

MONARCH

MONARCH HEALTH SERVICES LIMITED

1ST ANNUAL REPORT
2011 - 2012

1ST ANNUAL REPORT

BOARD OF DIRECTORS :

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

AUDITORS
S.D. MOTTA & ASSOCIATES
Chartered Accountants

BANKERS
HDFC Bank

REGISTERED & CORPORATE OFFICE

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

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

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NOTICE

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

Ordinary Resolutions -

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

Special Resolutions -

- 6) Change of Name of Company :

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

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

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

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

Sd/-

(DIRECTOR)

DATE: 31/08/2012
PLACE: MUMBAI.

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NOTES:-

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

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

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

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

1st Annual Report 2011-2012

DIRECTOR'S REPORT

To,
Dear Shareholders,

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

1. FINANCIAL HIGHLIGHTS -

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

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

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

2. CORPORATE GOVERNANCE

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

3. DIVIDEND

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

4. MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

5. DIRECTORS

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

6. AUDITORS

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

7. DIRECTORS RESPONSIBILITY STATEMENT

Directors State: -

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

8. PUBLIC DEPOSIT

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

9. PARTICULARS OF EMPLOYEES

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

11. ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

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

11. ACKNOWLEDGEMENTS

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

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

Sd/-

DIRECTOR

PLACE : MUMBAI

DATE :31/08/2012

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry Overview

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

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

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

Future Outlook

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

Our Strategy

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

Performance of our Company

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

Internal Control Systems

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

Employee Relations

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

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

DIRECTOR

PLACE : MUMBAI
DATE : 31st Aug. 2012

REPORT ON CORPORATE GOVERNANCE

A) Our Philosophy

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

B) Board of Directors

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

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

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

* This being 1st AGM of the Company.

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

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

CNED - Chairman & Non Executive Director

WTD - Whole Time Director

NED - Non Executive Director

ID - Independent Director

Related Party Transactions -

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

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

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

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

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Mr. Pritesh Doshi -

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

C) Committees of Board

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

1) Audit Committee

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

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

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

2) Remuneration Committee

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

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

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

3) Investors Grievance Committee

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

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

D) General Body Meetings

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

*Special Resolution was passed in above EGM held.

E) Disclosures

- i) Materially Significant Related Party Transactions are disclosed at "Significant Accounting Policies".
- ii) No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other Statutory Authority on any matter related to capital markets during the last three years for non-compliance.

F) Means of Communication

Company got listed w.e.f.30th May'12 on BSE SME Platform. Half-Yearly Results are sent to the Stock Exchanges as soon as the Board approves them. The same are published in Free Press Journal & Navshakti. The same are even updated on Company's Web site viz. www.looksclinic.com.

Management Discussion and Analysis Report forms part of this report.

G) General Shareholder Information

- 1) 1st Annual General Meeting
Date - 29th Sept. 2012
Time - 10.00 a.m.
Venue -28/3, Next to Jari Mari Mandir, S.V.Road, Bandra (w) Mumbai : 400050

2) Tentative Financial Calendar for the Year

Unaudited Results for 1st Half Year	31st October'2012
Unaudited Results for 2nd Half Year	30th April, 2013
Audited Results for FY2012-13	29th September, 2013

- 3) **Book Closure Date** 28th Sept' 2012 to 29th Sept '2012.

- 4) **Dividend Payment Date** Not Applicable.

5) Listing on Stock Exchanges and Stock Code

The Stock Exchange Mumbai 534422

6) Market Price Data

Company got listed w.e.f.30th May'12 and this is not applicable to the company.

7) Registrar & Transfer Agents

Company has appointed M/s. Sharepro Services India Pvt. Ltd , Andheri as its R&T Agent for physical and electronic connectivity with the Depositories for Dematerialised Shares. Further Company has also transferred its share transfer division to Sharepro services recently and signed agreement with them for transfer of complete share transfer activities at their end.

8) Share Transfer System

Physical Shares received for Transfer are processed and an option letter is sent to the Shareholder to convert his holding into electronic form. If not opted, Share certificates are sent back duly transferred. Demat shares are transferred directly to the beneficiaries by Depositories. Investors Grievance Committee and Compliance Officer of the Company are authorised to approve the share transfer.

9) Distribution of Shareholding

SHARES HOLDING SHARE HOLDERS OF NOMINAL VALUE OF				SHARE AMOUNT				
RS.	RS.	Number	% To Total	Physical (in Rs.)	NSDL Demat (in Rs.)	Demat (in Rs.)	CDSL (in Rs.)	TOTAL % to Total
Up to	2500	3	2.830	1000	2000	-	3000	0.005
2501	5000	1	0.943	-	5000	-	5000	0.008
5001	11000	3	2.830	20000	10000	-	30000	0.050
11001	20000	-	-	-	-	-	-	-
20001	30000	20	18.868	-	270000	330000	600000	1.00
30001	40000	-	-	-	-	-	-	-
40001	50000	2	1.887	100000	-	-	100000	0.167
50001	110000	15	14.151	100000	1340000	-	1440000	2.400
100001	& above	62	58.491	1500000	14380000	27742000	57822000	96.370
	Total :	106	100.00	15921000	16007000	28072000	60000000	100.000

11) Dematerialization of Shares and Liquidity

The shares of the Company are under Compulsory Demat Delivery for all categories of Investors. Your Company has signed agreement with NSDL & CDSL for the same.

The shares of your Company trade under S group at the SME Platform of The Bombay Stock Exchange Limited.

11) Outstanding GDR/ADR/Warrants or any Convertible instruments, Conversion Date and likely impact on equity
Nil.

- 12) Branch Locations
1. 104, Samarth Vaibhav Building, 1st floor, adarsh nagar, near lokhandwala circle, Oshiwara, Andheri (w), Mumbai : 400053
 2. Property No.4, Pamposh Enclave, New Delhi - 110048
 3. Flat no.2/29/292D/F-1, Valentine Building, Next to Royal Foods, opp ICICI Bank, Naika Vaddo, Calangute, bardez, goa : 403516

13) Address for Correspondence
Monarch Health Services Limited
28/3, Next to Jari Mari Mandir,
S.V.Road, Bandra (W) Mumbai : 400050

CEO & CFO CERTIFICATION

The Board of Directors
Monarch Health Services Limited
28/3, Next to Jari Mari Mandir,
S.V.Road, Bandra (W), Mumbai 400053

Re-Financial Statements for the year 2011-12 - Certification

We Mrs. Nishita Sheth, M.D. CEO, and Mr. Pritesh Doshi CFO, on the basis of the review of the financial statements and the cash flow statements for the Financial year ending 31.03.2012 and to the best of our knowledge and belief, thereby certify that:-

These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.

These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31.03.2012 which is fraudulent, illegal or volatile of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.

We further certify that:

- (a) There have been no significant changes in the international control over financial reporting during this year.
- (b) There have been no significant changes in accounting policies during this year and that the same have been disclosed in the noted to the financial statements.
- (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

FOR MONARCH HEALTH SERVICES LIMITED

(Mr. Pritesh Doshi)

(Mrs.Nishita Sheth)

Place: Mumbai
Date: 31/08/2012

DECLARATION - COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I Mrs Nishita Sheth CEO & Executive Director of the Company, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended 31.03.2012

Place:Mumbai
Date:31/08/12

For Monarch Health Services Ltd.

Sd/-

Mrs Nishita Sheth
(M.D. - C.E.O)

S. D. MOTTA & ASSOCIATES

Chartered Accountants

3, Shanivar Nivas, Chincholi Pada, Subhash Raod, Dombivli (W) - 421 202.

Telephone -9321940041 (M).

**Auditors Certificate on Compliance of conditions of corporate governance
as per clause 49 of the Listing Agreement with the Stock Exchanges.**

To,

Members of Monarch Health Services Ltd

We have examined the compliance of conditions of corporate governance by Monarch Health Services Ltd ("the Company") for the year ended 31st March 2012, as stipulated in clause 49 of the Listing Agreement of the Company with the Stock Exchanges, with the relevant records and documents maintained by the Company and the Report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

We certify that the Company has complied with, in all material respects, the mandatory conditions of Corporate Governance as stipulated in the above-mentioned Listing agreement.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

Sd/-

(SANJAY D. MOTTA)
(Proprietor)

Place - Mumbai
Date - 04/04/12

S. D. MOTTA & ASSOCIATES

Chartered Accountants

3, Shanivar Nivas, Chincholi Pada, Subhash Raod, Dombivli (W) - 421 202.

Telephone -9321940041 (M).

Auditor's Report

To,
The Members,
MONARCH HEALTH SERVICES LIMITED

We have audited the attached Balance Sheet of MONARCH HEALTH SERVICES LIMITED, as at 31st March, 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that :

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account & Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis on written representations received from the directors, as on 31st March, 2012 and taken on record by the Board of directors we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
 - b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.
 - c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

For S. D. Motta & Associates
Chartered Accountants

Sd/-

(Sanjay D. Motta)
Proprietor

Place - Mumbai
Date -04/04/2012

ANNEXURE

STATEMENT REFERRED TO IN PARAGRAPH 3 ABOVE OF OUR REPORT OF EVEN DATE

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available. According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- 2) In our opinion and according to the information and explanations given to us, no substantial part of Fixed Assets had been disposed off by the Company during the year.
- 3) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- 4) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
- 5) The Company has been maintaining proper records of inventory. However discrepancies noticed on physical verification of stocks, as compared to book records were not material and have been properly dealt with in the books of accounts.
- 6) The Company has granted / taken loans, secured or unsecured, to / from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and the terms and conditions of the said loans are prima facie not prejudicial to the interest of the Company.
- 7) The Company has not granted any secured or unsecured loans to companies firms & other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- 8) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods & services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system of Company.
- 9) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 10) In our opinion, and according to the information and explanations given to us, the provisions of Sections 58 A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public are not applicable to the Company as Company has not accepted any deposits from the public.
- 11) Company does not have any internal audit system but according to management they have strong internal control commensurate with the size & nature of its business.

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- 12) The provisions of maintaining cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of certain manufacturing activities are not applicable to the Company.
- 13) According to the information and explanations given to us by management, there are no undisputed statutory dues payable in respect of Investor Education and Protection Fund, Income-tax, Sales-Tax, Custom Duty, Service Tax etc. which are outstanding as at 31st March'12 for a period of more than six months from the date they became payable. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- 14) Clause of accumulated losses & cash losses is not applicable as this being 1st year of operation of the Company.
- 15) Company has not obtained loan from any financial institution or bank or debenture holder so question of default does not arise.
- 16) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence the requirements of item (xii) of paragraph 4 of the Order is not applicable to the company.
- 17) The company is not a Chit Fund, Nidhi or mutual benefit Society. Hence the requirements of item (xiii) of paragraph 4 of the Order is not applicable to the company.
- 18) As the Company is not dealing or trading in shares, securities, debentures and other investments, paragraph 4(xiv) of the Order is not applicable.
- 19) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- 20) As per information and explanations given to us & from records it is observed that company has not taken any term loan taken during the year.
- 21) According to the information and explanations given to us and on the examination of records, no funds raised on short-term basis have been used for long-term investment.
- 22) According to the information and explanations given to us company has made preferential allotment of shares to companies listed in the register maintained under section 301 of the Companies Act, 1956. In our opinion the price at which shares have been issued are not prejudicial to the interest of the Company.
- 23) The company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the company.
- 24) As explained to us, the Company has not raised any amount by way of Public Issue of Shares during the year and paragraph 4(xx) of the order is not applicable.
- 25) From the examination of records and according to the information and explanations given to us, no fraud on or by the company has not been noticed or reported during the year.

For S. D. Motta & Associates
Chartered Accountants

Sd/-

(Sanjay D. Motta)
Proprietor

Place - Mumbai
Date - 04/04/2012

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AUDITED BALANCE SHEET AS AT 31ST MARCH 2012

(Amount in Rs.)

Particulars	Schedule	Amount As On 31st March' 2012	Amount As On 31st March' 2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	A	31,250,000	-
(b) Reserves and Surplus	B	(634,615)	-
(c) Money received against share warrants		-	-
(2) Share application money		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	C	178,815	-
(c) Other current liabilities	D	1,500,000	-
(d) Short-term provisions	E	6,113,528	-
Total		38,407,728	-
II. Assets			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	F	21,175,157	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		116,336	-
(d) Long term loans, advances & deposits	G	5,300,00	-
(e) Other non-current assets (Misc.Exp.O/s.)		-	-
(2) Current assets			
(a) Current investments			
(b) Inventories	H	1,134,820	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	I	5,789,597	-
(e) Short-term loans and advances	B	4,608,232	-
(f) Other current assets	K	283,588	-
Total		38,407,728	-

SIGNIFICANT ACCOUNTING POLICIES **L**
 NOTES TO ACCOUNTS **M**

FOR S. D. MOTTA & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Sd/-
 (SANJAY D. MOTTA)
 PROPRIETOR

FOR MONARCH HEALTH SERVICES LTD.

Sd/-
 DIRECTOR

Sd/-
 DIRECTOR

DATE :- 04/04/2012
 PLACE :- MUMBAI

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PROFIT & LOSS A/C. FOR THE YEAR ENDED 31ST MARCH 2012

Particulars	Schedule	Amount As on 31st March'2012	Amount As on 31st March'2011
I. Revenue from operations	N	1,499,600	-
II. Other Income		-	-
III. Total Revenue (I +II)		1,499,600	-
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		1,499,785	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	O	(1,134,820)	-
Employee benefit expense	P	939,630	-
Financial costs		-	-
Depreciation and amortization expense	Q	584,193	-
Other expenses	R	4,111,763	-
Total Expenses		6,000,551	-
V. Profit before exceptional and extraordinary items and tax	(III - IV)	(4,500,951)	-
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(4,500,951)	-
VIII. Extraordinary Items		-	-
IX. Profit before tax	(VII - VIII)	(4,500,951)	-
X. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(116,336)	-
XI. Profit(Loss) from the perid from continuing operations	(VII-VIII)	(4,384,615)	-
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations(XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(4,384,615)	-
XVI. Earning per equity share:			
(1) Basic		(4.97)	
(2) Diluted		(4.97)	

SIGNIFICANT ACCOUNTING POLICIES
NOTES TO ACCOUNTS

L
M

FOR S. D. MOTTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
SANJAY D. MOTTA
(PROPRIETOR)

FOR MONARCH HEALTH SERVICE LTD.

Sd/-
DIRECTOR

Sd/-
DIRECTOR

PLACE :- MUMBAI
DATE :- 27/08/2010

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SCHEDULE TO BALANCE SHEET

(Amount in Rs.)

	AS AT 31.03.2012	AS AT 31.03.2011
SCHEDULE A		
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL	<u>6,00,00,000</u>	-
EQUITY SHARES OF RS.10 EACH (PREVIOUS 60,000,000 - YEAR NIL)		
ISSUED, SUBSCRIBED AND PAID UP		
TOTAL 31,25,000 SHARES OF RS.10/- EACH	31,250,000	-
FULLY PAID {OUT OF WHICH 30,00,000 SHARES WERE ISSUED AT A PRICE OF RS.10/- EACH AND 125000 SHARES WERE ISSUED AT A PRICE OF RS.40/- EACH (INCLUDING RS.30 AS SHARE PREMIUM)} (PREVIOUS YEAR NIL.)		
LIST OF SHAREHOLDERS HOLDING MORE THAN 5%		
NAME OF SHAREHOLDER	QTY.	% TO TOTAL
RAJESH SANGHVI	200000	6.40
DR.NISHITA SHETH	236000	7.55
DIPAK KALYANJI TANNA	450000	14.40
SOHNI TANNA	450000	14.40
SCHEDULE B		
RESERVES & SURPLUS		
1) SECURITIES PREMIUM A/C (ON 125000 SHARES ISSUED AT RS.40/- PER SHARE INCLUDING RS.30/- PER SHARE AS PREMIUM) (PREVIOUS YEAR NIL)	3,750,000	-
2) SURPLUS (BALANCE IN STATEMENT OF P&L A/C.)	<u>(4,384,615)</u>	-
	<u>(634,615)</u>	-
CURRENT LIABILITIES		
SCHEDULE C		
TRADE PAYABLES		
RAPCO AGENCY	178,815	-
	<u>178,815</u>	-
SCHEDULE D		
SHARE APPLICATION MONEY (REFUNDABLE)		
HEMANT M.SHAH	500,000	-
PRERNA SANJANWALA	500,000	-
ROHAN HEMANT SHAH	500,000	-
	<u>1,500,000</u>	-
SCHEDULE E		
SHORT TERM PROVISION		
PROFESSION TAX PAYABLE	9,525	-
TDS PAYABLE (CONTRACTOR)	39,752	-
TDS PAYABLE (P.FEES)	1,239	-
TDS PAYABLE (RENT)	32,500	-
STAFF SALARY PAYABLE	236,147	-

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RENT PAYABLE	198,750	-
DIRECTORS REMUNERATION PAYABLE	230,685	-
TELEPHONE CHARGES PAYABLE	3,026	-
AUDIT FEES PAYABLE	10,000	-
FALCON MULTIMEDIA PVT.LTD	224,635	-
RAKA & CO.	10,000	-
SHARMA ART	1,575,615	-
LIBOARD FINANCE LTD.	108,540	-
NETWORTH STOCK BROKING LIMITED	3,300,000	-
KAISAK RESEARCH PVT.LTD	5,000	-
BRIGHT OUTDOOR MEDIA PVT.LTD	86,504	-
PERFECT SOLUTION	22,160	-
G.N.AIRCONDITIONERS	19,450	-
	6,113,528	-

SCHEDULE F

FIXED ASSETS (TANGIBLE ASSETS)

SR. NO.	Name of The Assets	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK	
		Cost As	Additions	Total as	UP TO	FOR	TOAL		
		On 01.04.11	During the year	on 31.03.2012	01.04.11	THE YEAR	AS ON 31.03.2012	W.D.V. 31.03.2012	W.D.V. 31.03.2012
1	A.C (Delhi office)	0	203,480	203,480	0	0	0	203,480	0
2	A.C (Goa office)	0	235,004	235,004	0	0	0	235,004	0
3	A.C (Bandra branch)	0	123,381	123,381	0	3,158	3,158	120,223	0
4	A.C (Andheri office)	0	63,657	63,657	0	1,606	1,606	62,051	0
5	Furniture & Fixtures (Andheri)	0	805,667	805,667	0	26,941	26,941	778,726	0
6	Furniture & Fixtures (Delhi)	0	807,943	807,943	0	0	0	807,943	0
7	Furniture & Fixture (Goa)	0	1,087,701	1,087,701	0	0	0	1,087,701	0
8	Sign Board(Bandra-Andheri)	0	73,593	73,593	0	2,708	2,708	70,885	0
9	Electric Material & Fitting	0	703,763	703,763	0	19,260	19,260	684,503	0
10	Medical Equipment	0	5,904,990	5,904,990	0	0	0	5,904,990	0
11	Machinery (Bandra branch)	0	6,026,219	6,026,219	0	0	0	6,026,219	0
12	Machinery (Delhi branch)	0	5,005,969	5,005,969	0	0	0	5,005,969	0
13	Printter (Bandra)	0	14,700	14,700	0	431	431	14,269	0
14	Printter (Delhi office)	0	6,290	6,290	0	0	0	6,290	0
15	Telephone Equipment (Bandra)	0	5,775	5,775	0	210	210	5,565	0
16	Fridge (Delhi)	0	12,000	12,000	0	0	0	12,000	0
17	T.V (Delhi)	0	66,000	66,000	0	0	0	66,000	0
18	Computer & Accessories	0	45,118	45,118	0	0	0	45,118	0
19	Water purifier (Delhi office)	0	10,000	10,000	0	0	0	10,000	0
20	Software Purchased	0	28,800	28,800	0	580	580	28,220	0
	TOTAL	0	21,230,049	21,230,049	0	54,893	54,893	21,175,157	0

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NON CURRENT ASSETS

SCHEDULE G

LONG TERM LOANS, ADVANCES, DEPOSITS

SECURITY DEPOSITS (UNSECURED BUT CONSIDERED GOOD)

-

VAT DEPOSIT (MVAT)	25,000	-
OFFICE DEPOSIT (ANDHERI OFFICE)	600,000	-
OFFICE DEPOSIT (DELHI OFFICE)	570,000	-
OFFICE DEPOSIT (GOA OFFICE)	105,000	-
OFFICE DEPOSIT (BANDRA OFFICE)	1,500,000	-
OFFICE DEPOSIT (GOREGAON OFFICE)	2,500,000	-
	<u>5,300,000</u>	<u>-</u>

CURRENT ASSETS

SCHEDULE H

INVENTORIES

STOCK OF FINISHED GOODS

1,134,820

-

(STOCK IS VALUED AT COST OR RELIASABLE VALUE
WHICHEVER IS LESSER)

SCHEDULE I

CASH & BANK BALANCE

PETTY CASH	23,336	-
CASH IN HAND	293,792	-
CURRENT A/C. WITH HDFC BANK LTD	5,472,469	-
	<u>5,789,597</u>	<u>-</u>

SCHEDULE J

SHORT TERM ADVANCES

1) ADVANCES TO RELATED PARTIES (DIRECTOR)

DR.PRASHANT VIKRAM	1,035,407	-
	<u>1,035,407</u>	<u>-</u>

2) OTHER ADVANCES

A.K.ELECTRICALS	20,000	-
PUBLIC ISSUE EXPENSES	3,246,990	-
ADVANCE CONNECTIVITY CHARGES	79,049	-
ADVANCE BROKRAGE PAID (OFFICES)	226,786	-
	<u>3,572,825</u>	<u>-</u>

SCHEDULE K

OTHER CURRENT ASSETS

NET VAT CREDIT	64,010	-
NET SERVICE TAX CREDIT	219,578	-
	<u>283,588</u>	<u>-</u>

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(Amount in Rs.)

	31.03.2012	31.03.2011
SCHEDULE TO PROFIT & LOSS A/C.		
SCHEDULE N		
REVENUE FROM OPERATIONS		
SALE OF SERVICES	1,488,381	-
SALE OF MEDICINE	11,219	-
	11,219	-
	1,499,600	-
SCHEDULE O		
CHANGES IN STOCK IN TRADE		
OPENING STOCK OF MEDICINES	-	-
LESS - CLOSING STOCK OF MEDICINES	1,134,820	-
	(1,134,820)	-
SCHEDULE P		
EMPLOYEE BENEFIT EXPENSES		
SALARY EXPENSES	939,630	-
	939,630	-
SCHEDULE Q		
DEPRECIATION & AMORTISATION EXPENSES		
DEPRECIATION OF FIXED TANGIBLE ASSETS	54,893	-
PRELIMINARY EXPENSES W/OFF.	529,300	-
	584,193	-
SCHEDULE R		
ADMINISTRATIVE & OTHER EXPENSES		
DIRECTORS REMUNERATION	280,000	-
BROKAGE PAID	28,214	-
OFFICE EXPENSES	83,941	-
TRAVELLING EXP	558,783	-
BANK CHARGES	2,411	-
ROC FILLING FEES	12,800	-
STAMP DUTY & REGISTRATION FEES (LL AGMT.)	109,833	-
PROFESSIONAL FEES	132,755	-
BIO-MEDICAL EXPENSES	7,750	-
CONVEYANCE	56,074	-
RENT PAID (GOA BRANCH)	175,000	-
RENT PAID (DELHI BRANCH)	380,000	-
RENT PAID (BANDRA BRANCH)	437,500	-
RENT PAID (ANDHERI BRANCH)	312,500	-
PRINTING & STATIONERY	66,243	-
ADVERTISEMENT	1,074,965	-
AUDIT FEES	10,000	-
TELEPHONE CH.	40,302	-
CABLE CONNECTIVITY CH	2,440	-
STAFF WELFARE EXP	53,830	-
INSURANCE	4,633	-
COURIER EXP	2,575	-
REPAIRS & MAINTANCE	19,950	-
ELECTRICITY CHARGES	37,047	-
TEA & REFRESHMENT	65,026	-
WEB SITE DEVELOPMENT CH.	7,000	-
LAB CHARGES	102,000	-
RENT (OT CHARGES)	39,000	-
CONNECTIVITY CHARGES	9,191	-
	4,111,763	-

Schedule L - Significant Accounting Policies:

1. Basis of accounting:

The financial statements are prepared on the historical cost convention basis and on accrual concept as a going concern in accordance with the applicable Accounting Standards referred to in Sub section 3C of Section 211 of the Companies Act, 1956 and normally accepted accounting principles.

2. Accounting Standards:

Accounting standards as prescribed by the Department of Corporate Affairs (Formerly known as Department of Company Affairs) and referred to in the Companies Act, 1956 have been followed wherever applicable.

3. Fixed Assets and its Depreciation:

Fixed assets are stated at cost price comprising of the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Depreciation is calculated under WDV method at the rates prescribed under amended schedule XIV of the Companies Act, 1956 and on pro-rata basis. Further no depreciation is provided on most of the assets as company is newly formed and they were not yet put to use till the Balance Sheet Date.

4. Investments:

Company has not made any investments during the year.

5. Inventories:

Stock of Medicines are valued at Cost or realizable value whichever is less.

6. Contingent Liabilities:

No litigations are filed or pending against the Company & Company does not have any present obligation arising out of any past event as is just being formed. Hence no provision arises or is made for contingent liabilities.

7. Revenue Recognition:

Company is rendering professional services of cosmetic & other surgeries & skin and hair care services & most of these services run into no. of sittings. Hence revenue generation is recognized sitting-wise after completion of client sitting. In case of sale of medicines revenue is recognized on transfer of goods to the buyer. All expenses to the extent considered payable respectively unless specifically stated to be otherwise are accounted for on mercantile basis.

8. Retirement Benefits:

Company has not applied under Provident Fund & Miscellaneous Provisions Act & hence no provision is made towards retirement benefits of Employees.

9. Operating Lease -

The company has obtained all premises for its business operations (including furniture and fittings at Bandra) under operating lease or leave and license agreements. These are generally not non-cancellable and range between 11 months to 5 years under leave and licence, or longer for other lease and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable interest free security deposits in accordance with the agreed terms.

Total Lease payments of Rs.13,05,000/- are recognized in the Profit and Loss Account under the head "Rent Paid (Branch)".

10. Foreign Currency Transactions:

Foreign currency transactions made for purchase of imported medical equipments are recorded at the prevailing exchange rates at the time of initial recognition. Exchange differences arising on final settlement is adjusted to the

cost of Medical Equipments. Further as on year end there is no outstanding balances of monetary items denominated in foreign currency.

Foreign exchange Outgo - Company has made payment of US\$ 110905/- to 5 suppliers from whom Company has procured medical equipments. Further payment of US\$ 2931.15 was made to M/s. Amkay Corporation Limited for arranging local assistance and for shipment of goods from China.

11. Borrowing Cost:

Company has taken loans from its members but according to management & from records it appears same are temporary loans and hence according to management interest is not payable to them and hence is not provided for.

12. Taxation :

In view of loss incurred during the year, no provision for current tax is made under the provisions of the Income Tax act, 1961. Deferred tax Asset of Rs.116,336/- resulting from timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable / Virtual certainty that the asset will be realized in future.

13. Segmental Reporting:

The Company is operating only in one segment i.e. Cosmetic Surgeries & Skin, Hair, Dental & other Health Care Services.

14. Related Party Transactions:

As per accounting standard 18 (AS-18) Related party disclosures, notified in the companies (Accounting Standards) Rules 2006, the disclosure of transactions with the related parties defined in AS-18 are given below;

As per accounting standard 18 (AS-18) Related party disclosures, notified in the companies (Accounting Standards) Rules 2006, the disclosure of transactions with the related parties defined in AS-18 are given below;

1. Key Managerial Personnel:

- a) Dr. Prashant Vikram
- b) Dr. Nishita Sheth
- c) Dr. Ajit Kadam
- d) Mr. Pritesh Doshi

2. Relatives of Key Management Personnel

Names of the Relative	Relation
Nil	Nil

3. Parties where control exists

Name of the Party	Nature of Control
Dr. Nishita Cosmetic Clinic Pvt. Ltd.	100% Holding by Dr. Nishita Sheth & Dr. Prashant Vikram

Maxgainz Finserve Pvt. Ltd.	--- " ---
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Further following Related Party Transactions were noticed during the year:

- a) Company has purchased old equipment on resale from Dr. Nishita's Cosmetic Clinic Pvt. Ltd. - wherein Dr. Nishita Sheth and Dr. Prashant Vikram are Directors, for Rs.10 lacs.

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- b) Bandra Clinic premises owned by Dr. Nishita Sheth - M.D. has been taken on Leave and Licence basis by the Company w.e.f 26/12/2011 on monthly rent of Rs.1 lac.(Advance deposit of Rs.10 lacs made by the Company to her). However rent is payable to her w.e.f.17th Jan'12 i.e. from opening of Bandra branch.
- c) Furniture at Bandra Clinic owned by Dr. Prashant Vikram - Chairman has been taken on Leave and Licence basis by the Company w.e.f.26/12/2011 on monthly rent of Rs.75,000/-. (Advance deposit of Rs.5 lacs made by the Company to him). However rent is payable to him w.e.f.17th Jan'12 i.e. from opening of Bandra branch.
- d) Company has advanced a total sum of Rs.10,35,407/- to various parties for Furniture (Bandra Office) on behalf of Dr. Prashant Vikram to be recovered from him.
15. Earning (Loss) Per Share:
Basic EPS - $(4.97) = 4384615$ (Net Profit attributable to Shareholders) / 882109 (Weighted Avg. No of Equity Shares)
Diluted EPS - $(4.97) = 4384615$ (Net Profit attributable to Shareholders) / 882109 (Weighted Avg. No of Equity Shares)
Diluted EPS is similar to Basic EPS as there are no potential equity share as on date.
16. Miscellaneous Expenditure
Preliminary Expenses incurred on formation of Company is written off during the year in view of AS26 (Para 56). Further Company has paid certain advances for its upcoming IPO which has not been written off during the year and to be written off in the year in which IPO proceeds will come.

**FOR S. D. MOTTA & ASSOCIATES
CHARTERED ACCOUNTANTS**

FOR MONARCH HEALTH SERVICES LIMITED

Sd/-

**(SANJAY D. MOTTA)
PROPRIETOR**

Sd/-

**(Dr. NISHITA SHETH)
DIRECTOR**

Sd/-

**(PRITESH DOSHI)
DIRECTOR**

Date -04/04/2012

Place -Mumbai

Schedule M- Notes on Accounts

1. Figures have been rounded off to the nearest rupee, wherever required.
2. Accounting Standards:

Accounting standards as prescribed have been followed & reported wherever applicable.
3. In the Opinion of the Board the current assets, loans and advances will fetch the amounts stated, if realized in the ordinary course of business.
4. a) According to management, Company has not given any guarantee on behalf of the Directors or other Officers.

b) Company has advanced a total sum of Rs.10,35,407/- to various parties for Furniture (Bandra Office) on behalf of Dr. Prashant Vikram to be recovered from him.
5. 125000 Equity Shares of Rs.10/- each at a premium of Rs.30/- per share were issued to M/s. Maxgainz Finserve Pvt. Ltd. on preferential basis during the year.
6. Company was incorporated on 01/10/2011 as Private Limited Company and later was converted into Public Limited Company on 09/12/2011.
7. Being 1st year of operations, No dividend has been paid by the Management.
8. Fees paid to Auditor -

	FY11-12
Particulars	Amount
For Statutory Audit	10,000/-
9. As per the information provided by the Company there are no dues outstanding, including interest as at 31st March 2012 to Small and Micro enterprises as defined under Micro, Small and Medium Enterprises Development (MSMED) Act,2006.
10. No litigations are filed or pending against the Company & Company does not have any present obligation arising out of any past event as is just being formed. Hence no provision arises or is made for contingent liabilities.
11. Prior period expenses: Company being newly incorporated there are no prior period expenses.
12. Expenditure above Rs.1 Lac or 1% of Revenue (whichever is higher) is duly reflected in Schedule of Other Expenses.

Foreign Exchange Payment -

13. Foreign Exchange Outgo - Company has made payment of US\$ 110905/- to 5 suppliers from whom Company has procured medical equipments. Further payment of US\$ 2931.15 was made to M/s. Amkay Corporation Limited for arranging local assistance and for shipment of goods from China to Indian Port.

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Hence Value of Imported Capital Goods (Medical Equipment) on CIF basis is US\$ 113836.15

14. Net gain on Foreign Exchange Flacuation was adjusted in Medical Equipment A/c. as same was paid for acquiring Medical Equipment.

**FOR S. D. MOTTA & ASSOCIATES
CHARTERED ACCOUNTANTS**

FOR MONARCH HEALTH SERVICES LIMITED

Sd/-

Sd/-

Sd/-

**(SANJAY D. MOTTA)
PROPRIETOR**

**(Dr. NISHITA SHETH)
DIRECTOR**

**(PRITESH DOSHI)
DIRECTOR**

Date -04/04/2012

Place -Mumbai

MONARCH HEALTH SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012)

	Amount In Rs.	
A. CASH FLOW FROM OPERATING ACTIVITIES	31ST MAR 2010	31ST MAR 2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET LOSS BEFORE TAX & EXTRA ORDINARY ITEMS	(4,500,951)	-
Adjustment For :		
Depreciation	54,893	-
Provision for FBT/Income Relating to Prev. Years	-	-
Misc. Expenses Written off	-	-
Operating Profit Before Working Capital Changes	(4,446,058)	-
Adjustment For:		
Trade and other receivables	(283,588)	-
Inventories	(1,134,820)	-
Trade Payable	7,792,343	-
Loans & Advances	(9,908,232)	-
Cash Generated From Operations	(7,980,354)	-
Cash Flow From Operating Activities	(7,980,354)	-
 B . CASH FLOW FROM INVESTING ACTIVITIES		
Sales of Fixed Assets / Investments	-	-
Capital Work In Progress	-	-
Purchase of Fixed Assets	(21,230,049)	-
NET CASH FLOW IN INVESTING ACTIVITIES	(21,230,049)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Borrowings (Nett)	-	-
Proceeds from Share Capital	31,250,000	-
Proceeds from Share Premium	3,750,000	-
Net Cash Flow In Financing Activities	35,000,000	-
	5,789,597	-
Cash and Cash equivalents Opening	-	-
Cash and cash equivalents Closing	5,789,597	-
AS PER OUR REPORT OF EVEN DATE		

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

	Sd/-	Sd/-
DATE - 04/04/2012	DIRECTOR	DIRECTOR
PLACE : MUMBAI		

AUDITOR'S CERTIFICATE

WE HAVE VERIFIED THE ABOVE CASH FLOW STATEMENT OF MONARCH HEALTH SERVICES LIMITED DERIVED FROM THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH'12 AND FOUND TO BE DRAWN IN ACCORDANCE THEREWITH AND ALSO AS PER REQUIREMENTS OF CLAUSE 32 OF LISTING AGREEMENT WITH THE STOCK EXCHANGE.

FOR S. D. MOTTA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sd/-
(SANJAY D. MOTTA)
PROPRIETOR

1st Annual Report 2011-2012

INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

I. REGISTRATION DETAILS

REGISTRATION NO.

222636

STATUS CODE 11

BALANCE SHEET DATE 31.03.2012

II. CAPITAL RAISED DURING THE YEAR (AMOUNT RS.)

PUBLIC ISSUE

120,000,000.00

RIGHTS ISSUE

NIL

BONUS ISSUE

NIL

PRIVATE PLACEMENT

NIL

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT RS.)

TOTAL LIABILITY

38407728

TOTAL ASSETS

38407728

SOURCES OF FUNDS

PAID UP CAPITAL

31250000

RESERVES & SURPLUS

(634,615.00)

SECURED LOANS

NIL

UNSECURED LOANS

NIL

APPLICATION OF FUNDS

NET FIXED ASSETS

21175157

INVESTMENTS

0

NET CURRENT ASSETS

17232572

DF. TAX LAIBILITY

116336

ACCUMULATED LOSSES

NIL

MISC. EXPENDITURE

NIL

IV. PERFORMANCE OF COMPANY (AMOUNT RS.)

TURNOVER

1499600

TOTAL EXPENDITURE

6000551

PROFIT/LOSS BEFORE TAX

(4,500,951)

PROFIT/LOSS AFTER TAX

(4,384,615)

EARNING PER SHARE

IN RS. WEIGHTED AVERAGE

(4.97)

DIVIDEND RATE %

NIL

V. GENERIC NAMES OF THREE PRINCIPALS PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

PRODUCT DESCRIPTION

i) Cosmetic Surgery

ITEM CODE NO.

N.A.

FOR S.D. MOTTA & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR MONARCH HEALTH SERVICES LTD

(SANJAY D. MOTTA)
PROPRIETOR

DIRECTOR

DIRECTOR

1st Annual Report 2011-2012

MONARCH HEALTH SERVICES LIMITED

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

ATTENDANCE SLIP

Regd. Folio No. _____ No. of Shares held _____
I hereby record my presence at the 1ST Annual General Meeting of the Company to be held
at Monarch Health Services Ltd. 28/3, Next to Jari Mari Mandir, S.V.Road, Bandra (w) Mumbai :
400050 on 29th day of September, 2012 at 10.00 a.m

Member's/Proxy's Name

Member's/Proxy's Signature

NOTE : Please sign this attendance slip and hand over at the entrance of the meeting hall.]

MONARCH HEALTH SERVICES LIMITED

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

PROXY FORM

Regd. Folio No. _____ No. of Shares held _____

I/we _____

of _____

(Write full Address)

being a member/members of MONARCH HEALTH SERVICES LIMITED hereby appoint _____

_____ of _____ of _____

failing him _____ of _____

as my/our proxy to attend and vote for me/us on my/our behalf at the 1st Annual General Meeting
of the Company to be held on 29th day of September, 2012 at 10.00 a.m. at Monarch Health Services
Ltd. 28/3, Next to Jari Mari Mandir, S.V.Road, Bandra (w) Mumbai : 400050 and at any adjournment
thereof.

Signed this.....day of.....2012

AFFIX
REVENUE
STAMP

Signature

NOTE : The Proxy form must be deposited at the Corporate Office of the company not less than
48 hours before the time for holding of the aforesaid meeting.

BOOK - POST

To

If undelivered, please return to :

MONARCH HEALTH SERVICES LIMITED

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