all the Directors and Senior Management of the Company. The said Code of Conduct had also been posted on the Company's website www.ttkhealthcare.com. A report on the compliance aspect of the Code of Conduct given by the Executive Vice Chairman (CEO) has been given at Page No.47 of this Annual Report.

Code of Conduct for prevention of Insider Trading: Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors of your Company has adopted a Code of Conduct for prevention of Insider Trading. This Code of Conduct is applicable to all designated persons as defined in the said policy who are expected to have access to unpublished price sensitive information relating to the Company. The said Code of Conduct has also been posted on the Company's website www.ttkhealthcare.com. Further, the Board of Directors of your Company also formulated and published on its website a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and formulated Code of Conduct to regulate, monitor and report trading by Insiders and administered by the Compliance Officer.

(iv) **Board Disclosure – Risk Management:**

Your Company has developed and implemented a Risk Management Policy which includes identification of elements of risk, if any, which in the opinion of the Board, may threaten the existence of the Company.

Your Company has a risk identification and management framework appropriate to the size of your Company and the environment in which it operates.

Your Company constituted a Risk Management Group (RMG) with due representations from each of the Businesses / Functions of your Company to effectively implement the Risk Management Framework and to address the key risks.

The meetings of the RMG were convened periodically, in order to have detailed interactions / discussions with the Members / Risk Owners on the various risks identified and the status of the mitigation plans.

The detailed Report of the RMG incorporating the update on the various risks identified and the mitigation plans in respect thereof are periodically placed before the Audit Committee and the Board, for their discussions and record.

(v) The details relating to the performance evaluation of Independent Directors by the entire Board of Directors is given in Page No.39 of this Annual Report.

Report on Corporate Governance (Contd.)

Regulation 18 – Audit Committee:

Compliance to this Regulation is given in Page No.38 of this Annual Report.

Regulation 19 – Nomination and Remuneration Committee:

Compliance to this Regulation is given in Page No.38 & 39 of this Annual Report.

Regulation 20 – Stakeholders Relationship Committee:

Compliance to this Regulation is given in Page No.39 & 40 of this Annual Report.

Regulation 21 – Risk Management Committee:

Not applicable to your Company. However, your Company has formulated a Risk Management Policy and a reference to this is given in Page No.16 of this Annual Report.

Regulation 22 – Vigil Mechanism:

Compliance to this Regulation is given in Page No.18 & 44 of this Annual Report.

Regulation 23 – Related Party Transactions:

Compliance to this Regulation is given in Page No.15 & 16 of this Annual Report.

Regulation 24 – Corporate Governance Requirements with respect to subsidiary:

Not applicable to your Company.

Regulation 25 – Obligations with respect to Independent Directors:

Compliance to this Regulation is given in Page No.38 & 39 of this Annual Report.

Regulation 26 – Obligations with respect to Directors & Senior Management:

Disclosures relating to compliance to the directorships in other listed entities, Board level Committee Memberships and Chairmanships are annually provided by the Directors of your Company. Further, notification of the changes in the other directorships, Committee Memberships and Chairmanships are also provided by the Directors. Compliance to this Regulation is given in Page No.37 & 38 of this Annual Report.

All the Directors and Senior Management had affirmed compliance as on 31st March, 2018 to the Code of Conduct applicable to them.

Regulation 27 – Other Corporate Governance Requirements:

Disclosure relating to adoption of discretionary requirements under this Regulation is given in Page No.43 of this Annual Report.

Regulation 46 – Website:

Pursuant to the above Regulation, prescribed information / details are available on the Company's website www.ttkhealthcare.com.

OTHER ADDITIONAL DISCLOSURES [As per Schedule V to the SEBI (LODR) Regulations, 2015]:

Related Party Disclosure: Please refer Page No.15 & 16 of this Annual Report.

Management Discussion and Analysis Report:

The Management Discussion and Analysis Report is included in the Board's Report. (Please refer Page No.11 of this Annual Report).

Disclosure on Accounting Treatment:

In the preparation of financial statements, generally accepted accounting principles and policies and the mandatory Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read the relavent Rules issued thereunder were followed.

Declaration by the Chief Executive Officer relating to the affirmation of compliance with the Code of Conduct by the Board of Directors and Senior Management: Please refer Page No.47 of this Annual Report.

Compliance Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance: Please refer Page No.47 of this Annual Report.

Disclosure with respect to demat suspense account / unclaimed suspense account:

Your Company does not have any Unclaimed Shares issued in physical form pursuant to Public Issue / Rights Issue.

Other constituents of the TTK Group within the meaning of "Group" under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include:

- M/s T T Krishnamachari & Co., and its Partners & Relatives of the Partners
- M/s TTK Prestige Limited
- M/s TTK Services (P) Limited
- M/s TTK Tantex Limited
- M/s Cigna TTK Health Insurance Co. Limited
- M/s TTK British Holdings Limited
- M/s TTK Property Services Private Limited
- M/s TTK Partners LLP
- M/s Immidart Technologies LLP
- M/s Packwell Packaging Products Limited
- M/s Pharma Research & Analytical Laboratories
- M/s Peenya Packaging Products
- M/s Horwood Homewares Limited
- M/s Horwood Homewares Holdings Limited

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Terms of reference:

The brief terms of reference are as per the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, include-

- Formulation and recommendation to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- Recommendation of the amount of expenditure to be incurred on the activities referred to above.
- Monitoring the Corporate Social Responsibility Policy of the Company from time to time.

Composition, Name of Members and Chairperson:

The composition of the Committee is in line with the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder, as detailed below:

Report on Corporate Governance (Contd.)

Name of Director	Position	Category
Mr T T Raghunathan	Chairman	Promoter / Executive / Non-Independent
Mr K Shankaran	Member	Non-Promoter / Non-Executive / Non-Independent
Dr (Mrs) Vandana R Walvekar	Member	Non-Promoter / Non-Executive / Independent
Mr Girish Rao	Member	Non-Promoter / Non-Executive / Independent
Mr S Kalyanaraman	Secretary	–

Meeting and Attendance:

During the year under review, the Committee met once to determine the amount to be spent towards CSR activities and to approve the various proposals / projects eligible for contribution under the CSR Policy of the Company, for the financial year 2017-18 and also to review and record the status report of the CSR Activities undertaken during the year 2016-17:

Name of Director	Date of the Meeting and Attendance
	02.02.2018
Mr T T Raghunathan	✓
Mr K Shankaran	✓
Dr (Mrs) Vandana R Walvekar	✓
Mr Girish Rao	L O A

Corporate Social Responsibility (CSR) Policy:

Your Company adopted a Policy relating to Corporate Social Responsibility in accordance with the provisions of Section 135 of and Schedule VII to the Companies Act, 2013 and the Rules made thereunder. The said Policy was made available on the Company's website www.ttkhealthcare.com.

PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:

(a) Mr T T Jagannathan

Mr T T Jagannathan retires by rotation and is eligible for re-appointment.

He is a Gold Medalist from the Indian Institute of Technology, Madras and did his Masters in Operations Research in Cornell University, USA.

He has been a Director of the Company since 1984 and he is the Chairman of the Company.

He is also Chairman / Director on the Board of the following Companies:

- TTK Prestige Ltd.
- TTK Tantex Ltd.
- Cigna TTK Health Insurance Company Ltd.
- TTK British Holdings Ltd.
- Horwood Homewares Holdings Ltd.
- TTK Services Pvt. Ltd.
- TTK Property Services Pvt. Ltd.

He is the Chairman of the Corporate Social Responsibility (CSR) Committee of TTK Prestige Ltd.

He does not hold any Committee Chairmanship / Membership of the Company.

He holds 7,59,298 Equity Shares in the Company.

He is the brother of Mr T T Raghunathan, Executive Vice Chairman of the Company.

(b) Mr K Shankaran

Mr K Shankaran retires by rotation and is eligible for re-appointment.

He is a qualified Cost & Management Accountant and Company Secretary and has been a Director of the Company since 2000.

He is also a Director on the Board of the following Companies:

- TTK Prestige Ltd.
- TTK British Holdings Ltd.
- TTK Services Pvt. Ltd
- Vidal Health TPA Pvt. Ltd.
- TTK Property Services Pvt. Ltd.
- Horwood Homewares Ltd.
- Horwood Homewares Holdings Ltd.

He is a Member of the Stakeholders Relationship Committee of TTK Prestige Ltd.

He is the Chairman of the Stakeholders Relationship Committee and Member of the Audit Committee, Nomination & Remuneration Committee and Corporate Social Responsibility (CSR) Committee of the Company.

He holds 247 Equity Shares in the Company.

He is not related to any other Directors or Key Managerial Personnel or their relatives.

RECONCILIATION OF SHARE CAPITAL AUDIT:

Audits were conducted on a quarterly basis by M/s Raghunath Ravi & Associates, Practising Company Secretary, Chennai, reconciling the issued and listed capital of the Company with the aggregate of the number of shares held by investors in physical form and in electronic form with the Depositories and relevant certificates were submitted to BSE Limited and National Stock Exchange of India Limited within the prescribed time limit.

As on 31st March, 2018, there was no difference between the issued and listed capital and the aggregate of shares held by investors both in physical form and in electronic form with the Depositories.

As on 31st March, 2018, 74,25,159 Equity Shares representing 52.55% of the Paid-up Equity Capital were in dematerialized form. Out of the allotment of 63,64,350 Equity Shares on 2nd March, 2018, to the Shareholders of the erstwhile TTK Protective Devices Limited, which merged with the Company, 31,90,613 Equity Shares were issued in physical form and the balance 31,73,737 Equity Shares were issued in dematerialized form. The credit of the shares issued in dematerialized form was given on 17th April, 2018 and the shares issued to the promoters in physical form are under dematerialization .

CEO / CFO CERTIFICATION:

As required under Schedule II – Part B to the SEBI (LODR) Regulations, 2015, the Executive Vice Chairman (CEO) and Senior Vice President – Finance (CFO) have furnished necessary Certificate to the Board of Directors with respect to Financial Statements and Cash Flow Statement for the year ended 31st March, 2018.

ADOPTION OF VARIOUS POLICIES:

Your Company formulated, adopted and disseminated in its website www.ttkhealthcare.com, the following policies, as required under the SEBI (LODR) Regulations, 2015:

- **Policy for Preservation of Documents** pursuant to the provisions of Regulation 9 - Chapter III; and
- **Policy for Disclosure of Events or Information** pursuant to the provisions of Regulation 30 - Chapter IV.

Report on Corporate Governance (Contd.)

DECLARATION ON CODE OF CONDUCT

As required under Schedule V(D) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all the Board Members and Senior Management personnel have complied with the Code of Conduct of the Company. It is also confirmed that the Code of Conduct has already been posted on the Company's website.

Place : Chennai
Date : May 21, 2018

T T RAGHUNATHAN
Executive Vice Chairman

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of TTK HEALTHCARE LIMITED

1. We have examined the compliance of conditions of Corporate Governance by TTK HEALTHCARE LIMITED ("the Company") for the year ended March 31, 2018, as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations-2015").

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations-2015.

AUDITOR'S RESPONSIBILITY

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance of the conditions of the Corporate Governance requirements by the Company.
5. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India, the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for special purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial information, and other Assurance and related service engagements.

OPINION

7. Based on our examination of the relevant records and according to information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, Clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V to the Listing Regulations-2015, as applicable, during the year ended March 31, 2018.
8. We further state that such compliance is neither an assurance as to the future viability of the Company nor as to the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTION OF USE

9. The certificate is addressed and provided to the Members of the Company solely for the purpose of complying with the requirement of the SEBI Listing Regulations-2015 and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

M/s. PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Regn. No.003990S/S200018

S Rajeshwari
Partner
Membership No.024105

Place : Chennai
Date : May, 29, 2018

Independent Auditor's Report

To the Members of TTK Healthcare Limited

1. Report on the Financial Statements

We have audited the accompanying Financial Statements of TTK Healthcare Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order issued under Section 143(11) of the Act.

We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018 and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

5. Emphasis of Matter

We draw attention to the following matter in the Note to the Financial statements:

Note 5.3 to the Financial Statements regarding the merger with TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited (together called TTKPDL) with the Company pursuant to Order received from the National Company Law Tribunal (NCLT) on 15th December 2017, with the appointed date being 1st April 2012, at which time Accounting Standards Rules, 2006 were applicable. As described more fully in Note 5.3 to the Financial Statements, the Company has given effect to the merger in the financials, in the assets, liabilities and the reserves as at 1st April, 2017, as per the NCLT approved scheme of merger, in view of the legal sanction being given to the merger only in the Financial Year 2017-18 and the Management having determined that control over the business of TTKPDL has come under the Management of the Company from Financial Year 2017-18 . The transactions of TTKPDL relevant to the Financial Year 2017-18 have been considered as a part of the current year operations of the Company and accounted under respective heads of account.

Consequently, the Company has not presented the figures related to merger in the previous period and hence previous year figures are not comparable.

Our opinion is not qualified in respect of this matter.

6. Other Matter

The comparative financial information of the Company for the year ended 31st March, 2017 is based on the previously issued statutory Financial Statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March, 2017 dated 30th May, 2017 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. These adjustments reconcile the net profit for the year ended 31st March, 2017 under the

Independent Auditor's Report (Contd.)

previously applicable generally accepted accounting principles with the total comprehensive income as reported in the financial results under Ind AS.

Our report is not modified in respect of this matter.

7. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-Section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.

II. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act , read with our EOM para above.

(e) On the basis of the written representations received from the Directors as on 31st March, 2018 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note 5.4 to the financial statements;

(ii) The Company has made provision, under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

(iii) There has been no delay in transferring the amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

M/s. PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Regn. No.003990S/S200018

S Rajeshwari
Partner
Membership No.024105

Place : Chennai
Date : May, 29, 2018

Annexure A

Referred to in paragraph 1 of the Independent Auditor's Report of even date to the Members of TTK Healthcare Limited on the Ind AS Financial Statements as of and for the year ended March 31, 2018

(i) In respect of Fixed Assets

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular program of verifying fixed assets which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Fixed assets have been physically verified by the Management during the year as per the said program. As informed, there were no discrepancies identified by the Management that required adjustment in the financial statement.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the relevant records provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name/erstwhile name of the Company as at the balance sheet date.

(ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.

(iii) Based on our audit procedures and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to any companies, firms or other parties, covered in the register maintained under Section 189 and accordingly, Sub-Clauses a, b and c of Clause (iii) of Paragraph 3 of the Order are not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the loans and investments made. The Company has not provided any guarantees or security. The Company has not granted any loans under Section 185.

(v) Based on our audit procedures and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the provisions of Section 73 of the

Independent Auditor's Report (Contd.)

Act and Rules made thereunder and hence reporting under Clause (v) is not applicable

(vi) The Central Government of India has not specified the maintenance of cost records under Sub-Section (1) of Section 148 of the Act for any of the products of the Company.

(vii) According to the information and explanations given to us and the records of the Company examined by us:

(a) Undisputed Statutory Dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Service Tax, Cess have generally been regularly deposited with the appropriate authorities though there had been some minor delays in remittance of Provident Fund of few employees on account of mismatch of Employee details with their Aadhaar Card, which had been rectified during the year and the amounts had been later remitted. According to the information and explanation given to us and the records of the Company examined by us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues were in arrears, as at 31^{st} March, 2018 for a period of more than six months from the date they became payable.

(b) Dues relating to Income Tax / Sales Tax / Service Tax / Duty Of Customs / Duty of Excise / Value Added Tax, which have not been deposited on account of any dispute, are stated in the table below:

Name of the Statute	Nature of Dues	Amount under Dispute not yet deposited (Rs. in lakhs)	Period for which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise Duty with interest and penalty, as applicable	115.95	1988-1989 to 2000-01 and 1995-1996 to 2007-2008	CESTAT, Chennai.
		0.74	1994 to 1996	The Dy.Commissioner of Central Excise, Aurangabad.
		0.42	2002-03	The Commissioner of Central Excise, (Appeals), Chennai.
The Customs Tariff Act, 1975	Customs Duty with interest and penalty	260.42	2010-11 & 2011-12	CESTAT, Chennai.
		20.30	1992-93 to 2005-06	Settlement Commission, Hyderabad.
Finance Act	Service Tax	3.18	2005-06 to 2007-08	CESTAT, Bangalore.
State VAT Acts of various States.	Sales Tax	346.81	Various Years between 1986-87 to 2016-17	Before various Sales Tax Authorities of various regions.
Income Tax Act,1961	Income-Tax	165.36	2013-14 and 2014-15	The Commissioner of Income-Tax (Appeals), Chennai.
		259.21	Various years between 2001-02 to 2010-11	High Court of Madras, Chennai

(viii) Based on our audit procedures and as per the information and explanations given by the Management, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, Government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, no moneys were raised by way of Initial Public Offer (IPO) or Further Public Offer (FPO) (including debt instrument) by the Company during the year. Term loans during the year were applied for the purposes for which those were raised.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) Based on our audit procedures and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013

(xii) The Company is not a Nidhi Company in accordance with Nidhi Rules 2014. Accordingly, the provisions of Clause (xii) of the Order are not applicable.

(xiii) Based on our audit procedures and according to the information and explanations given to us, all the transactions entered into with the related parties during the year are in compliance with Section 177 and Section 188 of the Act where applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.

(xiv) Based on our audit procedures and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause (xiv) of the Order are not applicable.

(xv) Based on our audit procedures and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

M/s. PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm's Regn. No.003990S/S200018

S Rajeshwari
Partner
Membership No.024105

Place : Chennai
Date : May, 29, 2018

Independent Auditor's Report (Contd.)

Annexure B to Independent Auditor's Report

Referred to in Paragraph 2(f) of the Independent Auditor's Report of even date to the Members of TTK Healthcare Limited on the Ind AS Financial Statements for the year ended March 31, 2018

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TTK Healthcare Limited** ("the Company") as of March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper Management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

M/s. PKF Sridhar & Santhanam LLP
Chartered Accountants
Regn. No.003990S/S200018

S Rajeshwari
Partner
Membership No.024105

Place : Chennai
Date : May, 29, 2018

Balance Sheet

as at 31st March, 2018

(Rs. in lakhs)

	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A	**ASSETS**				
1	**Non-current Assets**				
	(a) Property, Plant and Equipments	3.1A	**10,894.98**	9,888.58	10,599.33
	(b) Capital Work-in-progress	3.1B	**79.16**	25.25	84.59
	(c) Other Intangible Assets	3.1C	**57.61**	33.71	23.12
	(d) Financial Assets				
	(i) Investments	3.6A	**925.89**	882.54	652.07
	(ii) Other Financial Assets	3.2	**204.42**	85.31	72.41
	(e) Non Current Tax Assets (Net)		**2,109.18**	583.71	752.74
	(f) Deferred Tax Asset (Net)	3.3	**455.13**	–	–
	(g) Other Non-current Assets	3.4	**441.31**	335.69	363.53
	Total Non-current Assets		**15,167.68**	11,834.79	12,547.79
2	**Current assets**				
	(a) Inventories	3.5	**5,289.51**	4,363.07	4,145.26
	(b) Financial Assets				
	(i) Investments	3.6B	–	–	1,023.30
	(ii) Trade Receivables	3.7	**5,533.71**	3,425.53	3,727.81
	(iii) Cash and Cash Equivalents	3.8	**1,492.32**	1,903.85	1,890.55
	(iv) Bank balances other than (iii) above	3.9	**12,095.27**	6,299.26	5,825.74
	(v) Loans		–	–	1.60
	(vi) Other Financial Assets	3.10	**567.17**	256.88	290.86
	(c) Other Current Assets	3.11	**583.39**	406.98	527.63
	Total Current Assets		**25,561.37**	**16,655.57**	**17,432.75**
	TOTAL ASSETS		**40,729.05**	28,490.36	29,980.54
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	(a) Equity Share Capital	3.12	**1,413.03**	776.60	776.60
	(b) Other Equity	3.13	**21,884.41**	14,970.46	13,354.99
	Equity attributable to owners of the Company		**23,297.44**	15,747.06	14,131.59
	Total Equity		**23,297.44**	15,747.06	14,131.59
2	**Liabilities**				
	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	3.14	**65.93**	86.85	106.10
	(b) Provisions	3.18	**613.38**	444.59	348.31
	(c) Deferred Tax Liabilities (Net)	3.3	–	241.32	191.55
	Total Non-current Liabilities		**679.31**	**772.76**	**645.96**
	Current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	3.15	**4,639.01**	2,200.49	2,195.31
	(ii) Trade Payables	3.16	**8,632.87**	6,670.81	8,216.22
	(iii) Other Financial Liabilities	3.17	**2,771.93**	2,618.39	4,303.29
	(b) Provisions	3.18	**127.01**	76.66	58.87
	(c) Current Tax Liabilities (Net)		**203.64**	–	–
	(d) Other Current Liabilities	3.19	**377.84**	404.19	429.30
	Total Current Liabilities		**16,752.30**	11,970.54	15,202.99
	Total Liabilities		**17,431.61**	12,743.30	15,848.95
	TOTAL EQUITY AND LIABILITIES		**40,729.05**	28,490.36	29,980.54

Significant Accounting Policies and Notes forming part of Financial Statements 2 to 5.
The notes referred to above form an integral part of the Financial Statements.

For **M/s. PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Regn.No. 003990S/S200018

S. Rajeshwari
Partner
Membership No. 024105

Place : Chennai
Date : May 29, 2018

For and on behalf of the Board

T T Jagannathan, Chairman
DIN: 00191522

T T Raghunathan, Executive Vice Chairman (CEO)
DIN: 00043455

R K Tulshan, Director
DIN: 00009876

B N Bhagwat, Director
DIN: 00063628

K Shankaran, Director
DIN: 00043205

Dr (Mrs) Vandana R Walvekar, Director
DIN: 00059160

Girish Rao, Director
DIN: 00073937

S Balasubramanian, Director
DIN: 02849971

N Ramesh Rajan, Director
DIN: 01628318

S Kalyanaraman, Director & Wholetime Secretary
DIN: 00119541

B V K Durga Prasad, Senior Vice President - Finance (CFO)
PAN: AAFPD4104K

Statement of Profit and Loss
for the year ended 31st March, 2018

(Rs. in lakhs)

	Particulars	Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I	Revenue from operations	4.1	**57,754.65**	52,780.55
II	Other income	4.2	**757.47**	572.75
III	**Total Income (I+II)**		**58,512.12**	53,353.30
IV	**Expenses**			
	(a) Cost of materials consumed	4.3	**8,713.56**	4,681.37
	(b) Purchases of stock-in-trade		**15,437.58**	19,750.01
	(c) Changes in inventories of finished goods, stock-in-trade and Work-in-progress	4.4	**8.20**	(87.42)
	(d) Employee benefit expenses	4.5	**10,898.71**	8,799.47
	(e) Finance costs	4.6	**472.93**	311.49
	(f) Depreciation and amortization expenses	4.7	**1,524.22**	1,191.59
	(g) Other expenses	4.8	**18,442.21**	15,789.04
	Total expenses (IV)		**55,497.41**	50,435.55
V	Profit before exceptional items and tax (III- IV)		**3014.71**	2,917.75
VI	Exceptional Items		–	–
VII	**Profit before tax (V+VI)**		**3,014.71**	2,917.75
VIII	**Tax expense**			
	(a) Current tax		**1,125.00**	985.94
	(b) Deferred tax		**73.18**	57.83
			1,198.18	1,043.77
IX	**Profit for the year (VII-VIII)**		**1,816.53**	1,873.98
X	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified subsequently to profit or loss			
	(a) Remeasurements of the defined benefit plans		**61.31**	(11.38)
	(b) Equity instruments through Other Comprehensive Income		**43.34**	230.47
			104.65	219.09
	(ii) Income tax relating to items that will not be reclassified to profit or loss		**(21.22)**	3.94
	B (i) Items that may be reclassified subsequently to profit or loss when specific conditions are met			
	(a) Debt instruments through Other Comprehensive Income		–	(23.30)
	(ii) Income tax relating to items that will be reclassified to profit or loss		–	8.06
	Other Comprehensive Income (A(i)+A(ii)+B(i)-B(ii))		**83.43**	207.79
XI	**Total Comprehensive Income for the year (IX+X)**		**1,899.96**	2,081.77
	Earnings per Equity Share :			
	(Face Value of Rs.10/- each)			
	(1) Basic (in Rs.)	5.11	**12.86**	24.13
	(2) Diluted (in Rs.)	5.11	**12.86**	24.13

Significant Accounting Policies and Notes forming part of Financial Statements 2 to 5.
The notes referred to above form an integral part of the Financial Statements.

For **M/s. PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Regn.No. 003990S/S200018

S. Rajeshwari
Partner
Membership No. 024105

Place : Chennai
Date : May 29, 2018

For and on behalf of the Board

T T Jagannathan, Chairman
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Dr (Mrs) Vandana R Walvekar, Director
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S Balasubramanian, Director
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N Ramesh Rajan, Director
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S Kalyanaraman, Director & Wholetime Secretary
DIN: 00119541

B V K Durga Prasad, Senior Vice President - Finance (CFO)
PAN: AAFPD4104K

Statement of Cash Flows

for the year ended 31st March, 2018

(Rs. in lakhs)

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
Cash Flow from Operating activities		
Profit before tax	**3,014.71**	2,917.75
Adjustments for:		
Remeasurements of defined benefit plans	**61.31**	(11.38)
Depreciation and amortization expenses	**1,524.22**	1,191.60
Interest paid	**472.93**	311.49
Interest received	**(734.99)**	(450.43)
(Profit) / Loss on Sale / Obsolescence of Assets	**(3.57)**	(1.96)
Net gain on sale of investments	–	(83.70)
Dividend Income	**(4.06)**	(4.06)
Operating Profit before working Capital Changes:	**4,330.55**	3,869.31
Adjustments for working capital changes		
Inventories	**(201.85)**	(217.81)
Trade Receivables	**(703.46)**	302.28
Other Receivables	**(81.83)**	146.54
Trade Payables	**576.25**	(1,545.41)
Other Liabilities	**(323.89)**	39.34
Cash generated from operations	**3,595.77**	2,594.25
Less: Direct Taxes Paid	**1,065.62**	812.97
Net Cash generaed from (used in) Operating Activities	**2,530.15**	1,781.28
Cash Flow from Investing Activities		
Cash used in implementing the merger of TTKPDL with the Company *	**(899.51)**	–
Purchase of Fixed Assets	**(442.98)**	(541.15)
Sale of Fixed Assets	**16.43**	2.12
Redemption of Investments in Debentures	–	1,000.00
Investments in Bank deposits (net)	**(1,668.74)**	(473.53)
Interest received	**734.99**	450.43
Net gain on sale of investments	–	83.70
Dividend Received	**4.06**	4.06
Net Cash generated from (used in) investing Activities	**(2,255.75)**	525.63
Cash Flow from Financing Activities		
Borrowings (net of repayment)	**220.02**	(1,515.82)
Interest Paid	**(472.93)**	(311.49)
Dividend Paid	**(467.35)**	(466.30)
Net Cash generated from (used in) Financing Activities	**(720.26)**	(2,293.61)
Net Increase (Decrease) in Cash and Cash equivalents	**(445.86)**	13.30
Cash and Cash equivalents as at the beginning of the year	**1,903.85**	1,890.55
Add: Cash and Cash equivalents transferred from TTKPDL pursuant to merger	**34.33**	–
Adjusted balance at the beginning of the year	**1,938.18**	1,890.55
Total	**1,492.32**	1,903.85
Cash and Cash equivalents as at the end of the year (as per Balance Sheet)	**1,492.32**	1,903.85
***Cash used in implementing the merger of TTKPDL with the Company**		
Net assets taken over pursuant to merger (Accounted under other Equity)	**5,590.03**	–
Less: Elimination of Inter Company receivables / payables and other adjustments on merger	**528.92**	–
Less: Cash assets comprising Cash and Cash equivalents and Other Bank balances	**4,161.60**	–
Balance	**899.51**	–

Notes:

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' set out in Indian Accounting Standard 7 notified under the Companies (Accounting Standards) Rules, 2014.
2. Refer Note 3.15 - Net Debt Reconciliation

For **M/s. PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Regn.No. 003990S/S200018

S. Rajeshwari
Partner
Membership No. 024105

Place : Chennai
Date : May 29, 2018

For and on behalf of the Board

T T Jagannathan, Chairman
DIN: 00191522

K Shankaran, Director
DIN: 00043205

N Ramesh Rajan, Director
DIN: 01628318

T T Raghunathan, Executive Vice Chairman (CEO)
DIN: 00043455

Dr (Mrs) Vandana R Walvekar, Director
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B N Bhagwat, Director
DIN: 00063628

S Balasubramanian, Director
DIN: 02849971

B V K Durga Prasad, Senior Vice President - Finance (CFO)
PAN: AAFPD4104K

Statement of Changes in Equity

for the year ended 31st March, 2018

A. Equity Share Capital (Rs. in lakhs)

Balance as at April 01, 2016	**776.60**
Changes in Equity Share Capital during the year	–
Balance as at March 31, 2017	**776.60**
Issue of 63,64,350 Equity Shares of Rs.10/- each pursuant to merger of TTK Protective Devices Limited with the Company	636.43
Balance as at March 31, 2018	**1,413.03**

B. Other Equity (Rs. in lakhs)

Particulars	Equity Share Capital Reserves							Debt Instruments through OCI	Equity Instruments through OCI	TOTAL
	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Special Contin-gency Reserve	Revaluation Reserve	Retained Earnings			
Balance as at April 01, 2016 (as previously reported)	**681.33**	**34.44**	**982.49**	**2,927.92**	–	**441.43**	**7,777.00**	–	–	**12,844.61**
Impact of Ind AS Adjustments to Retained Earnings (net of Deferred Tax)	–	–	–	–	–	–	(143.56)	15.24	638.70	510.38
Restated balance as at April 01, 2016	681.33	34.44	982.49	2,927.92	–	441.43	7,633.44	15.24	638.70	13,354.99
Profit for the year	–	–	–	–	–	–	1,873.98	–	–	1,873.98
Other Comprehensive Income for the year, net of Income Tax	–	–	–	–	–	–	(11.38)	(15.24)	230.47	203.85
Tax Liability thereon	–	–	–	–	–	–	3.94	–	–	3.94
Total Comprehensive Income for the year	–	–	–	–	–	–	**1,866.54**	**(15.24)**	**230.47**	**2,081.77**
Payment of Dividend	–	–	–	–	–	–	(467.35)	–	–	(467.35)
Transfer to General Reserve*	–	–	–	200.00*	–	–	(200.00)*	–	–	–
Reversal of excess dividend tax provision	–	–	–	1.05	–	–	–	–	–	1.05
Balance as at March 31, 2017	**681.33**	**34.44**	**982.49**	**3,128.97**	–	**441.43**	**8,832.63**	–	**869.17**	**14,970.46**
Balance taken over pursuant to merger #	–	16.13	–	4827.72	–	–	746.18	–	–	5,590.03
Deferred Tax Asset on VRS	–	–	–	479.54	–	–	–	–	–	479.54
Profit for the year	–	–	–	–	–	–	1,816.53	–	–	1,816.53
Payment of Dividend	–	–	–	–	–	–	(467.35)	–	–	(467.35)
Other Comprehensive Income for the year, net of Income Tax	–	–	–	–	–	–	61.31	–	43.34	104.65
Deferred Tax Liability	–	–	–	–	–	–	(21.22)	–	–	(21.22)
Transfer to Special Contingency Reserve	–	–	–	(2,000.00)**	–	–	–	–	–	(2,000.00)
Transferred from General Reserve	–	–	–	–	2,000.00**	–	–	–	–	2,000.00
Less: Compensation paid under Voluntary Retirement Scheme	–	–	–	–	(899.55)	–	–	–	–	(899.55)
Deferred Tax Asset on above	–	–	–	–	311.32	–	–	–	–	311.32
Total for the year	–	**16.13**	–	**3,307.26**	**1,411.77**	–	**2,135.45**	–	**43.34**	**6,913.95**
Balance as at March 31, 2018	**681.33**	**50.57**	**982.49**	**6,436.23**	**1,411.77**	**441.43**	**10,968.08**	–	**912.51**	**21,884.41**

On Amalgamation of TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited with the Company pursuant to National Company Law Tribunal (NCLT) Order dated 15.12.2017 with Appointed Date being 01.04.2012.

Statement of Changes in Equity (Contd.)

for the year ended 31st March, 2018

a.	**Capital Redemption Reserve:**	The Company has recognised Capital Redemption Reserve on buyback of Equity Shares from its retained earnings. The amount in Capital Redemption Reserve is equal to nominal amount of the Equity Shares bought back.
b.	**Securities Premium Reserve:**	The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.
c.	* **General Reserve:**	The Company has transferred a portion of the net profit of the Company before declaring dividend to General Reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.
d.	** **Special Contingency Reserve:**	Company has created Special Contingency Reserve out of General Reserve, as per approved Scheme of Amalgamation of TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited with the Company, pursuant to National Company Law Tribunal (NCLT) Order dated 15.12.2017, with Appointed Date being 01.04.2012.
e.	**Revaluation Reserve:**	The Company has transferred revaluation surplus on revaluation of its immovable properties and this is not available for distribution to Shareholders.
f.	**Retained Earnings:**	Retained Earnings are the profits that the Company has earned till date, less any transfers to General Reserve, dividends or other distributions to Shareholders.

For **M/s. PKF Sridhar & Santhanam LLP**
Chartered Accountants
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S. Rajeshwari
Partner
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Place : Chennai
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For and on behalf of the Board

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B V K Durga Prasad, Senior Vice President - Finance (CFO)
PAN: AAFPD4104K

Notes forming part of Financial Statements

1. Corporate Information

TTK Healthcare Limited (The Company), a part of the TTK Group is a Public Limited Company domiciled in India and incorporated under the provisions of Companies Act, 1956 having its Registered Office at No 6, Cathedral Road, Chennai 600 086, Tamil Nadu, India. The Company's shares are listed and traded in the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in India. TTK Healthcare has four main Strategic Business Units viz., Pharmaceuticals, Consumer Products, Medical Devices and Foods.

During the year, TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited merged with the Company pursuant to the National Company Law Tribunal (NCLT), Division Bench, Chennai, Order dated 15th December, 2017, with the Appointed Date being 1st April, 2012. Consequent to the merger, the erstwhile TTK Protective Devices Limited has become a Division of the Company and for operational convenience, it has been named as "Protective Devices Division".

2(A) Significant Accounting Policies

A.1. Statement of Compliance

These Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) under the Indian Accounting Standards (hereinafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs, pursuant to Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

These Financial Statements for the year ended 31st March, 2018 are the first Financial Statements the Company prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017, the Company prepared its Financial Statements in accordance with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with Paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India immediately before adopting Ind AS.

The Financial Statements for the year ended 31st March, 2017 and the opening Balance Sheet as at 1st April, 2016 have been restated in accordance with Ind AS for comparative information. Reconciliations and explanations of the effect of the transition from Previous GAAP to Ind AS on the Company's Balance Sheet, Statement of Profit and Loss and Statement of Cash Flows are provided in note. The mandatory exceptions and optional exemptions availed by the Company on first time adoption have been detailed in Note 2(C).

A.2. Basis of Preparation and Presentation

The Financial statements have been prepared on historical cost convention on accrual basis of accounting except for certain financial instruments and deferred benefit plans that are measured at fair value. GAAP comprises of Indian Accounting Standards as specified in Section 133 of the Act read together with Rule 4 of Companies (Indian Accounting Standard) (Amendment) Rules 2016 to the extent applicable, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act. Accounting Policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or revision to existing Accounting Standards requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised Accounting Standards on an on-going basis.

A.3. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

The Financial Statements are presented in Indian Rupees Lakhs and all values are rounded off to the nearest two decimals except when otherwise stated.

A.4. Functional and Presentation Currency

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates.

A.5. Summary of Significant Accounting Policies

(a) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or reassessed in line with the Company's Accounting Policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(b) Foreign Currency Transactions:

In preparing the Financial Statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.

Notes forming part of Financial Statements (Contd.)

(c) Revenue Recognition:

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of Excise Duty and net of returns, trade allowances, rebates, volume discounts, Value Added Tax and Goods and Services Tax (GST). Accumulated experience is used to estimate and provide for the sales returns.

Revenue from the sale of goods is recognized when the following conditions are satisfied:

(a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably; and

(d) it is probable that the economic benefits associated with the transaction will flow to the Company.

- **Dividend Income**

  Dividend income from investments is recognized when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

- **Interest Income**

  Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets net carrying amount on initial recognition.

(d) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit or Loss using the effective interest method. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(e) Taxation:

Income tax expense comprises current tax expense and the net change in the Deferred Tax asset or liability during the year. Current and Deferred Tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income or directly in Equity, in which case, the Current and Deferred Tax are also recognized in Other Comprehensive Income or directly in Equity, respectively.

- **Current Tax**

  Current Tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for Current Income Tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined, in accordance with the applicable tax rates and the prevailing tax laws.

  Current Tax Assets and Current Tax Liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

- **Deferred Tax**

  Deferred Tax is recognized on temporary differences between the carrying amounts of assets and a liability in the Financial Statements and the corresponding tax base used in the computation of taxable profit and is accounted for using the Balance Sheet method. Deferred Tax Liabilities are generally recognized for all taxable temporary differences. Deferred Tax Assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

  The carrying amount of Deferred Tax Assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

  Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

  Minimum Alternative Tax ("MAT") credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(f) Property, Plant and Equipments:

Property, Plant and Equipments is stated at cost net of accumulated depreciation and accumulated impairment loss, if any.

Cost comprises the purchase price and any attributable cost of bringing the asset for its intended use. It includes expenditure that is directly attributable to the acquisition of the items. Borrowing costs for acquisition of fixed assets are capitalized till such assets are ready to be put to use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Improvements to Leasehold premises are amortized over the remaining primary lease period.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

For transition to Ind AS, the Company had elected to continue with carrying value of all of its Tangible Assets recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Notes forming part of Financial Statements (Contd.)

Property, Plant and Equipments which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital Work-in-progress".

The Company follows the useful lives set out under Schedule II to the Companies Act, 2013 for the purpose of determining the useful lives of respective blocks of Property, Plant and Equipments.

- **Derecognition of Assets**

  An item of Property, Plant and Equipments is derecognized upon disposal or when no future economic benefits are expected to arise from the continuous use of the asset. Any gain or loss arising from such disposal, retirement or de-recognition of an item of Property, Plant and Equipments is measured as the difference between the net disposal proceeds and the carrying amount of the item. Such gain or loss is recognized in the Statement of Profit and Loss.

  In case of derecognition of a revalued asset, the corresponding portion of the revaluation surplus as is attributable to that asset is transferred to retained earnings on such de-recognition. Such transfers to retained earnings are made through Other Comprehensive Income and not routed through profit or loss.

(g) Intangible Assets:

Intangible Assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Class of Asset	Estimated Useful Life
Software and Licences	6 years

An Intangible Asset is derecognized on disposal, or when no future economic benefits are expected from use of disposal. Gains or losses arising from derecognition of an Intangible Asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the Statement of Profit and Loss when the asset is derecognized.

For transition to Ind AS, the Company had elected to continue with carrying value of all of its intangible assets recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date

(h) Impairment of Property, Plant and Equipments and Intangible Assets

The carrying values of assets / cash generating units are assessed for impairment at the end of every reporting period. If the carrying amount of an asset exceeds the estimated recoverable amount, an impairment is recognized as expense in the Statement of Profit and Loss. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on an appropriate present value factor.

An impairment loss recognized in prior periods for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. In that case, the carrying amount of the asset is increased to its recoverable amount. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

(i) Inventories:

Inventories are valued at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average cost basis.

Cost of raw materials and traded goods comprises cost of purchase.

Cost of finished goods and Work-in-progress includes all costs of purchases, conversion costs and other costs incurred in bringing the inventories to the present location and condition including an appropriate proportion of variable and fixed overhead expenditure.

Net Realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated costs necessary to make the sale.

(j) Employee Benefits:

Employee Benefits include Salaries, Wages, Provident Fund, Employee State Insurance, Superannuation, Gratuity and Leave Encashment towards un-availed leave, compensated absences and other terminal benefits.

- **Defined Contribution Plan**

  The Company's contribution to Provident Fund, Superannuation Fund and Employee State insurance are considered as defined contribution plan and are recognized as and when the employees have rendered services entitling them to contributions under relevant statute / scheme and charged to Statement of Profit and Loss during the period of incurrence.

- **Defined Benefit Plan**

  The Company has an obligation towards Gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an actuarial valuation carried out by an Independent Actuary using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet date.

  Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the Statement of Profit and Loss in the period in which they occur. Re-measurement comprising actuarial gains and losses are reflected immediately in the Balance Sheet with a charge or credit recognized in the Other Comprehensive Income in the period in which they occur. Re-measurement recognized in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to Profit or Loss.

- **Long Term Employee Benefits**

  Provision for Compensated Absences and its classification between Current and Non-Current Liabilities is based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

- **Short Term Employee Benefits**

  A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related services are rendered, at the undiscounted amount of benefits expected to be paid In exchange for that service.

(k) Financial Instruments

Financial Assets

- **Classification.**

  The Company classifies Financial Assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income

Notes forming part of Financial Statements (Contd.)

or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- **Initial Recognition and Measurement:**

  All Financial Assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the Financial Asset. Purchases or sales of Financial Assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

- **Derecognition of Financial Assets**

  The Company derecognises a Financial Asset when the contractual rights to the cash flows from the asset expire, or when it transfers the Financial Asset and substantially all the risks and rewards of ownership of the asset to another party.

  On derecognition of a financial asset in its entirety (except for Equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

- **Investments in Equity Instruments at FVTOCI**

  On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in Other Comprehensive Income pertaining to investments in Equity instruments. This election is not permitted if the Equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in Other Comprehensive Income and accumulated in the 'Reserve for Equity instruments through Other Comprehensive Income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

- **Investments in Debt Instruments at FVTPL**

  On initial recognition, Company classifies its investments in Debt Instruments as measured subsequently at fair value through Profit and Loss, based on its business model for managing the Financial Assets and the contractual item of the cash flows.

  Subsequent measurement of Debt Instruments depends on the Company's business model for managing the asset and the cash flow characteristic of the asset.

- **Impairment of Financial Assets**

  The Company applies the expected credit loss model for recognising impairment loss on Financial Assets measured at amortised cost, Trade Receivables and other contractual rights to receive cash or other financial asset.

  The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

  However, for Trade Receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 18, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. This expected credit loss allowance is computed based on historical credit loss experience.

Financial Liabilities and Equity Instruments

- **Classification as Debt or Equity**

  Debt and Equity Instruments issued by the Company are classified as either financial liabilities or as Equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity Instruments**

  An Equity Instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

- **Financial Liabilities**

  All financial liabilities are recognized initially at fair value. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate(EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

  This category generally applies to interest-bearing loans and borrowings. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

(l) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation and in respect of which the reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Contingent Assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

(m) Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to the ownership of an asset to the Company. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at

Notes forming part of Financial Statements (Contd.)

the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed or the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

For leases which include both land and building elements, basis of classification of each element was assessed on the date of transition, April 01, 2016, in accordance with Ind AS 101 First time Adoption of Indian Accounting Standard.

(n) Earnings per Share:

Basic earnings per share are computed by dividing the net profit after tax attributable to Equity shareholders of the Company by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of Equity Shares considered for deriving basic earnings per share and the weighted average number of Equity Shares that could have been issued upon conversion of all dilutive potential equity shares.

(o) Segment Reporting:

Segments have been identified in line with the Indian Accounting Standard on Segment Reporting (Ind AS 108) considering the organization structure and the differential risks and returns of these segments.

Details of products included in each of the segments are as below:

- Pharmaceuticals include products for both Human and Veterinary use.
- Consumer Products comprise of marketing and distribution of Woodward's Gripewater, EVA Range of Cosmetics, Good Home Range of Scrubbers, Air Fresheners, etc. (Own Brands).
- Medical Devices include Artificial Heart Valves, Orthopaedic Implants, etc.
- Protective Devices comprise of Condoms and related products. (New Segment consequent to merger.)
- Foods comprise of manufacturing and marketing of Food Products.
- "Others" include Printing and Publishing of Maps and Atlases.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. The segment-wise revenue, results and capital employed figures relate to respective amounts directly identifiable to each of the segments. The unallocable expenditure includes expenses incurred on common services at the corporate level and also those expenses not identifiable to any specific segment.

(p) Cash and Cash equivalents:

Cash comprises cash-on-hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

(q) Share Capital:

Ordinary shares are classified as equity. Incremental Costs directly attributable to the issue of share options are recognized as deduction from equity, net of any tax effects. Such Issue expenses are set off against reserves.

2(B) Significant accounting judgements, estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Defined benefit obligations (gratuity and long term compensated absences)

The cost of the defined benefit gratuity plan/Long term Compensated absences and the present value of the gratuity obligation/Long term compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 3.18.

b. Income Taxes – The calculations of income taxes required judgement in interpreting tax rules and regulations. Management judgment is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized.

c. Recognition of Deferred Tax – The Company estimates the possible utilization of unabsorbed losses while recognizing deferred tax asset considering the future business plan and economic environment.

2(C) First time adoption – mandatory exceptions and optional exemptions

(i) Overall principle:

The Company has prepared the opening Balance Sheet as per Ind AS as of April 01, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities. However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as detailed below.

(ii) Deemed cost for Property, Plant and Equipments

The Company has elected to continue with the carrying value of all its Property, Plant and Equipments recognized as of April 01, 2016 (transition date) measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

(iii) Deemed cost for intangible assets

The Company has elected to continue with the carrying value of all intangible assets recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

Notes forming part of Financial Statements (Contd.)

(iv) Business Combination

An entity may elect not to apply Ind AS 103 retrospectively to all business combinations that occurred before the date of transition to Ind AS. The Company has elected not to apply Ind AS 103 to business combination that occured before the date of transition to Ind AS.

(v) Classification and measurement of financial assets

The Company has assessed classification and measurement of financial assets on the basis of facts and circumstances that existed as on transition date.

- Equity investments at FVTOCI

  The Company has designated investment in Equity Shares of Apollo Hospitals Enterprise Limited and TTK Prestige Limited as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

- Debt investments at FVTOCI

  The Company has designated investment in debentures of Citicorp Finance (India) Limited as at FVTOCI on the basis of facts and circumstances that existed at the transition date.

(vi) Lease

Ind AS 17 – Leases: In accordance with Appendix C to Ind AS 17, the determination whether an arrangement contains a lease is made at the inception of the arrangement, which is the earlier of the date of the arrangement and the date of commitment by the parties to the principal terms of the arrangement. An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a lease and classification of the same as financial or operating. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.

2(D) Standards issued but not yet effective

a. On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) (Amendment) Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

b. The amendment will come into force from April 01, 2018. The Company has evaluated the effect of this on the Financial Statements and the impact is not material.

c. Ministry of Corporate Affairs ("MCA") has also notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

d. The Company will adopt the standard on April 01, 2018 and the effect on adoption of Ind AS 115 is expected to be insignificant.

e. Other changes include principle for transfer of asset to, or from, Investment Property (Amendment to Ind AS 40), segregation of deductible temporary differences in accordance with tax laws and assessing them on that basis to recognise deferred tax asset (Amendment to Ind AS 12), and Applicability of disclosure requirements to interest classified as held for sale or as discontinued operation (Amendment to Ind AS 112).

f. None of these amendments are expected to have any material effect on the Company's Financial Statements.

2(E) Standards issued and effective

There were certain amendments to the Accounting Standards which were applicable from this financial year, namely viz:

a. Amendment to Ind AS 7 requiring the entities to provide disclosures that enable users of Financial Statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement, which have been addressed in the current financials; and

b. Amendment to Ind AS 102 providing specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes, which does not have any impact on this Company.

Notes forming part of Financial Statements (Contd.)

Note No. 3.1A: Property, Plant and Equipments			**(Rs. in lakhs)**
Summary			
Carrying amount of	**As at Mar 31, 2018**	As at March 31, 2017	As at April 01, 2016
Freehold Assets			
- Land	902.44	551.08	551.08
- Buildings	2,756.48	1,973.39	2,005.98
Plant & Equipments	5,773.41	6,002.31	6,641.49
Furniture & Fixtures	120.56	98.25	92.14
Vehicles	102.00	90.86	74.76
Office Equipments	126.06	41.28	47.05
Computers	61.94	41.23	53.07
TOTAL - FREEHOLD ASSETS	**9,842.89**	8,798.40	9,465.57
Leased Assets	1,052.09	1,090.18	1,133.76
TOTAL - LEASEHOLD ASSETS	**1,052.09**	1,090.18	1,133.76
Captial Work in Progress	79.16	25.25	84.59
As per Balance Sheet	**10,974.14**	9,913.83	10,683.92

The Company has elected to continue with the carrying value of its Property, Plant and Equipments recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 'First time Adoption of Indian Accounting Standards' (Refer Note 2(C)).

(Rs. in lakhs)

Description	**Freehold Assets**								**Leasehold Assets**					
Carrying amount of	**Land**	**Buildings**	**Plant & Equipments**	**Furniture & Fixtures**	**Vehicles**	**Office Equipments**	**Computers**	**Total**	**Land**	**Buidlings**	**Plant & Equipments**	**Vehicles**	**Total**	**Grand Total**
Cost or Deemed Cost														
Balance at April 01, 2016	**551.08**	**2,005.98**	**6,641.49**	**92.14**	**74.76**	**47.05**	**53.07**	**9,465.57**	**884.69**	**110.46**	**3.72**	**134.89**	**1,133.76**	**10,599.33**
Additions / (Deletions)	–	48.92	212.31	23.88	32.76	8.44	30.03	356.34	–	–	–	16.57	16.57	372.91
Transfer from Capital Work-in-progress	–	–	84.35	–	–	–	0.24	84.59	–	–	–	–	–	84.59
Balance at March 31, 2017	**551.08**	**2,054.90**	**6,938.15**	**116.02**	**107.52**	**55.49**	**83.34**	**9,906.50**	**884.69**	**110.46**	**3.72**	**151.46**	**1,150.33**	**11,056.83**
Additions on account of merger	351.36	965.70	1,175.01	69.66	25.06	99.44	29.31	2,715.54	–	–	–	–	–	2,715.54
Additions / (Deletions)	–	6.69	108.71	4.51	13.88	12.53	25.10	171.42	–	–	–	23.13	23.13	194.55
Transfer from Capital Work-in-progress	–	–	50.23	–	–	–	–	50.23	–	–	–	–	–	50.23
Balance at March 31, 2018	**902.44**	**3,027.29**	**8,272.10**	**190.19**	**146.46**	**167.46**	**137.75**	**12,843.69**	**884.69**	**110.46**	**3.72**	**174.59**	**1,173.46**	**14,017.15**
Accumulated depreciation and impairment														
Balance at April 01, 2016	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Depreciation for the year	–	81.51	935.84	17.77	16.66	14.21	42.11	1,108.10	9.98	11.33	3.72	49.20	74.23	1,182.33
Deletions	–	–	–	–	–	–	–	–	–	–	–	14.08	14.08	14.08
Balance at March 31, 2017	–	**81.51**	**935.84**	**17.77**	**16.66**	**14.21**	**42.11**	**1,108.10**	**9.98**	**11.33**	**3.72**	**35.12**	**60.15**	**1,168.25**
Addition on account of merger	–	54.32	350.22	17.45	6.19	7.23	2.77	438.18	–	–	–	–	–	438.18
Depreciation for the year	–	134.98	1,213.09	34.41	21.61	19.96	30.93	1,454.98	9.98	6.40	–	45.15	61.53	1,516.51
Deletions	–	–	0.46	–	–	–	–	0.46	–	–	–	0.31	0.31	0.77
Balance at March 31, 2018	–	**270.81**	**2,498.69**	**69.63**	**44.46**	**41.40**	**75.81**	**3,000.80**	**19.96**	**17.73**	**3.72**	**79.96**	**121.37**	**3,122.17**
Net Book Value														
Balance at April 01, 2016	551.08	2,005.98	6,641.49	92.14	74.76	47.05	53.07	9,465.57	884.69	110.46	3.72	134.89	1,133.76	10,599.33
Balance at March 31, 2017	551.08	1,973.39	6,002.31	98.25	90.86	41.28	41.23	8,798.40	874.71	99.13	–	116.34	1,090.18	9,888.58
Balance at Mar 31, 2018	**902.44**	**2,756.48**	**5,773.41**	**120.56**	**102.00**	**126.06**	**61.94**	**9,842.89**	**864.73**	**92.73**	–	**94.63**	**1,052.09**	**10,894.98**

Notes forming part of Financial Statements (Contd.)

Note No.3.1B: Capital Work-in-progress

(Rs. in lakhs)

Carrying amount of	Building	Plant & Equipments	Total
Cost or Deemed Cost			
Balance at April 01, 2016	–	84.59	84.59
Additions	–	25.25	25.25
Transfer to Plant & Equipments	–	84.59	84.59
Balance at March 31, 2017	–	25.25	25.25
Addition on account of merger	–	24.98	24.98
Additions	0.97	78.19	79.16
Transfer to Plant & Equipments	–	50.23	50.23
Balance at March 31, 2018	**0.97**	**78.19**	**79.16**
Accumulated impairment	–		–
Balance at April 01, 2016	–	–	–
Additions	–	–	–
Deletions	–	–	–
Balance at March 31, 2017	–	–	–
Additions	–	–	–
Deletions	–	–	–
Balance at March 31, 2018	–	–	–
Net Book Value			
Balance at April 01, 2016	–	84.59	84.59
Balance at March 31, 2017	–	25.25	25.25
Balance at March 31, 2018	**0.97**	**78.19**	**79.16**

Note No.3.1C: Other Intangible Assets

(Rs. in lakhs)

Carrying amount of	Computer Software	Total
Cost or Deemed Cost		
Balance at April 01, 2016	23.12	23.12
Additions / (Deletions)	18.59	18.59
Transfer from Capital Work-in-progress	0.24	0.24
Balance at March 31, 2017	**41.95**	**41.95**
Additions on account of merger	24.69	24.69
Additions / (Deletions)	6.92	6.92
Transfer from Capital Work-in-progress	–	–
Balance at March 31, 2018	**73.56**	**73.56**
Accumulated depreciation and impairment	–	–
Balance at April 01, 2016	–	–
Depreciation for the year	9.27	9.27
Deletions	1.03	1.03
Balance at March 31, 2017	**8.24**	**8.24**
Addition on account of merger	–	–
Depreciation for the year	7.71	7.71
Deletions	–	–
Balance at March 31, 2018	**15.95**	**15.95**
Net Book Value		
Balance at April 01, 2016	23.12	23.12
Balance at March 31, 2017	33.71	33.71
Balance at March 31, 2018	**57.61**	**57.61**

The Company has elected to continue with the carrying value of its Property, Plant and Equipments recognized as of April 01, 2016 (transition date) measured as per the previous GAAP and used that carrying value as its deemed cost as on the transition date as per Para D7AA of Ind AS 101 'First time Adoption of Indian Accounting Standards'. [Refer Note 2(C)]

Notes forming part of Financial Statements (Contd.)

Note No.3.2: Other Financial Assets - Non-Current

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Security Deposits	**204.42**	85.31	72.41
	204.42	85.31	72.41

Note No.3.3: Deferred Tax Assets (Net)

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Deferred Tax Assets			
Provision for post retirement benefits and other employee benefits - Bonus and Compensated absence	**218.46**	194.65	101.05
Water Charges	**43.51**	40.09	35.94
Stock Returns and Expected Credit Loss	**389.42**	356.03	323.32
Voluntary Retirement Scheme	**555.01**	–	–
Less:			
Deferred Tax Liabilities			
Property, Plant and Equipments and Intangible assets	**730.05**	832.09	643.80
Provision for post retirement benefits and other employee benefits - Gratuity	**21.22**	–	–
Revaluation of debt instrument	–	–	8.06
	455.13	(241.32)	(191.55)

Note No.3.4: Other Non-Current Assets

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Capital Advances	**362.36**	263.64	288.28
Deposits with Government Departments	**78.95**	72.05	75.25
	441.31	335.69	363.53

Note No.3.5: Inventories

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Raw Materials	**1,269.81**	780.11	663.65
(b) Work-in-progress	**816.60**	335.06	334.08
(c) Finished and semi-finished goods*	**3,138.41**	2,766.19	2,644.24
(d) Stock-in-trade (in respect of goods acquired for trading)	**14.81**	417.43	452.94
(e) Stores and Spares	**49.88**	64.28	50.35
	5,289.51	4,363.07	4,145.26

*Include Goods-in-transit in Current Year - Rs.29.15 lakhs (Previous Year - Rs.57.62 lakhs and as at 1st April, 2016 - Rs.40.67 lakhs).

Mode of Valuation: Inventories are valued at lower of cost (computed on a weighted average basis) and estimated Net Realisable Value after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Finished Goods and Work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Until the previous year, the Company had been valuing its inventory on FIFO basis and has changed to Weighted Average basis in the current year. Impact on account of change in this policy is however not material.

Notes forming part of Financial Statements (Contd.)

Note No.3.6: Investments

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Note No.3.6A: Non-Current:			
Quoted investments:			
Investment in Equity Instruments - Carried at Fair Value Through OCI			
14,800 Equity Shares of Rs.10/- each of TTK Prestige Limited	**915.24**	870.89	638.78
(As at 31st March 2017 and 1st April 2016 - 14,800 Equity Shares of Rs.10/ each)			
1,000 Equity Shares of Rs.5/- each of Apollo Hospitals Enterprise Limited	**10.65**	11.65	13.29
(As at 31st March 2017 and 1st April 2016 - 1,000 Equity Shares of Rs.5/ each)			
Non-Current Investment Total (A)	**925.89**	882.54	652.07
Aggregate book value of quoted instruments	**13.37**	13.37	13.37
Aggregate market value of quoted instruments	**925.89**	882.54	652.07
Note No.3.6B: Current:			
Quoted investments:			
Investment in Debt Instruments - Carried at fair Value Through OCI			
1,000 Listed, Rated, Secured, Redeemable, Index Linked, Non-Convertible Debentures of face value of Rs.1,00,000/- each, having a maturity of 25 Months, of Citicorp Finance (India) Limited	–	–	1,023.30
Current Investment Total (B)	–	–	1,023.30
Aggregate book value of quoted instruments	–	–	1,000.00
Aggregate market value of quoted instruments	–	–	1,023.30
Total (A) + (B)	**925.89**	882.54	1,675.37

Note No.3.7: Trade Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good:			
Due from Related Parties (Refer Note 5.10)	–	5.30	6.17
Others	**5,533.71**	3,420.23	3721.64
Unsecured, considered doubtful	**34.48**	26.52	23.34
Less: Allowance for Doubtful debts	**(34.48)**	(26.52)	(23.34)
Total	**5,533.71**	3,425.53	3,727.81

Note No.3.7A: Age of Receivables

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Within the credit period	**3,939.28**	2,640.53	2,618.48
1 - 30 days past due	**1,386.19**	959.03	1,094.48
31 - 90 days past due	**871.04**	551.60	705.75
More than 90 days past due	**440.21**	303.11	243.32
	6,636.72	4,454.27	4,662.03
Less: Sales Returns and expected Credit Loss related adjustments	**1,103.01**	1,028.74	934.22
Total	**5,533.71**	3,425.53	3,727.81

Note No.3.7 (B) Provision for Doubtful Debts

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balance at the beginning of the year	**26.52**	23.34	19.31
Add: Allowance for bad and doubtful debts during the year	**7.96**	3.18	4.03
Balance at the end of the year	**34.48**	26.52	23.34

Notes forming part of Financial Statements (Contd.)

Note No.3.8: Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
(a) Balance with banks:			
Balance in Current Account	**1,273.53**	1,172.10	1,499.67
Bank Deposit with original maturity of 3 months and less than 3 Months	**200.00**	710.00	350.00
(b) Cash-on-hand:	**18.79**	21.75	40.88
Total	**1,492.32**	1,903.85	1,890.55

Note No.3.9: Bank balance other than Cash and Cash Equivalents

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Earmarked Bank Balances			
In Deposit Account held as margin money	**3,374.19**	10.45	20.85
In Deposit Account held as security against Guarantees	**119.98**	44.67	33.90
In Dividend Warrant Account	**58.96**	55.63	51.69
Other bank balances			
Deposit Account with more than 3 Months maturity	**8,542.14**	6,188.51	5,719.30
Total	**12,095.27**	6,299.26	5,825.74

Note No.3.10: Other Financial Assets - Current

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Lease Deposit			
With Related Parties (Refer Note 5.10)	**63.50**	25.50	25.50
With Others	**54.05**	60.40	60.66
Earnest Money Deposits	**227.06**	42.58	35.45
Interest accrued on Fixed Deposits	**219.16**	127.50	169.25
Security Deposit	**3.40**	0.90	–
Total	**567.17**	256.88	290.86

Note No.3.11: Other Current Assets

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Unsecured, considered good			
Prepaid expenses / insurance	**172.94**	119.57	112.45
Advance to Suppliers	**102.95**	171.69	318.81
Advance Others	**157.41**	115.72	96.37
Taxes available for set-off	**150.09**	–	–
Total	**583.39**	406.98	527.63

Notes forming part of Financial Statements (Contd.)

Note No.3.12: Equity Share Capital

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Share Capital:			
2,00,00,000 Equity Shares of Rs.10/- each	**2,000.00**	1,000.00	1,000.00
(31st March 2017 - 1,00,00,000 Equity Shares of Rs.10/- each)			
(1st April 2016 - 1,00,00,000 Equity Shares of Rs.10/- each)			
Issued, Subscribed and Paid-up Share Capital:			
1,41,30,333 Equity Shares of Rs.10/- each	**1,413.03**	776.60	776.60
(31st March 2017 - 77,65,983 Equity Shares of Rs.10/- each)			
(1st April 2016 - 77,65,983 Equity Shares of Rs.10/- each)			
Total	**1,413.03**	776.60	776.60

Note No.3.12A: Movement in respect of Equity Share Capital is given below

(Rs. in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	Amount	Nos.	Amount	Nos.	Amount
At the beginning of the period	**77,65,983**	**776.60**	77,65,983	776.60	77,65,983	776.00
(+) Allotted during the period*	**63,64,350**	**636.43**	–	–	–	–
(-) Redeemed during the period	–	–	–	–	–	–
Outstanding at the end of the period	**1,41,30,333**	**1,413.03**	77,65,983	776.60	77,65,983	776.60

*Paid-up Share Capital of 1,41,30,333 Equity Shares includes 63,64,350 Equity Shares of Rs.10/- each allotted to the Shareholders of erstwhile TTK Protective Devices Limited (TTKPDL) which merged with the Company during the year pursuant to Scheme of Amalgamation sanctioned by National Company Law Tribunal (NCLT), Division Bench, Chennai Under the Scheme, Shareholders of TTKPDL were allotted 9 Equity Shares of Rs.10/- each of TTK Healthcare Limited for every 2 Equity Shares of Rs.10/- each held by them in the erstwhile TTKPDL.

Note No.3.12B: Rights, Preferences and Restrictions Attached to Shares

Equity Shares: The Company has one class of Equity Shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders at the ensuing Annual General Meeting, except in case of Interim Dividend.

Note No.3.12C: Details of Shareholders holding more than 5% shares in the Company

(Rs. in lakhs)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 01, 2016	
	Nos.	% of Holding	Nos.	% of Holding	Nos.	% of Holding
(i) T.T.Krishnamachari & Co. represented by its Partners	**95,32,610**	**67.46**	41,44,085	53.36	41,44,085	53.36
(ii) MCap India Fund Limited	**9,00,000**	**6.37**	–	–	–	–
(iii) Mr.T T Jagannathan	**7,59,298**	**5.37**	7,30,048	9.40	7,30,048	9.40

Note No.3.12D: Dividend on Equity Shares

(Rs. in lakhs)

Particulars	2017-18	2016-17	2015-16
Final Dividend paid during the year (Pertaining to the previous year)	**388.30**	388.30	349.47
Dividend Distribution Tax on Final Dividend	**79.05**	79.05	71.14

Notes forming part of Financial Statements (Contd.)

Note No.3.13: Other Equity

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Capital Reserve	**681.33**	681.33	681.33
Capital Redemption Reserve	**50.57**	34.44	34.44
Security Premium Reserve	**982.49**	982.49	982.49
General Reserve	**6,436.21**	3,128.97	2,927.92
Special Contingency Reserve	**1,411.77**	–	–
Revaluation Reserve	**441.43**	441.43	441.43
Retained earnings	**10,968.09**	8,832.63	7,633.44
Debt Instrument through OCI	–	–	15.24
Equity through OCI	**912.52**	869.17	638.70
Total	**21,884.41**	14,970.46	13,354.99

Note No.3.14: Financial Liabilities - Non Current Borrowings

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured - at amortized cost:			
Finance Lease Obligation	**109.73**	131.89	152.90
Less: Current maturities of finance lease obligation	**(43.80)**	(45.04)	(46.80)
Total	**65.93**	86.85	106.10

Finance Lease is secured by hypothecation of the leased assets. Interest rate for the same is 15% to 15.5% and are repayable in monthly instalments till January 2023.

Note No.3.15: Other Financial Liabilities - Current Borrowings

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Secured Short Term Borrowings:			
Loan Repayable on demand from banks	**4,639.01**	2,200.49	2,195.31
Total	**4,639.01**	2,200.49	2,195.31

Nature of Security and Term of Repayment for Secured Loans availed from banks			
1. Cash Credit facility from Corporation Bank - Secured by hypothecation of stock, book debts. Repayable on demand at 10.4% interest per annum.	**1,700.58**	1,708.25	1,736.35
2. Cash Credit facility from Corporation Bank - Secured by hypothecation of Fixed Deposits. Repayable on demand at Fixed Deposit rate + 0.75% interest per annum.	**2,458.05**	–	–
3. Cash Credit facility from Bank of Baroda - Secured by hypothecation of stock, book debts. Repayable on demand at 10.4% interest per annum.	**480.38**	492.24	458.96
Total	**4,639.01**	2,200.49	2,195.31

Net Debt Reconciliation

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Cash and Cash Equivalents	**1,492.32**	1,903.85	1,890.55
Current Borrowings	**(4,639.01)**	(2,200.49)	(2,195.31)
Non - Current Borrowings	**(109.73)**	(131.89)	(1,652.89)
Net Debt	**(3,256.42)**	(428.53)	(1,957.65)

Notes forming part of Financial Statements (Contd.)

Particulars	Cash and Cash Equivalents	Current Borrowings	Non - Current Borrowings	Total
Net Debt as at 1st April, 2016	1,890.55	(2,195.31)	(1,652.89)	(1,957.65)
Cash Flows	13.30	–	–	13.30
Proceeds from availments	–	(5.18)	–	(5.18)
Repayments	–	–	1,521.00	1,521.00
Interest Expenses	–	(311.49)	–	(311.49)
Interest Paid	–	311.49	–	311.49
Net Debt as at 1st April, 2017	**1,903.85**	**(2,200.49)**	**(131.89)**	**(428.53)**
Cash Flows	(411.53)	–	–	(411.53)
Proceeds from availments (Including debts pertaining to the erstwhile TTK Protective Devices Limited which merged with the Company)	–	(2,438.52)	–	(2,438.52)
Repayments	–	–	22.16	22.16
Interest Expenses	–	(472.93)	–	(472.93)
Interest Paid	–	472.93	–	472.93
Net Debt as at 31st March, 2018	**1,492.32**	**(4,639.01)**	**(109.73)**	**(3,256.42)**

Note No.3.16: Trade Payables

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Due to Related Parties (Refer Note 5.10)	**154.07**	773.36	722.71
Due to Others	–	–	–
Due to Micro and Small Enterprises (Refer Note 3.16 A below)	–	–	–
Other than Micro and Small Enterprises	**8,478.80**	5,897.45	7,493.51
Total	**8,632.87**	6,670.81	8,216.22

Note No.3.16A: Due to Micro and Small Enterprises

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Principal amount payable (but not due) to suppliers as at year end	–	–	–
Interest accrued and due to suppliers on the above amount as at year end	–	–	–
Payment made to suppliers (other than interest) beyond the appointed day, during the year	–	–	–
Interest paid to suppliers (other than Section 16)	–	–	–
Interest paid to suppliers (Section 16)	–	–	–
Interest due and payable to suppliers for payments already made	–	–	–
Interest accrued and remaining unpaid to suppliers as at year end	–	–	–

Note No.3.17: Other Financial Liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current maturities of long-term debt (Secured by the first charge on the Plant and Machinery of the Foods Factory at Jaipur)	–	–	1500.00
Current maturities of finance lease obligation (secured by ownership of the vehicles / equipments)	**43.80**	45.04	46.80
Unpaid Dividends	**58.96**	55.63	51.69
Other payables	**960.46**	902.92	852.89
Liability for capital goods	**38.62**	129.36	262.88
Employee related liabilities (Refer Note 5.10 for KMP related payables)	**1,670.09**	1,485.44	1589.03
Total	**2,771.93**	2,618.39	4303.29

Notes forming part of Financial Statements (Contd.)

Note No.3.18: Provisions

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Non-Current:			
Provision for Employee Benefits:			
Compensated absences	**494.17**	396.92	245.28
Gratuity	**119.21**	47.67	103.03
Total (A)	**613.38**	444.59	348.31
Current:			
Provision for Employee Benefits:			
Compensated absences	**72.21**	57.02	46.71
Gratuity	**54.80**	19.64	11.11
Others:			
Provision for Dividend Tax	–	–	1.05
Total (B)	**127.01**	76.66	58.87
Total (A) + (B)	**740.39**	521.25	407.18

Note No.3.19: Other Current Liabilities

(Rs. in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Statutory dues payable	**268.30**	404.19	429.30
Advance from Customers	**109.54**	–	–
Total	**377.84**	404.19	429.30

Notes forming part of Financial Statements (Contd.)

Note No.4.1: Revenue from Operations (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
(A) Sale of Products (Net of Sales Returns)	**57,595.58**	52,531.06
(B) Other Operating Revenues	**159.07**	249.49
Total Revenue from Operations	**57,754.65**	52,780.55

Note No.4.2: Other Income (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
(a) Interest Income - Fixed deposit	**734.99**	450.43
- Others	**6.88**	3.13
(b) Dividend Income from equity investments at FVTOCI	**4.06**	4.06
(c) Net gain / (loss) on sale from investments	–	83.70
(d) Other non-operating income (net of expenses directly attributable to such income).	**11.54**	29.72
(e) Net foreign exchange gain	–	1.71
Total	**757.47**	572.75

Note No.4.3: Cost of Materials Consumed (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
Opening Stock of raw material & packing material	**780.11**	663.65
Purchase of raw material & packing material & Excise Duty	**4,478.71**	4,797.83
	5,258.82	5,461.48
Less: Closing Stock of raw material & packing material	**(520.12)**	(780.11)
Consumption (A)	**4,738.70**	4,681.37
Inventory taken over pursuant to merger:		
Stock of raw material & packing material	**265.26**	–
Purchase of raw material & packing material & Excise Duty	**4,459.29**	–
	4,724.55	–
Less: Closing Stock of raw material & packing material	**(749.69)**	–
Consumption (B)	**3,974.86**	–
Total (A)+(B)	**8,713.56**	4,681.37

Note No.4.4: Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
Opening Inventories		
Finished goods	**3,183.62**	3,097.17
Work-in-progress	**335.06**	334.09
	3,518.68	3,431.26
Inventory taken over pursuant to merger:		
Finished goods	**138.50**	–
Work-in-progress	**320.83**	–
	459.33	–
Closing inventories		
Finished goods	**3,153.21**	3,183.62
Work-in-progress	**816.60**	-335.06
	3,969.81	3,518.68
Changes in Inventories	**8.20**	(87.42)

Notes forming part of Financial Statements (Contd.)

Note No.4.5: Employee Benefit Expenses (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
(a) Salaries, Wages and Bonus	**9,041.88**	7,402.31
(b) Contribution to Provident and Other Funds	**649.82**	514.07
(c) Gratuity and Superannuation	**407.36**	387.15
(d) Contribution to E.S.I.	**145.27**	81.58
(e) Welfare Expenses	**654.38**	414.36
Total	**10,898.71**	8,799.47

Note No.4.6: Finance Costs (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
(a) Interest expense	**463.93**	299.49
(b) Other borrowing costs	**9.00**	12.00
Total	**472.93**	311.49

Note No.4.7: Depreciation and Amortization Expenses (Rs. in lakhs)

Particulars	For the year ended 31-03-2018	For the year ended 31-03-2017
(a) Depreciation	**1,516.52**	1182.32
(b) Amortization Expenses	**7.70**	9.27
Total	**1,524.22**	1,191.59

Note No.4.8: Other Expenses (Rs. in lakhs)

Particulars	For the year ended 31-03-2018		For the year ended 31-03-2017	
Power & Fuel		**1,159.91**		661.56
Repairs & Maintenance:				
Repairs to Building	**109.22**		66.42	
Repairs to Machinery	**514.07**		578.32	
Factory / Office Upkeep	**390.10**	**1,013.39**	208.83	853.57
Consumable Stores		**96.71**		67.78
General Insurance		**78.77**		27.35
Rates & Taxes		**74.31**		20.23
Rent		**234.08**		207.04
Electricity		**97.38**		74.92
Printing & Stationery		**177.48**		143.43
Postage & Telephones		**278.04**		246.98
Carriage Outwards		**2,155.36**		1,995.10
Transit Insurance		**45.95**		45.16
Advertisement & Sales Promotion		**7,505.61**		6,396.07
Travelling & Conveyance		**2,963.48**		2,884.41
Audit & Other Fees:				
Statutory Audit	**24.00**		19.05	
Cost Audit	**3.15**	**27.15**	4.04	23.09
Donation		**1.97**		2.29
Expenditure on Corporate Social Responsibility		**10.00**		54.35
Depot Service Charges		**977.18**		1,055.27
Directors' Sitting Fees		**13.42**		13.78
Loss on Sale of Assets		**3.68**		0.01
Conversion Charges		**42.93**		4.20
Provision for Doubtful Debts		**7.96**		3.18
Net foreign exchange loss		**8.02**		–
Bad debts written off		**67.37**		26.59
Non-Recoverable Advances written off		**2.83**		–
Legal and Consultancy Charges		**661.57**		352.99
Research and Development Expenses		**223.04**		234.79
Miscellaneous Expenses		**514.62**		394.90
Total		**18,442.21**		15,789.04

Notes forming part of Financial Statements (Contd.)

5.1 Financial Risk Management

The Company's business activities expose it to a variety of financial risks, viz., Liquidity Risk, Market Risk and Credit Risk. The Company's Senior Management has the overall responsibility for the establishment and oversight of the Company's Risk Management Framework. The key risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's Risk Management Policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk Management Policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

In the ordinary course of business, the Company is exposed to Market risk, Credit Risk and Liquidity Risk.

5.1.1 Market Risk

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market Risk comprises three types of risk: Interest Rate Risk, Foreign Currency Risk and Commodity Price Risk.

(a) Interest Rate Risk

Interest Rate Risk Is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term debt obligations with floating interest rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the Company's profit would be impacted by Rs.19.08 lakhs in FY 2017-18 (FY 2016-17 - Rs.5.71 lakhs).

(b) Foreign Currency Risk

Foreign Currency Risk is the risk that the fair value of future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities which is very minimal.

The details of foreign currency exposures not hedged by Derivative Instruments are as under:

Particulars	Currency	As at March 31, 2018		As at March 31, 2017	
		Foreign Currency	Rs. in lakhs	Foreign Currency	Rs. in lakhs
Trade Receivables	USD	5.69	370.09	0.95	63.39
Trade Payables	USD	0.08	5.23	–	–
Trade Payables	GBP	0.01	1.01	–	–
Trade Payables	EURO	0.02	1.99	1.35	99.06

Foreign Currency Sensitivity Analysis:

The Company is principally exposed to Foreign Currency Risk against USD, Euro and GBP. Sensitivity of profit or loss arises mainly from USD, Euro and GBP denominated receivables and payables.

As per Management's assessment of reasonable possible changes in the exchange rate of + / - 5% between USD-INR, Euro-INR & GBP-INR currency pair, sensitivity of profit or loss only on outstanding foreign currency denominated monetary items at the period end is presented below:

Particulars	March 31, 2018			March 31, 2017	
	USD	EURO	GBP	USD	EURO
Receivables:					
Weakening of INR by 5%	18.50	–	–	3.17	–
Strengthening of INR by 5%	(18.50)	–	–	(3.17)	–
Payables:					
Weakening of INR by 5%	(0.26)	(0.10)	(0.05)	–	(4.95)
Strengthening of INR by 5%	0.26	0.10	0.05	–	4.95

(c) Commodity Price Risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of raw materials. Therefore, the Company monitors its purchases closely to optimise the price.

5.1.2 Credit Risk

Credit Risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to financial loss. Credit Risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration of risks.

Notes forming part of Financial Statements (Contd.)

Financial instruments that are subject to concentrations of Credit Risk principally consist of investments classified as loans and receivables, trade receivables, loans and advances, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of Credit Risk.

The Company does not have significant credit exposure to any single customer. Concentration of Credit Risk to a single customer did not exceed 10% of receivables in the FY 2017-18 except for one customer whose outstanding balance was Rs.853.55 lakhs. (FY 2016-17 - Nil)

5.1.3 Financial assets that are neither past due nor impaired

Cash and cash equivalents, financial assets carried at fair value and interest bearing deposits with corporate are neither past due nor impaired. Cash and cash equivalents with banks and interest-bearing deposits placed with corporates, which have high credit-rating assigned by international and domestic credit-rating agencies. Financial assets carried at fair value are investments in Equity Shares. With respect to trade receivables and other financial assets that are past due but not impaired, there are no indications as of March 31, 2018, that defaults in payment obligations will occur except as described in Note 3.7 on allowances for impairment of trade receivables. The Company does not hold any collateral for trade receivables and other financial assets. Trade receivables and other financial assets that are neither past due nor impaired relate to new and existing customers and counter parties with no significant defaults in past.

5.1.4 Trade Receivables

Customer Credit Risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed assessment and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The Company does not hold any collateral security. The Company evaluates the concentration of risk with respect to Trade Receivables as low, as its customers are located in several jurisdictions and operate in largely independent markets.

5.1.5 Financial Instruments and Cash Deposits

Credit Risk from balances with banks and financial institutions is managed by the Company's Treasury Department, in accordance with the Company's policy. The cash surpluses of the Company are short term in nature and are invested in Fixed Deposit with Scheduled Commercial banks. Hence, the assessed credit risk is low.

5.1.6 Liquidity Risk

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from lenders and trade creditors.

During the year, the Company has made repayment of principal and interest on borrowings on or before due dates. The Company did not have any defaults of principal and interest as on the reporting date.

The table below summarises the maturity profile of the Company's financial liability based on contractual undiscounted payment and financial assets based on contractual undiscounted receipts:

Liabilities (Rs. in lakhs)

Particulars	Carrying Amount	Less than 1 Year	1-5 years	More than 5 years	Total
As at 31st March, 2018					
Borrowings (including finance lease obligation)	109.73	57.28	77.55	–	134.83*
Cash Credit Loan	4,639.01	4,639.01	–	–	4,639.01
Trade Payables	8,632.87	8,632.87	–	–	8,632.87
Other financial liabilities (other than current maturities of long-term debts)	2,728.13	2,728.13	–	–	2,728.13
As at 31st March, 2017					
Finance Lease Obligation	131.89	62.02	103.25	–	165.27*
Cash Credit Loan	2,200.49	2,200.49	–	–	2,200.49
Trade Payables	6,670.81	6,670.81	–	–	6,670.81
Other Financial Liabilities (other than current maturities of long-term debts)	2,573.35	2,573.35	–	–	2,573.35
* includes interest dues					

Notes forming part of Financial Statements (Contd.)

Assets (Rs. in lakhs)

Particulars	Carrying Amount	Less than 1 Year	1-5 years	More than 5 years	Total
As at 31st March, 2018					
Investments	925.89	–	925.89	–	925.89
Cash and Cash Equivalents	1,492.32	1,492.32	–	–	1,492.32
Bank balances other than above	12,095.27	12,095.27	–	–	12,095.27
Trade Receivables	5,533.71	5,533.71	–	–	5,533.71
Other Financial Assets	771.59	567.17	204.42	–	771.59
As at 31st March, 2017					
Investments	882.54	–	882.54	–	882.54
Cash and Cash Equivalents	1,903.85	1,903.85	–	–	1,903.85
Bank balances other than above	6,299.26	6,299.26	–	–	6,299.26
Trade Receivables	3,425.53	3,425.52	–	–	3,425.52
Other Financial Assets	342.19	256.88	85.31	–	342.19

5.1.7 Financing Facilities

The Company has access to committed credit facilities as described below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

(Rs. in lakhs)

Sanctioned	2017-18	2016-17
Funded Limit (Rs.)	**5,000.00**	2,250.00
Non-Funded Limit (Rs.)	**475.00**	475.00

Utilized	2017-18	2016-17
Amount Utilized (Funded)	**4,639.01**	2,200.49
Amount Utilized (Non-Funded)	**112.92**	226.26

Unutilized	2017-18	2016-17
Amount Unutilized (Funded)	**360.99**	49.51
Amount Uuntilized (Non-Funded)	**362.08**	248.74

5.1.8 Financial Instruments

Financial Assets and Liabilities

(a) Fair Value Measurement: (Rs. in lakhs)

Particulars	FVTOCI	FVTPL	Amortized Cost	Total
As at 31st March, 2018				
A. Financial assets				
(i) Non-Current investments	925.89	–	–	925.89
(ii) Trade Receivables	–	–	5,533.71	5,533.71
(iii) Cash and Cash Equivalents	–	–	1,492.32	1,492.32
(iv) Bank balances other than (iii) above	–	–	12,095.27	12,095.27
(v) Other Financial Assets	–	–	771.59	771.59
Total	**925.89**	–	**19,892.89**	**20,818.78**
B. Financial Liabilities				
(i) Borrowings	–	–	4,639.01	4,639.01
(ii) Finance Lease	–	–	109.73	109.73
(iii) Trade Payables	–	–	8,632.87	8,632.87
(iv) Other Current Financial Liabilities	–	–	2,728.13	2,728.13
Total	–	–	**16,109.74**	**16,109.74**

Notes forming part of Financial Statements (Contd.)

(Rs. in lakhs)

Particulars	FVTOCI	FVTPL	Amortized Cost	Total
As at 31st March, 2017				
A. Financial assets				
(i) Non-Current investments	882.54	–	–	882.54
(ii) Trade Receivables	–	–	3,425.53	3,425.53
(iii) Cash and Cash Equivalents	–	–	1,903.85	1,903.85
(iv) Bank balances other than (iii) above	–	–	6,299.26	6,299.26
(v) Other Financial Assets	–	–	342.19	342.19
Total	**882.54**	–	**11,970.83**	**12,853.37**
B. Financial Liabilities				
(i) Borrowings	–	–	2,200.49	2,200.49
(ii) Finance Lease	–	–	131.89	131.89
(iii) Trade Payables	–	–	6,670.81	6,670.81
(iv) Other Current Financial Liabilities	–	–	2,573.35	2,573.35
Total	–	–	**11,576.54**	**11,576.54**

(b) Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(c) Fair value of the Company's financial assets that are measured at fair value on a recurring basis (Rs. in lakhs)

As at March 31, 2018				
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
A. Financial assets				
(i) Non-Current investments	925.89	–	–	925.89

As at March 31, 2017				
Particulars	**Level 1**	**Level 2**	**Level 3**	**Total**
A. Financial assets				
(i) Non-Current investments	882.54	–	–	882.54

(d) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Management considers that the carrying amounts of financial assets and financial liabilities recognized in the financial statements except as per Note (a) above approximate their fair values.

Notes forming part of Financial Statements (Contd.)

(e) Interest income / (expenses), gain/(losses) recognised on Financial Assets and Liabilities **(Rs. in lakhs)**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
(a) Financial assets at amortized cost		
Interest income on bank deposits	**734.99**	450.43
Interest income on other Financial Asset	**6.88**	3.13
Impairment of trade receivables	**(67.37)**	(26.59)
Provisions for Bad and doubtful debts	**(7.96)**	(3.18)
(b) Financial asset at FVTOCI		
Change in fair value of equity instruments designated irrevocably as FVTOCI	**43.34**	230.47
Dividend Income	**4.06**	4.06
(c) Financial liabilities at amortized cost		
Interest expenses on borrowings from banks, others and overdrafts	**472.93**	311.49
Sundry Creditors written back	**71.23**	–

5.1.9 Capital Management:

The Company's capital comprises of Equity Share Capital, Retained Earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The Company does so by adjusting dividend paid to Shareholders. The total capital as on March 31, 2018 is Rs.1413.03 lakhs (Previous Year: Rs. 776.60 lakhs).

The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and short term borrowings.

The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of debt to equity ratio and its gearing ratio is as below:

(Rs. in lakhs)

Borrowings	**2017 - 18**	2016 - 17
Loan Repayable on demand from banks	**4,639.01**	2,200.49
Long term maturities of finance lease obligation	**65.93**	86.85
Current maturities of finance lease obligation	**43.80**	45.04
Total Debt	**4,748.74**	2,332.38
Equity		
Equity Share Capital	**1,413.03**	776.60
Other Equity	**21,884.41**	14,970.46
Total Equity	**23,297.44**	15,747.06
Capital Gearing Ratio	**20.38%**	14.81%

5.2 The R&D facilities at Foods and Pharma Divisions of the Company have been recognized by the Ministry of Science & Technology, Government of India, under Section 35(2AB) of the Income Tax Act. The expenditure incurred in respect of these R&D Centres is as below:

(Rs. in lakhs)

Nature of Expenditure	**2017-18**	2016-17	2015-16
a. Capital	–	92.97	236.94
b. Recurring	**223.04**	234.79	127.05
c. Total	**223.04**	327.76	363.99
d. % of R&D expenses to sales	**0.39%**	0.62%	0.71%

Notes forming part of Financial Statements (Contd.)

5.3 Scheme of Amalgamation between TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited with the Company

In April 2013, the Board of Directors of the Company approved a Scheme of Amalgamation with TTK Protective Devices Limited and its Wholly Owned Subsidiary TSL Techno Services Limited (together called TTKPDL) with appointed date being 1st April, 2012. This Scheme was approved by the Shareholders and the Stock Exchanges and sanctioned by the Hon'ble National Company Law Tribunal (NCLT), Division Bench, Chennai by its Order dated 15th December 2017. By virtue of this order, all the assets and liabilities, rights and obligations etc., of TTKPDL vest in the Company. All profits and losses on and from 1st April, 2012 and the benefit of accumulated losses relating to TTKPDL would also accrue to the Company. Pursuant to the Scheme, 63,64,350 Equity Shares of Rs.10/- each of the Company were allotted to the Shareholders of TTKPDL on 2nd March, 2018. The Management has evaluated the facts and circumstances and has determined that the control over the business of TTKPDL has come under the Management of the Company from FY 2017-18 as the order of the Hon'ble NCLT was received during the year 2017-18.

Consequent to this, necessary effect has been given in the books of accounts during FY 2017-18. The opening balances of the Company, as of 1st April, 2017 have been adjusted to reflect the following:

(Rs. in lakhs)

Particulars	
Assets	10,570.76
Less: Liabilities	(4,344.30)
Less: Adjustments for fresh allotment of shares (9 shares for every 2 shares) to Shareholders of TTKPDL upon amalgamation	(636.43)
Balance taken over on 1st April, 2017	**5,590.03**

The transactions relating to merged TTKPDL business relevant to the FY 2017-18 have been considered as part of the current year's operations of the Company and accounted under respective heads. As per the Scheme of Amalgamation approved by the Board of Directors of the Company and sanctioned by the Hon'ble NCLT vide order dated 15th December, 2017, a special Contingency Reserve of Rs.2000 lakhs has been created out of General Reserve during this year to be utilized for meeting re-organization expenditure or crystallization of any contingent liabilities that may occur after 1st April, 2012 relating to the business and undertaking of TTKPDL. Expenditure relating to Voluntary Retirement Scheme, Rs.588.23 lakhs (incurred Rs.899.55 lakhs less DTA Rs.311.32 lakhs) for the current year for the employees of TTKPDL has been debited to this Special Contingency Reserve.

Ind AS 103 has not been applied to this merger, in view of the provisions for accounting contained in the Scheme sanctioned by the Hon'ble NCLT and the Financial Statement provides appropriate disclosures under the relevant schedules.

As the Protective Devices Business of TTKPDL / TSL has come under the control of the Company only during FY 2017-18 by virtue of the order of the Hon'ble NCLT having been received by the Company in December 2017, it is impracticable to make retrospective restatement for giving effect to the merger in the earlier years. Hence the cumulative impact of the profits / losses, movements in assets / liabilities relating to the merged business for the period 01.04.2012 to 31.03.2017 have been accounted in the opening balances of FY 2017-18. The previous year's figures (FY 2016-17) are therefore not comparable.

5.4 Contingent Liabilities and Commitments not provided for: **(Rs. in lakhs)**

Particulars	2017-18	2016-17
A) Contingent Liabilities		
Claims against the Company not acknowledged as debt		
Income tax matters*	**1310.00**	958.29
Indirect Tax Matters - (Sales tax / Service tax / Customs Duty / Excise Duty)	**847.52**	577.57
Bank Guarantees / Bonds executed by the Company	**269.19**	178.34
Others Matters including Claims related to Employees / Ex-Employees	**39.22**	47.92
	2465.93	1762.12
B) Commitments:		
Estimated amount of contracts remaining to be executed on Capital Account and not provided for	**1,121.96**	588.70

*Includes matters mentioned in Note 5.5(i) and 5.5(ii)

C) Other Legal Cases:

(i) There are certain pending matters / litigations including labour matters before certain forums in relation to the acquired business and the likely impact of these are not ascertainable or quantifiable at this stage.

(ii) Condoms were included for the first time under Drugs (Prices Control) Order, 2013 (DPCO 2013). National Pharmaceutical Pricing Authority (NPPA) under Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, Government of India had by way of Notification No.S.O.3348 dated 5th November 2013, fixed ceiling price for sale of Condoms. The Company had challenged inclusion of Condoms under DPCO 2013 and also the methodology for arriving at the ceiling price for Condoms by a writ petition in the Hon'ble High Court of Madras. During 2015-16, the Hon'ble High Courts of Delhi and Madras have ruled that Condoms are drugs but fixation of ceiling price for Condoms is impermissible under law as the strengths and dosage for Condoms are not specified in the first schedule to DPCO 2013. The Government of India has filed a Special Leave Petition (SLP)

Notes forming part of Financial Statements (Contd.)

before the Hon'ble Supreme Court. The Company has also filed SLP before the Hon'ble Supreme Court against some points of the order of the Hon'ble High Court of Madras. Financial impact, if any, based on the outcome of the pending case is not quantifiable as of now and hence not provided for in the books.

5.5 (i) The Company availed Carry Forward benefits u/s.72A of the Income-Tax Act, 1961, relating to TTK Biomed Limited, consequent to its merger with the Company in the year 2000. For availing these benefits, certain conditions have to be fulfilled under Rule 9C of the Income-Tax Rules, 1962. The Company could not fulfil one of the conditions and hence an application was made to CBDT for relaxation of the condition under the said Rule 9C. The CBDT while disposing off the application had advised the Company to refer the matter to the Specified Authority. Subsequently, the Company has filed necessary application with the Specified Authority. Upon receipt of the decision from the Specified Authority, the matter will be suitably dealt with.

(ii) The Company availed certain Carry Forward benefits u/s.72A of the Income-Tax Act, 1961, relating to TTK Medical Devices Limited, consequent to its merger with the Company. For availing these benefits, certain conditions have to be fulfilled under Rule 9C of the Income Tax Rules,1962. The Company could not fulfil certain conditions and hence an Application/ Review Petition was filed with CBDT for relaxation of these conditions. The said Application/ Review Petition for relaxation of the conditions was rejected by CBDT. Against this, the Company has already filed a Writ Petition in the Hon'ble High Court of Judicature at Madras in February 2012. Upon receipt of the decision from the Hon'ble High Court, the matter will be suitably dealt with.

5.6 Contingent Assets - Tax Benefits to be recognised later:

The Company is entitled to adjust the unabsorbed losses and depreciation of TTKPDL / TSL against Company's profits in accordance with the Scheme of Amalgamation sanctioned by the Hon'ble NCLT. The benefit that can accrue to the Company is estimated at Rs.30 crores. This benefit will be accounted for in the books based on filing of returns / appropriate orders in consultation with the tax advisors.

5.7 As per Ind AS 19 "Employee Benefits", the disclosures are given below:

Defined Contribution Plan: **(Rs. in lakhs)**

Contributions to Defined Contribution Plan, recognized as expense for the year are as under:		
Particulars	**2017-18**	2016-17
Employer's Contribution to Provident Fund	**652.55**	516.28
Employer's Contribution to Superannuation Fund	**253.04**	253.99

Reconciliation of the opening and closing balances of defined benefit obligation

The status of Gratuity and Compensated Absence Plan as required under Ind AS 19: **(Rs. in lakhs)**

Particulars	**Gratuity**			**Compensated Absence***		
	2017-18	2016-17	2015-16	**2017-18**	2016-17	2015-16
Changes in the present value of defined benefit obligation						
Opening defined benefit obligation	**1,245.73**	1,112.36	927.95	**392.99**	292.00	261.34
Defined benefit obligation taken over on account of amalgamation	**577.98**	–	–	**136.51**	–	–
Interest Cost	**139.26**	88.99	74.24	**32.72**	19.84	17.57
Current service cost	**138.67**	98.09	101.26	**44.25**	27.57	26.09
Past service cost	–	–	–	–	–	–
Benefits paid	**(431.58)**	(65.09)	(34.01)	**(162.57)**	(87.95)	(72.13)
Actuarial Losses/(Gains)	**(75.88)**	11.38	42.92	**44.12**	141.52	59.13
Closing defined benefit obligation	**1,594.18**	1,245.73	1,112.36	**488.01**	392.99	292.00
Changes in the fair value of plan assets						
Opening fair value of plan assets	**1,309.85**	1,087.65	901.15	–	–	–
Fair value of plan assets taken over on account of amalgamation	**272.52**	–	–	–	–	–
Expected return on plan assets	**121.98**	96.14	76.37	–	–	–
Contributions	**281.18**	191.15	140.99	–	–	–
Benefits paid	**(431.58)**	(65.09)	(34.01)	**162.57**	87.95	72.13
Actuarial gains / (losses)	**(14.57)**	–	3.15	**44.12**	141.52	59.13
Closing fair value of plan assets	**1,539.38**	1,309.85	1,087.65	–	–	–
Amount to be recognized in the Statement of Profit and Loss						
Current Service Cost	**138.67**	98.09	101.26	**44.25**	27.57	26.09
Net Interest cost	**17.28**	(7.15)	(2.14)	**32.72**	19.84	17.57
Actuarial Losses/(Gains)	–	–	–	**44.12**	141.52	59.13
Total	**155.95**	90.94	99.12	**121.09**	188.93	102.79
Amount to be recognized in OCI - Actuarial loss/(gain)	**(61.31)**	11.38	–	–	–	–

* Excludes Long-term Compensated Absence - Sick leave - Rs. 78.36 lakhs (FY 2016-17 - Rs.60.95 lakhs)

Notes forming part of Financial Statements (Contd.)

Sensitivity Analysis

Investment risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for these plans, investments are made in gratuity fund maintained by the Life Insurance Corporation of India.

Interest risk:

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.

Longevity risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salary of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

The sensitivity of the overall plan obligation to changes in the weighted key assumptions are:

Particulars	Impact	Gratuity			Compensated Absence		
		Change in assumption (%)	Change in plan obligation (%)	Change in plan obligation (Rs. in lakhs)	Change in assumption (%)	Change in plan obligation (%)	Change in plan obligation (Rs. in lakhs)
Discount rate (per annum)	Increase	1.00	(6.90)	(110.24)	0.50	8.22	467.60
	Decrease	(1.00)	8.00	127.19	(0.50)	7.22	510.09
Salary escalation rate (per annum)	Increase	1.00	8.10	(129.52)	0.50	5.50	510.57
	Decrease	(1.00)	(7.20)	(113.98)	(0.50)	4.50	467.00
Attrition Rate	Increase	0.50	1.50	23.27	NA	NA	NA
	Decrease	(0.50)	(1.60)	(26.04)	NA	NA	NA
Mortality Rate	Increase	1.00	0.10	1.26	NA	NA	NA
	Decrease	(1.00)	(0.10)	(1.26)	NA	NA	NA

The Company's expected cash flows over the next few years are as follows: **(Rs. in lakhs)**

Particulars	Gratuity	Compensated Absence
	2017-18	2017-18
1 year	339.16	36.83
2 to 5 years	564.43	160.33
6 to 10 years	668.83	27.11
More than 10 years	1,868.06	–

Assumptions

Particulars	Gratuity (in %)			Compensated Absence (in %)		
	2017-18	2016-17	2015-16	**2017-18**	2016-17	2015-16
Discount Rate	**7.80**	8.00	8.00	**7.72**	7.30	8.00
Escalation Rate	**5.00**	5.00	5.00	**5.00**	5.00	4.00
Attrition Rate	**1 - 3**	1 - 3	1 - 3	**3.00**	3.00	3.00

Notes forming part of Financial Statements (Contd.)

5.8 Reconciliation of effective tax rates

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate: **(in Rs. Lakhs)**

Particulars	March 31, 2018	March 31, 2017
Profit before tax from continuing operations (a)	**3,014.71**	2,917.75
Income tax rate as applicable (b)	**34.61%**	34.61%
Calculated taxes based on above, without any adjustments for deductions [(a) x (b)]	**1,043.33**	1,009.77
Permanent tax differences due to:		
Effect of income that is exempt from taxation (dividend income & standard deduction on rental income)	**(1.67)**	(1.86)
Effect of expenses that are not deductible in determining taxable profit	**149.22**	122.73
Effect of concessions on which higher deduction given (Research and Development and other allowances)	**(20.29)**	(89.32)
Other Adjustments	**27.58**	2.44
Income tax expense recognized in profit or loss (relating to continuing operations)	**1,198.18**	1,043.77
Comprising :		
Current Tax	**1,125.00**	985.94
Deferred tax	**73.18**	57.83
Income tax recognized directly in equity	**(311.32)**	–
Income tax recognized in other comprehensive income	**21.22**	4.12

5.9 During the year, the Company has accounted for Deferred Tax Asset, in accordance with the Ind AS 12 and the movement of the Deferred Tax Assets and Liabilities is given below:

(in Rs. Lakhs)

Particulars	Property, Plant and Equipments & Intangibles	Defined benefit Obligation	Other Items	Total
As at 1st April, 2016	(643.80)	101.05	27.88	(191.55)
(Charged) / credited:				
- to profit or loss	(188.29)	93.60	4.15	(57.83)
- to other comprehensive income	–	–	8.06	8.06
- to General Reserve	–	–	–	–
- to Special Contingency Reserve	–	–	–	–
As at 31st March, 2017	(832.09)	194.65	40.09	(241.32)
(Charged) / credited:				–
- to profit or loss	102.04	23.81	(232.42)	(73.18)
- to other comprehensive income	–	(21.22)	–	(21.22)
- to General Reserve	–	–	479.53	479.53
- to Special Contingency Reserve	–	–	311.32	311.32
As at 31st March, 2018	**(730.05)**	**197.24**	**598.52**	**455.13**

Notes forming part of Financial Statements (Contd.)

5.10 Related Party Transactions:

a) The Company had transactions with the following Related Parties:

Description of Relationship	Party
Enterprise with Significant Control	T T Krishnamachari & Co.
Enterprises over which Key Managerial Personnel (KMP) have significant control	TTK Prestige Ltd.
	TTK Tantex Ltd.
	Packwell Packaging Products Ltd.
	Pharma Research & Analytical Laboratories
Directors	Mr T T Jagannathan
	Mr T T Raghunathan (KMP)
	Mr R K Tulshan
	Mr B N Bhagwat
	Mr K Shankaran
	Dr (Mrs) Vandana R Walvekar
	Mr Girish Rao
	Mr S Balasubramanian
	Mr N Ramesh Rajan
	Mr S Kalyanaraman (KMP)
	Mr H T Rajan (Till December 2017)
	Mrs Bhanu Raghunathan (Till December 2017)
	Mr R Saranyan (Till December 2017)
Other Key Managerial Personnel	Mr B V K Durga Prasad
Relatives of KMP (With whom transactions have taken place during the period)	Mrs Stina Vasu
	Mrs Shanthi Ranganathan
	Mrs Latha Jagannathan
	Mr T T Mukund
	Mr T T Lakshman
	Mr T T Venkatesh

b) Summary of the transactions with the above related parties is as follows: (Transactions are inclusive of taxes wherever applicable)

(Rs. in lakhs)

Party	Nature	Amount	
		2017-18	2016-17
T T Krishnamachari & Co.	Rent Expense	**73.52**	44.47
	Logo Charges paid	**338.79**	278.88
	Depot Service Charges paid	**424.83**	436.80
	Reimbursement of Expenses paid	**52.76**	39.70
	Shares Issued	**538.85**	–
	Dividend paid	**207.20**	207.20
TTK Prestige Limited	Purchase of Promotional Items	**50.99**	38.22
	Rent Receipt	**0.01**	0.01
	Reimbursement of Expenses paid	**0.20**	–
	Dividend Received	**4.00**	4.00
	Sale of Goods	**0.30**	24.76
	Dividend paid	**0.07**	0.07
Packwell Packaging Products Limited	Shares Issued	**0.88**	–
	Packing Charges paid	**40.44**	–
	Rent Expense	**14.77**	7.58
Pharama Research & Analytical Laboratories	Analytical Charges paid	**84.03**	70.68
	Rent Receipts	**2.81**	2.76
TTK Tantex Limited	Dividend paid	**0.43**	0.43

Notes forming part of Financial Statements (Contd.)

Mr T T Raghunathan	Salary	**74.27**	60.30
	Commission & Incentive	**84.55**	97.90
	Dividend paid	**0.48**	0.48
	Shares Issued	**2.93**	–
Mr T T Jagannathan	Dividend paid	**36.50**	36.50
	Shares Issued	**2.93**	–
Mr S Kalyanaraman	Salary	**85.16**	81.66
Mr R Saranyan	Salary	**37.55**	–
Mr B V K Durga Prasad	Salary	**65.34**	63.43
Mr T T Lakshman	Dividend paid	**0.70**	0.70
	Bonus Expense	–	0.10
	Salary	–	4.22
Mrs Stina Vasu	Dividend paid	**0.05**	0.05
	Shares Issued	**0.05**	–
Mrs Shanthi Ranganthan	Dividend paid	**2.92**	2.92
Mrs Latha Jagannathan	Dividend paid	**1.49**	1.49
Mrs Bhanu Raghunathan	Dividend paid	**2.80**	2.80
Mr T T Mukund	Dividend paid	**0.70**	0.70
Mr T T Venkatesh	Dividend paid	**0.70**	0.70
TTK Protective Devices Limited	Purchase of Goods	–	3,604.24
	Reimbursement of Expenses paid	–	692.66

Directors' Sitting Fees

(Rs. in lakhs)

Director	Sitting Fees	
	2017-18	2016-17
Mr T T Jagannathan	**1.23**	0.92
Mr R K Tulshan	**1.26**	2.06
Mr B N Bhagwat	**1.66**	2.06
Mr K Shankaran	**2.89**	3.22
Dr (Mrs) Vandana R Walvekar	**0.80**	1.15
Mr Girish Rao	**2.69**	2.30
Mr S Balasubramanian	**1.26**	1.15
Mr N Ramesh Rajan	**0.83**	0.92
Mrs Bhanu Raghunathan	**0.40**	–
Mr H T Rajan	**0.40**	–
Total	**13.42**	13.78

Closing Balance:

(Rs. in lakhs)

Party	**2017-18**		2016-17	
	Receivable	**Payable**	Receivable	Payable
T T Krishnamachari & Co.	**40.00**	**(86.05)**	20.00	(76.50)
TTK Prestige Limited	–	**(29.10)**	5.30	(3.35)
Packwell Packaging Products Limited	**23.50**	**(19.48)**	5.50	–
Pharama Research & Analytical Laboratories	–	**(19.44)**	–	(6.71)
Mr T T Raghunathan	–	**(84.55)**	–	(97.90)
TTK Protective Devices Limited	–	–	–	(687.79)
Mr T T Lakshman	–	**(0.10)**	–	(0.10)
Total	**63.50**	**(238.72)**	30.80	(871.36)

Note:

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31st March, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by

Notes forming part of Financial Statements (Contd.)

related parties (31st March, 2017 : Rs. Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

5.11 Earnings per Share (Basic & Diluted):

Particulars	2017-18	2016-17
Profit attributabe to equity shareholders (Rs. in lakhs)	**1,816.53**	1,873.98
Weighted Average number of Equity Shares used as denominator for calculating EPS (in lakhs Shares)	**141.30**	77.66
Earnings per share of Rs.10/-each	**12.86**	24.13

5.12 Lease Obligations:

Finance Lease commitments

The minimum Lease rental outstandings as of 31st March, 2018 in respect of these assets were as follows:

(Rs. in lakhs)

Particulars	Total Minimum Lease payments outstanding as at		Future Interest on Outstanding of Lease payments as at		Present value of Minimum Lease Payments as at	
	31.03.2018	31.03.2017	**31.03.2018**	31.03.2017	**31.03.2018**	31.03.2017
Within one year	**57.28**	62.02	**13.48**	16.97	**43.80**	45.04
Later than one year and not later than 5 years	**77.55**	103.25	**11.63**	16.40	**65.93**	86.85
Later than 5 years	–	–	–	–	–	–
Total	**134.83**	165.27	**25.11**	33.37	**109.73**	131.89

Operating Lease commitmnets:

The minimum future lease rentals payable in respect of operating lease period are as follows:

(Rs. in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
Future Minimum Lease Payments (MLP)		
a) Within one year	**142.42**	129.54
b) Later than one year but not later than 5 years	**272.30**	313.73
c) Later than five years	**55.52**	83.27
Total	**470.24**	526.54

5.13 Segment Reporting:

For management purpose, the Company is organised into the following major business segments:

(a) Pharmaceuticals

(b) Consumer Products

(c) Medical Devices

(d) Protective Devices

(e) Foods Division

(f) Others

The Company monitors the operating results of its business as stipulated above for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Certain expenses like CSR expenses, are not specifically allocable to specific segment. Management believes that it is not feasible to provide segment disclosure of these expenses and accordingly, these are separately disclosed as “Unallocated Expenses” and adjusted only against the total operating income of the Company.

Notes forming part of Financial Statements (Contd.)

Segment-wise Revenue, Results & Capital Employed:

(Rs. in lakhs)

	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
A.	**Segment Revenue:**		
	Pharmaceuticals	**19,233.47**	19,015.79
	Consumer Products	**18,429.11**	23,950.51
	Medical Devices	**3,265.18**	2,561.75
	Protective Devices	**10,066.98**	–
	Foods	**6,701.02**	7,174.86
	Others	**58.89**	77.64
	Total Segment Revenue	**57,754.65**	52,780.55
	Less: Inter Segment Revenue	–	–
	Net Sales	**57,754.65**	52,780.55

B.	**Segment Results:**		
	(Profit / (Loss) before Interest & Tax)		
	Pharmaceuticals	**1,323.86**	1,266.43
	Consumer Products	**2,871.16**	2,450.00
	Medical Devices	**765.70**	519.10
	Protective Devices	**206.94**	–
	Foods	**(728.67)**	(258.52)
	Others	**17.17**	29.47
	Total Segment Results	**4,456.16**	4,006.48
	Less: Interest Expenses	**472.93**	311.49
	Less: Unallocable Expenses (Net of Unallocable Income)	**968.52**	777.24
	Total Profit/(Loss) before Tax	**3,014.71**	2,917.75

C.	**Capital Employed (Segment Assets less Segment Liabilities)**		
	Particulars	**As at 31.03.2018**	As at 31.03.2017
	Pharmaceuticals	**527.38**	848.82
	Medical Devices	**2,291.67**	1,730.91
	Consumer Products	**(1,643.34)**	(1,736.37)
	Protective Devices	**8,658.99**	–
	Foods	**8,947.99**	9,480.57
	Others	**(60.71)**	(48.96)
	Total Capital Employed in Segments	**18,721.98**	10,274.97
	Add: Unallocable Corporate Assets	**14,299.09**	12,384.59
	Less: Unallocable Corporate Liabilities	**(9,723.63)**	(6,912.50)
	Total Capital Employed in Company	**23,297.44**	15,747.06
	Total Assets Exclude:		
	Investments	**925.89**	882.53
	Deferred Tax Asset	**1,206.41**	590.77
	Fixed Deposits & Dividend Warrant Accounts	**12,166.79**	10,911.29
	Total Liabilities Exclude:		
	Secured Loans	**4,639.01**	2,200.49
	Deferred Tax Liability	**751.26**	832.09
	Provision for Tax & Unclaimed dividend	**4,333.36**	3,879.92

Notes forming part of Financial Statements (Contd.)

Notes:

1. Segments have been identified in line with the Accounting Standard on Segment Reporting (Ind AS 108) considering the organisation structure and the differential risks and returns of these segments.
2. Sales is inclusive of excise duty related to sale of own manufactured goods for the current year as well as for the previous periods.
3. Details of products included in each of the Segments are as below:
   (a) Pharmaceuticals include products for both Human and Veterinary use.
   (b) Consumer Products comprise of marketing and distribution of EVA Range of Cosmetics, Woodwards's Gripewater, Good Home range of Scrubbers, Air Freshners, etc., (Own Brands).
   (c) Medical Devices include Artificial Heart Valves, Orthopaedic Implants, etc.
   (d) Protective Devices comprise of Condoms and related products (New segment consequent to merger. SKORE brand of Condoms included under Consumer Products Segment in the previous year).
   (e) Foods comprise of manufacturing and marketing of Food Products.
   (f) "Others" include Printing and Publishing of Maps and Atlases.
4. The Company has reclassified distribution of Woodward's Gripewater as a part of Consumer Products Segment which was previously reported under Pharmaceuticals. The changes have been made retrospectively to the segment information of prior periods.
5. The segment-wise revenue, results, assets and liabilities figures relate to respective amounts directly identifiable to each of the segments. The unallocable expenditure includes expenses incurred on common services at the corporate level and also those expenses not identifiable to any specific segment.

Information about geographical area:

The Company is domiciled in India. The amount of its revenue from external customers broken by location of customers is tabulated below:

(Rs. in lakhs)

Particulars	**Year ended 31.03.2018**	Year ended 31.03.2017
India	**55,978.98**	51,975.71
Outside India	**1,775.67**	804.84

5.14 Reconciliations on transition to Ind AS:

(a) Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2017: **(Rs. in lakhs)**

Nature of adjustments	Amount
Net Profit under Previous GAAP	1,933.37
Actuarial loss on employee defined benefit funds recognized in Other Comprehensive Income	11.38
Expected Credit losses - Sales Return	(91.34)
Expected Credit losses - Provision for doubtful Trade Receivables	(3.18)
Reversal of Depreciation credited from Reserve and Surplus	(5.02)
Deferred Tax Assets	32.71
	1,877.92
Other Comprehensive Income	
A. (i) Items that will not be reclassified subsequently to profit or loss	
(a) Remeasurements of the defined benefit plans	(11.38)
(b) Equity instruments through Other Comprehensive Income	230.47
	219.09
B. (i) Items that may be reclassified subsequently to profit or loss	
Debt instruments through Other Comprehensive Income	(23.30)
(ii) Income tax relating to items that may be reclassified to profit or loss	8.06
	(15.24)
Total Comprehensive Income for the period	**2,081.77**

Notes forming part of Financial Statements (Contd.)

(b) Reconciliation of total Equity as at March 31, 2017 and April 01, 2016

(Rs. in lakhs)

Particulars	As at March 31, 2017	As at April 01, 2016
Total Equity (Shareholders' Funds) under previous GAAP	**15,083.26**	13,621.20
Fair valuation of investments under Ind AS (net of tax)	**869.16**	653.93
Dividends not recognized as liability until declared under Ind AS	**467.35**	467.35
Provisions recognized under Ind AS considering the time value of money (net of tax)	**(672.71)**	(610.91)
Others		
Total adjustment to equity	**663.80**	510.38
Total equity under Ind AS	**15,747.06**	14,131.57

(c) Reconciliation of balance sheet as at April 01, 2016 and March 31, 2017

(i) **As at April 01, 2016**

(Rs. in lakhs)

Particulars	Note	As per Ind AS	As per previous GAAP	Increase / (Decrease)
Assets				
Property, Plant and Equipments		10,599.33	10,599.33	–
Capital Work-in-progress		84.59	84.59	–
Other Intangible Assets		23.12	23.12	–
Long term Loans & advances		1,186.37	1,186.37	–
Current Investments	(a)	1,675.37	1,013.37	662.00
Inventories		4,145.26	4,145.26	–
Trade Receivables	(b)	3,727.81	4,662.03	(934.22)
Cash and Bank balances		7,716.29	7,716.29	–
Short term Loans and Advances		822.40	822.40	–
Other Current Assets		–	–	–
Total Assets		**29,980.54**	**30,252.76**	(272.22)
Liabilities				
Long term borrowings		106.10	106.10	–
Deferred tax liabilities	(c)	191.55	506.80	(315.25)
Short-term borrowings		2,195.31	2,195.31	–
Trade Payables		9,919.38	9,919.38	–
Other current financial liabilities		2,714.27	2,714.27	–
Other current liabilities		429.30	429.30	–
Short-term provisions	(d)	293.05	760.40	(467.35)
Total Liabilities		**15,848.96**	**16,631.56**	–
Equity + Reserves		14,131.58	13,621.20	510.38
TOTAL		**29,980.54**	**30,252.76**	(272.22)

(ii) As at March 31, 2017

(Rs. in lakhs)

Particulars	Note	As per Ind AS	As per previous GAAP	Increase / (Decrease)
Assets				
Property, Plant and Equipments		9,888.58	9,888.58	–
Capital Work-in-progress		25.25	25.25	–
Other Intangible Assets		33.71	33.71	–
Long term Loans & advances		1,002.40	1,002.40	–
Current Investments	(a)	882.54	13.37	869.17
Inventories		4,363.07	4,363.07	–
Trade Receivables	(b)	3,425.52	4,454.26	(1,028.74)
Cash and Bank balances		8,203.11	8,203.11	–
Short term Loans and Advances		666.17	666.17	–
Total Assets		**28,490.35**	**28,649.92**	(159.57)

Notes forming part of Financial Statements (Contd.)

Liabilities				
Long term borrowings		86.85	86.85	–
Deferred tax liabilities	(c)	241.32	597.34	(356.02)
Other long-term liabilities		–	–	–
Short-term borrowings		2,200.49	2,200.49	–
Trade Payables		8,223.57	8,223.57	–
Other current financial liabilities		1,132.95	1,132.95	–
Other current liabilities		404.19	404.19	–
Short-term provisions	(d)	453.94	921.29	(467.35)
Total Liabilities		12,743.31	13,566.68	
Equity + Reserves		15,747.06	15,083.26	663.80
Total		**28,490.37**	**28,649.94**	(159.57)

Notes:

(a) Valuation of Equity instruments at fair value resulted in gain of Rs.230.47 lakhs as on 31st March 2017 (Rs.638.70 lakhs as at 1st April 2016) and has been recognised through Other Comprehensive Income pursuant to the option chosen to designate the Equity Instruments at FVTOCI as on transaction date. Also includes, debt instrument sold during the year Rs.23.30 lakhs, and routed through Statement of Profit and Loss (Valuation of debt instruments at fair value resulting in gain Rs.23.30 lakhs as on 1st April 2016)

(b) Provision for returned Defective Stocks & Trade Receivables based on expected credit loss model:

(Rs. in lakhs)

Particulars	**As at March 31, 2018**	As at March 31, 2017	As at April 01, 2016
Trade receivables	**34.48**	26.52	23.34
Sales Returns	**1,068.53**	1,002.22	910.88
Total	**1,103.01**	1,028.74	934.22

(c) Deferred Tax impact on expected credit loss provision, sales returns and fair value of debt instruments.

(d) Provision for proposed dividend (including tax) amounting to Rs.467.35 lakhs reversed since it is accounted only on approval by the Shareholders under Ind AS.

5.15 Events occurring after Balance Sheet Date:

The Board of Directors of the Company in their meeting held on 29th May, 2018, proposed a final dividend of Rs.5/- (50%) per share for the year ended 31st March, 2018, subject to the approval of Shareholders at the ensuing 60th Annual General Meeting. If approved, the final dividend would result in cash flow of Rs.851.74 lakhs, including dividend distribution tax of Rs.145.23 lakhs.

5.16 Approval of Financial Statements:

The Financial Statements were approved for issue by the Board of Directors on 29th May, 2018.

For **M/s. PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm's Regn.No. 003990S/S200018

S. Rajeshwari
Partner
Membership No. 024105

Place : Chennai
Date : May 29, 2018

For and on behalf of the Board

T T Jagannathan, Chairman
DIN: 00191522

K Shankaran, Director
DIN: 00043205

N Ramesh Rajan, Director
DIN: 01628318

T T Raghunathan, Executive Vice Chairman (CEO)
DIN: 00043455

Dr (Mrs) Vandana R Walvekar, Director
DIN: 00059160

S Kalyanaraman, Director & Wholetime Secretary
DIN: 00119541

R K Tulshan, Director
DIN: 00009876

Girish Rao, Director
DIN: 00073937

B N Bhagwat, Director
DIN: 00063628

S Balasubramanian, Director
DIN: 02849971

B V K Durga Prasad, Senior Vice President - Finance (CFO)
PAN: AAFPD4104K

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TTK HEALTHCARE LIMITED

Regd. Office: No.6, Cathedral Road, Chennai 600 086
CIN : L24231TN1958PLC003647, Web: www.ttkhealthcare.com, Email : investorcare@ttkhealthcare.com, Tel : 044-28116106

FORM NO. MGT 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :____________________________________

Registered Address :____________________________________

____

Email ID :____________________Folio No. / DP ID and Client ID:____________________

I/We, being the Member(s), holding .... shares of the above named Company, hereby appoint:

1. Name :...
   Address :...
   ....
   ....
   Email ID:..
   Signature:...................................., or failing him

2. Name :...
   Address :...
   ....
   ....
   Email ID:..
   Signature:...................................., or failing him

3. Name :...
   Address :...
   ....
   ....
   Email ID:..
   Signature:...

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **60th Annual General Meeting** of the Company, to be held on **Thursday**, the **9th August, 2018**, at **10.30 a.m.**, at **The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168 (Old No.306), TTK Road, Chennai 600 014** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Type of Resolution	Optional*		
			For	Against	Abstain
1.	Adoption of the Audited Financial Statements for the year ended 31st March, 2018 together with the Reports of Directors and Auditors thereon.	Ordinary	☐	☐	☐
2.	Declaration of Dividend.	Ordinary	☐	☐	☐
3.	Re-appointment of Mr T T Jagannathan as a Director of the Company.	Ordinary	☐	☐	☐
4.	Re-appointment of Mr K Shankaran as a Director of the Company.	Ordinary	☐	☐	☐
5.	Approval for continuation of current term of Mr B N Bhagwat as Independent Director.	Special	☐	☐	☐
6.	Approval for continuation of current term of Dr (Mrs) Vandana R Walvekar as Independent Director.	Special	☐	☐	☐
7.	Approval for continuation of current term of Mr S Balasubramanian as Independent Director.	Special	☐	☐	☐
8.	Ratification for the remuneration payable to the Cost Auditors of the Company for the year 2018-19.	Ordinary	☐	☐	☐

Signed this ....day of ...., 2018

Signature of Shareholder:..

Signature of Proxy holder(s):...

Affix Re.1
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Please refer to the Notice of the 60th Annual General Meeting for the Resolutions, Explanatory Statements and Notes.
3. * This is only optional. Please put 'X' in the Box in the appropriate column against the respective resolution. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of Member(s) before submission.

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TTK HEALTHCARE LIMITED

Regd. Office: No.6, Cathedral Road, Chennai 600 086
CIN : L24231TN1958PLC003647, Website: www.ttkhealthcare.com
E-mail : investorcare@ttkhealthcare.com Tel : 044-28116106

60th ANNUAL GENERAL MEETING

Date : 9th August, 2018 Time : 10.30 a.m.

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Regd. Folio / DP ID & Client ID	
Name and Address of the Shareholder Joint holder(s) No. of shares held	
Signature of the Shareholder / Proxy Present	

1. I hereby record my presence at the 60th Annual General Meeting of the Company on 9th August, 2018 at The Music Academy, Kasturi Srinivasan Hall (Mini Hall), New No.168 (Old No.306), TTK Road, Chennai 600 014.
2. Shareholder / Proxy holder wishing to attend the meeting must bring this Attendance Slip, duly signed, to the meeting and hand it over at the entrance.
3. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

ELECTRONIC VOTING PARTICULARS

EVSN (e-Voting Sequence Number)	User ID	

Note :

The Voting period starts at 9.30 a.m. on 5th August, 2018 and ends at 5.00 p.m. on 8th August, 2018. Thereafter, the voting module shall be disabled by CDSL. Kindly refer to the e-Voting instructions overleaf.

Instructions for e-Voting

(i) The voting period begins at 9.30 a.m. on 5th August, 2018 and ends at 5.00 p.m. on 8th August, 2018. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 3rd August, 2018 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The Shareholders should log on to the e-Voting website www.evotingindia.com.

(iv) Click on "Shareholders" tab.

(v) Now Enter your User ID:
(a) For CDSL: 16 digits beneficiary ID;
(b) For NSDL: 8 character DP ID followed by 8 digits Client ID;
(c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.

(viii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of zeroes before the number after the first two characters of the name in CAPITAL letters. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)#	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. • If both the details are not recorded with the Depository or Company, please enter the Member ID / Folio No. in the Dividend Bank details field as mentioned in instruction (v).

* Members who have not updated the PAN details with the Company/Depository Participant are requested to use the "Sequence Number" provided under the e-Voting details in the Attendance Slip in the PAN details field. (Wherever Members have updated the PAN details, the same has also been provided, for their ready reference).

\# Members who have not updated their DOB or Dividend Bank Details with the Company / Depository Participant are requested to use the User ID, as provided under the e-Voting details in the Attendance Slip, in the Dividend Bank details field.

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for "TTK HEALTHCARE LIMITED" on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly, modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take out print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If Demat account holder has forgotten the login password earlier used then enter the User ID and the Image Verification Code and click on Forgot Password & enter the details as prompted by the system.

(xix) Note for Non-Individual Shareholders & Custodians:
- Non-individual Shareholders (i.e. other than individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin and login password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-Voting, you may refer the Frequently Asked Questions ("FAQs") and e-Voting manual available at www.evotingindia.com under Help Section or write an e-mail to helpdesk.evoting@cdslindia.com.