

**INDEPENDENT AUDITOR'S TO THE MEMBERS OF
M/s A.B. MEDICAL CENTRES LIMITED**

We have audited the accompanying financial statements of **A.B. MEDICAL CENTRES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, 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.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2015, and its **profit** and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

- 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. 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 no pending litigations which impact the financial statements.
- ii. The Company does not foresee any material losses in any long term contracts.

**For V.CHANDRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS.(FRN.591S)**



**V.CHANDRASEKHARAN
PARTNER.(M.No.024187)**

Place: Chennai

Date: 18/5/15

Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, we report that:

- i.
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- ii. The Company has no manufacturing or trading activity. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable
- iii. The Company has not granted/taken loans to/from bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activities of the Company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- v. The Company has not accepted any deposits from the public.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- vii.
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

- b. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.
 - c. According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, value added tax, wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute
- viii. The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- ix. The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year
- x. In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- xi. The Company did not have any term loans outstanding during the year.
- xii. According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit

**For V.CHANDRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS.(FRN.591S)**



**V.CHANDRASEKHARAN
PARTNER.(M.No.24187)**

Place: Chennai.

Date : 15 / 6 / 15

A.B. MEDICAL CENTRES LIMITED

BALANCE SHEET AS AT 31.03.2015


	NOTES	As at 31.3.2015 Rs.	As at 31.3.2014 Rs.
I EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
Share Capital	B-1	1,68,00,000	1,68,00,000
Reserves & Surpluses	B-2	3,17,66,451	2,69,88,125
2 Current Liabilities	B-3		
Trade Payables		95,403	95,403
Other Liabilities		1,56,270	1,56,270
Short Term Provisions		8,01,282	8,01,282
		4,96,19,406	4,48,41,080
II Assets			
1 Non Current Assets			
a Fixed Assets - Tangible	B-4		
Gross Block		6,21,24,766	6,21,24,766
Less: Depreciation		3,63,83,299	3,63,30,954
Net Block		2,57,41,467	2,57,93,812
b Deferred Tax Assets	B-5	-	40,084
c Long Term Loans and Advances	B-6	1,70,820	1,70,820
2 Current Assets	B-7		
Cash and Cash Equivalents		4,56,515	3,05,745
Trade Receivables		2,32,50,604	1,85,30,618
Short Term Loans and Advances		-	-
		2,37,07,119	1,88,36,363
		4,96,19,406	4,48,41,080

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For V. CHANRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS.(FRN.591S)

For and on behalf of the Board of Directors


V. CHANDRASEKHARAN
PARTNER.(M.No.024187)


DIRECTOR


DIRECTOR

Place: Chennai
 Date: 15th May 2015

A.B. MEDICAL CENTRES LIMITED

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE PERIOD
ENDED 31.3.2015**

	NOTES	2014-15 Rs.	2013-14 Rs.
I Revenue from Opeations	B-8		
Rent Received (Net of Service Tax)		57,67,177	57,67,177
Equipment Hire Charges(Net of Service Tax)		6,40,797	6,40,797
II Other Income			
Miscellaneous income		770	
		64,08,744	64,07,974
EXPENDITURE:			
Other Expenses	B-9	87,270	1,21,728
Depreciation		52,345	3,99,910
		1,39,615	5,21,638
Profit Before Tax		62,69,129	58,86,336
Provision for Income Tax - Deferred		40,084	(6,174)
- Current		14,50,000	14,50,000
Tax expense for previous year		719	
Profit/(Loss) after Tax for the year		47,78,326	44,42,511

The accompanying notes are an integral part of these financial statements.

As per our report of evend date:

**for V. CHANRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS.(FRN.591S)**

For and on behalf of the Board of Directors


**V. CHANDRASEKHARAN
PARTNER.(M.No.024187)**


DIRECTOR


DIRECTOR

Place:Chennai
Date: 15th May 2015

A.B. MEDICAL CENTRES LIMITED
NOTES FORMING PART OF THE ACCOUNTS

A. Accounting Policies:

- (a) The accounts have been prepared to comply in all material aspect with applicable accounting principles in India, the applicable Accounting of Sec.133 of the Companies Act, 2013.and the relevant provisions thereof.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956.

Financial statements are prepared under historical cost convention and on accrual basis in accordance with the requirements of the Companies Act, 2013.

- (b) The Gross Block of Fixed Assets are stated at cost of acquisition including incidental expenses related to acquisition and installation.
- (c) Depreciation on Fixed Asset are at the new rates prescribed in Schedule II of the Companies Act. Assets which are fully depreciated are recognized at residual value.
- (d) All liabilities are provided for in the accounts except liabilities of a contingent nature, which are disclosed under Notes on Accounts.
- (e) Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- (f) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The Deferred Tax provisions are made as per the Accounting Standard 22 of the Institute of Chartered Accountants of India.

B. NOTES ON ACCOUNTS**NOTES B-1**

SHARE CAPITAL	2,00,00,000	2,00,00,000
Authorised - (20000 Equity Shares of Rs.1000/- each)		
Issued, Subscribed and Paid Up:	1,68,00,000	1,68,00,000
(16800 Equity shares of Rs.1000/ each)		
	<u>1,68,00,000</u>	<u>1,68,00,000</u>

Reconciliation of the Share outstanding at the beginning and at the end of 31st. March 2015

	As at 31.3.2015		As at 31.3.2014	
	No. of Shares	Amount	No. of shares	Amount
Equity Capital				
At the Beginning of the period	16,800	1,68,00,000	16,800	1,68,00,000
At the end of the period	16,800	1,68,00,000	16,800	1,68,00,000
Shares held by the Holding Company and their Shareholders				
Apollo Hospitals Enterprises Limited-Holding Company	16,800	1,68,00,000	16,800	1,68,00,000

NOTES B-2**RESERVES & SURPLUSES**

Capital Reserve - Generator Subsidy	1,79,000	1,79,000
	<u>1,79,000</u>	<u>1,79,000</u>
Profit and Loss Account		
Opening Balance	2,68,09,125	2,23,66,614
Add: Profit during the year	47,78,326	44,42,511
	<u>3,17,66,451</u>	<u>2,69,88,125</u>

NOTES B-3**CURRENT LIABILITIES**

Trade Payables(for Goods and Services)	95,403	95,403
Short Term Provisions - Provision for Income Tax	8,01,282	8,01,282
Other Liabilities	1,56,270	1,56,270

NOTES B-4

FIXED ASSETS:

	LAND	BUILDING	PLANT & MACHINERY	FURNITURE & FIXTURES	OFFICE EQUIPMENTS	VEHICLE	TOTAL
COST							
As at 01.04.2014	2,25,64,936	1,86,95,943	1,84,44,760	14,16,519	8,32,010	1,70,598	6,21,24,766
Additions							
As at 31.03.2015	2,25,64,936	1,86,95,943	1,84,44,760	14,16,519	8,32,010	1,70,598	6,21,24,766
DEPRECIATION							
Provided upto 31.03.2014	-	1,57,72,027	1,82,18,697	13,67,019	8,03,609	1,69,602	3,63,30,954
Provided for the year	-	52,345					52,345
Provided upto 31.03.2015	-	1,58,24,372	1,82,18,697	13,67,019	8,03,609	1,69,602	3,63,83,299
WRITTEN DOWN VALUE							
As at 31.03.2015	2,25,64,936	28,71,571	2,26,063	49,500	28,401	996	2,57,41,467
As at 31.03.2014	2,25,64,936	29,23,916	2,26,063	49,500	28,401	996	2,57,93,812

NOTES B-5**DEFERRED TAX ASSETS**

Net Deferred Tax Assets as on 31.03.2015		40,084
		<u>40,084</u>

NOTES B-6**LONG TERM LOANS AND ADVANCES**

Deposit with Electricity Department	1,70,820	1,70,820
	<u>1,70,820</u>	<u>1,70,820</u>

Notes B-7**CURRENT ASSETS****Cash and Cash Equivalents**

Cash in hand	1,075	1,075
Balance in Bank Account	4,55,440	3,04,670
	<u>4,56,515</u>	<u>3,05,745</u>

Trade Receivables - Outstanding less than six months	72,00,000	57,59,256
Outstanding more than six months	1,60,50,604	1,27,71,362
	<u>2,32,50,604</u>	<u>1,85,30,618</u>

Short Term Loans and Advances - (recoverable in cash, kind or value to be received)	2,37,07,119	1,88,36,363
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NOTES B-8**OPERATIONAL INCOME**

Rent Received -Gross	64,80,000	64,80,000
Less: Service Tax paid	7,12,823	7,12,823
	<u>57,67,177</u>	<u>57,67,177</u>

Equipment Hire charges		
Gross Amount received	7,20,000	7,20,000
Less: Service Tax	79,203	79,203
	<u>6,40,797</u>	<u>6,40,797</u>

NOTES B-9**OTHER EXPENSES**

Audit fees	84,270	84,270
Professional fee	3,000	33,708
Rates and Taxes	-	3,750
	<u>87,270</u>	<u>1,21,728</u>

B. NOTES ON ACCOUNTS:

10 Contingent Liabilities not provided for – NIL


11 The balances of sundry parties are subject to confirmation.

12 Figures for the previous year have been re-grouped and re-classified to confirm the present presentation.

13 Related Party Disclosure:

a. List of related parties	Relation
Apollo Hospitals Enterprises Limited	Holding Company.
Nature of Transaction	Rent received
Amount of Transaction (Gross)	Rs.72,00,000 (Rs.2,00,000/-)
Closing balance	Rs. 2,32,50,604 (Rs.1,85,30,618)

For V.CHANDRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS (FRN.591S)


V.CHANDRASEKHARAN
PARTNER.(M.No.024187)


DIRECTOR


DIRECTOR

A.B. MEDICAL CENTRES LIMITED


CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST. MARCH 2015

	2014-15	2013-14
A CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
Net Profit before tax and Extraordinary items	62,69,129	58,86,336
Add:		
Depreciation	52,345	3,99,910
Preliminary Expenses Written off	-	-
Interest	-	-
Deducted		
Interest received	770	-
Operating Profit before Working Capital charges	63,20,704	62,86,246
Adjustments for		
Trade & Other Receivables	(47,19,986)	(50,20,518)
Trade payables and provisions	-	1,84,272
Cash Generation from Operation	16,00,718	14,50,000
Deduct		
Interest paid	-	-
Income tax paid	(14,50,719)	14,50,000
Net Cash Flow from Operating Activities	1,49,999	-
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest received	770	-
Purchase of Assets	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in Short Term Loans	-	-
Net Increase in cash and Cash equivalents	1,50,769	-
Opening Cash and Cash Equivalents	3,05,745	3,05,745
Closing Cash and Cash Equivalents	4,56,514	3,05,745

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

FOR V. CHANDRASEKHARAN & ASSOCIATES
CHARTERED ACCOUNTANTS.(FRN.591S)


V. CHANDRASEKHARAN
PARTNER.(M.No.024187)

Place:Chennai
Date: 15th May 2015

For and Onbehal of the Board
of Directors


DIRECTOR


DIRECTOR