

APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2015

(In Rs.)

Particulars	Note No	31-03-15	31-03-14
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	196,869,430	132,979,230
(b) Reserves and surplus	3	20,964,788	(12,723,217)
(c) Money received against share warrants			
2 Share application money pending allotment			70,178,277
3 Non-current liabilities			
(a) Long-term borrowings	4	136,013,339	69,881,047
(b) Deferred tax liabilities (Net)	5	14,172,033	6,642,855
(c) Other Long term liabilities	6	10,000,000	10,000,000
(d) Long-term provisions	7	2,006,760	973,606
4 Current liabilities			
(a) Short-term borrowings	8	10,303,938.42	-
(b) Trade payables	9	60,095,509	42,815,641
(c) Other current liabilities	10	16,006,584	8,559,633
(d) Short-term provisions	11	1,033,302.49	698,652.00
TOTAL		467,465,684	330,005,724
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	12	390,551,586	243,051,444
(ii) Intangible assets	13	57,944	470,845
(iii) Capital work-in-progress	14	1,903,433	1,515,791
(iv) Intangible assets under development			
(b) Long-term loans and advances	15	2,623,337	2,179,487
2 Current assets			
(a) Current investments	16	-	20,000,000
(b) Inventories	17	7,943,936	13,695,154
(c) Trade receivables	18	23,540,937	22,218,085
(d) Cash and cash equivalents	19	30,315,233	17,630,234
(e) Short-term loans and advances	20	929,018	478,520
(f) Other current assets	21	9,600,260	8,766,164
TOTAL		467,465,684	330,005,724

As per our report annexed

For and on behalf of Board of Directors

For M/s. S. Viswanathan

Chartered Accountants

Firm Registration No.: 0047705

V C Krishnan

Partner

(Membership No: 022167)

17, Bishop Wallers Avenue West

Mylapore, Chennai - 600 004.

Place : Indore

Date : 12.05.2015

Gunjan Shrimal
Chief Financial Officer

Surbhi Jain
Company Secretary

Dr. Hari Prasad Kovelamudi
Nominee Director

Dr. Devendra Bhargava
Whole Time Director



APOLLO RAJSHREE HOSPITAL PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2015

(In Rs.)

Particulars	Note No		31-03-15	31-03-14
I. Revenue From Operations	22		138,767,532	126,393,304
II. Other Income	23		1,212,444	217,777
III. Total Revenue (I + II)			139,979,976	126,611,081
IV. Expenses:				
Cost of Materials Consumed	24			
Opening Stock		13,695,154	9,207,784	
Add: Purchases		40,679,430	47,695,332	
Less: Closing Stock		7,943,936	13,695,154	43,207,962
Purchases of Stock-in-Trade		-	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-	-
Employee Benefits Expense	25		57,200,799	46,464,242
Finance Costs	26		18,568,259	19,432,631
Depreciation and Amortization Expense			17,821,538	23,178,895
Other Expenses	27		85,350,894	58,001,428
Prior Period Expenses			-	29,906
Total Expenses			225,372,138	190,315,064
V. Profit before exceptional and extraordinary items and tax (III-IV)			(85,392,162)	(63,703,983)
VI. Exceptional Items				
VII. Profit before extraordinary items and tax (V - VI)			(85,392,162)	(63,703,983)
VIII. Extraordinary Items			3,500,000	27,500,000
IX. Profit before tax (VII- VIII)			(88,892,162)	(91,203,983)
X. Tax expense:				
(1) Current tax			16,191	
(2) Deferred tax			7,529,178	(2,320,685)
Profit (Loss) for the period from continuing operations (VII-VIII)			(96,437,531)	-88,883,298
XI Profit/(loss) from discontinuing operations				
XIII Tax expense of discontinuing operations				
Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)			-	-
XV Profit (Loss) for the period (XI + XIV)			(96,437,531)	(88,883,298)
XVI Earnings per equity share:				
(1) Basic			-4.90	-11.56
(2) Diluted			-4.90	-13.16

As per our report annexed

For M/s. S. Viswanathan

Chartered Accountants

Firm Registration No.: 0047705

V C Krishnan

Partner

(Membership No: 022167)

17, Bishop Wallers Avenue West

Mylapore, Chennai - 600 004

Place : Indore

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For and on behalf of Board of Directors


Gunjan Shirmal
 Chief Financial Officer


Dr. Hari Prasad Kovelamudi
 Nominee Director


Surbhi Jain
 Company Secretary


Dr. Devendra Bhargava
 Whole Time Director



NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention under accrual method of accounting and as a going concern, in accordance with the Generally Accepted Accounting Principles (GAAP) prevalent in India and the Mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and according to the provisions of the Companies Act, 2013.

B. Inventories

- i. Stock of provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for VAT wherever applicable applying FIFO method.
- ii. Linen, crockery and cutlery are valued at cost and are subject to 1/3 write off wherever applicable applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.
- iii. Imported inventories are accounted for at the applicable exchange rates prevailing on the date of the transactions.

C. Prior Period Items and Extraordinary Items

Prior period items and extraordinary items are separately classified, identified and dealt with as required under Accounting Standard 5 on 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' as notified under the Companies (Accounting Standards) Rules, 2006

D. Depreciation and Amortisation:

- i. Depreciation has been provided on straight line method at rates specified in Schedule II of the Companies Act, 2013 on single shift basis.
- ii. As on 01.04.2014 the WDV value of the assets for which the useful life is negative has been transferred to Retained Earnings.
- iii. Depreciation on new assets acquired during the year is provided at the rates applicable from the date of acquisition to the end of the financial year.
- iv. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.



E. Revenue Recognition.

- i. Income from Healthcare Services is recognised on completed service contract method. The hospital collections of the Company are net of discounts, Payment to doctors and Medicine supplied. Revenue also includes the value of services rendered pending final billing in respect of in-patients undergoing treatment as on 31st March 2015.
- ii. Interest income is recognised on a time proportion basis taking into account the principal amount outstanding and the rate applicable.
- iii. Dividend income is recognised as and when the owner's right to receive payment is established.

F. Fixed Assets

- i. All Fixed Assets are stated at their original cost of acquisition less accumulated depreciation and impairment losses are recognised where necessary (Also refer Note 12) in the Notes forming part of Accounts). Additional cost relating to the acquisition and installation of fixed assets are capitalised. Wherever VAT is eligible for input availment, Fixed Assets are stated at cost of acquisition after deduction of input VAT.
- ii. Capital work-in-progress comprises of and amounts expended on development/acquisition of Fixed Assets that are not yet ready for their intended use at the Balance Sheet Date. Expenditure during construction period directly attributable to the projects under implementation is included under Capital work-in-progress, pending allocation to the assets. Advances paid to acquire fixed assets are included under long term loans & Advances or short term loans and advances as per Schedule III of Companies Act, 2013, wherever applicable.
- iii. Assets acquired under Hire purchase agreements are capitalized to the extent of principal Value, while finance charges are charged to revenue on accrual basis.
- iv. Interest on borrowings, for acquisition of fixed assets and exchange fluctuation arising out of foreign borrowings under related revenue expenditure incurred for the period prior to the commencement of operations for the expansion activities of the Company are capitalized.

G. Transactions in Foreign Currencies

- a. Monetary items relating to foreign currency transactions remaining unsettled at the end of the year are translated at the exchange rates prevailing at the date of Balance Sheet. The difference in translation of monetary items and the realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss in accordance with Accounting Standard 11 – 'The Effects of Changes in Foreign Exchange Rates (Revised 2003)', as notified under the Companies (Accounting Standards) Rules, 2006 (Also refer Note 27 in the Notes forming part of Accounts).
- b. Exchange differences arising on settlement or restatement of foreign currency denominated liabilities borrowed for the acquisition of Fixed Assets, hitherto recognized in the Statement of Profit and Loss are now capitalised based on Para 46A of Accounting Standard 11 – 'The Effects of Changes in Foreign Exchange Rates (Revised 2003)'.
- c. The use of foreign currency forward/swap contract is governed by the Company's policies approved by the Board of Directors. These hedging contracts are not for speculation.





a. Gratuity

The Company makes annual contribution to the Employees' Group Gratuity Cash Accumulation Plan-cum-Life Assurance Scheme of Life Insurance Corporation of India, for funding defined benefit plan for qualifying employees and recognised as an expense. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment, or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service, or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company complies with the norms of Accounting Standard 15.

b. Leave Encashment Benefits

The Company pays leave encashment Benefits to employees as and when claimed, subject to the policies of the Company. The Company complies with the norms of Accounting Standard 15.

J. Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such asset. As per Accounting Standard 16 'Borrowing costs', a qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are expensed as and when incurred.

K. Earnings per Share.

In determining the earnings per share, the Company considers the net profit or loss after tax before extraordinary item and after extraordinary items and includes post - tax effect of any extraordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the period. For computing diluted earnings per share, potential equity shares are added to the above weighted average number of shares.

L. Lease

Operating Lease

Leases where the lessor effectively retains substantially all the risks and the benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight – line basis over the lease term.

M. Taxation

i. Income Tax

Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period as and when the related revenue and expense arise. A provision is made for Income Tax annually based on the tax liability computed after considering tax allowances and exemptions. The current tax charge of the company includes Minimum Alternative Tax (MAT) determined under section 115JB of the Income Tax Act, 1961.



ii. Deferred Tax

The differences that result between the profit calculated for income tax purposes and the profit as per the financial statements are identified and thereafter deferred tax asset or deferred tax liability is recorded for timing differences, namely the differences that originate in one accounting period and get reversed in another, based on the tax effect of the aggregate amount being considered. Deferred tax asset are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. The tax effect is calculated on the accumulated timing differences at the beginning of this accounting year based on the prevailing enacted or substantively enacted regulations.

N. Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain if there is any indication of impairment based on internal/external factors. An asset is treated as impaired based on the cash generating concept at the year end, when the carrying cost of assets exceeds its recoverable value, in terms of Para 5 to Para 13 of AS-28 'Impairment of Assets' as notified under the Companies (Accounting Standards) Rules, 2006 for the purpose of arriving at impairment loss thereon, if any. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

O. Bad Debts Policy

The Board of Directors approves the Bad Debt Policy, on the recommendation of the Audit Committee, after the review of debtors every year. The standard policy for write off of bad debts is as given below subject to management inputs on the collectability of the same,

Period	% of write off
0-1 years	0%
1-2 years	25%
2-3 years	50%
Over 3 years	100%

P. Intangible Assets

Intangible assets are initially recognised at cost and amortised over the best estimate of their useful life. Cost of software including directly attributable cost, if any, acquired for internal use, is allocated / amortised over a period of 36 months to 120 months.

Q. Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not provided for unless a reliable estimate of probable outflow to the Company exists as at the Balance Sheet date. Contingent assets are neither recognised nor disclosed in the financial statements.



Note 2

(In Rs.)

Particulars	31-03-15	31-03-14
	Amount	Amount
Share Capital		
Authorised		
200,00,000 (2013-14: 195,00,000) Equity Shares of Rs. 10/-	200000000	135000000
Nil (2013-14: 60,00,000) Compulsory Convertible Preference Shares of Rs. 10/- each	-	60000000
Issued		
1,96,86,943 (2013-14: 7691465) Equity Shares of Rs. 10/- each	196869430	76914650
Nil (2013-14: 5606458) Compulsory Convertible Preference Shares of Rs. 10/- each		56064580
Subscribed and Paid up		
1,96,86,943 Equity Shares of Rs. 10/- each fully paid up	196869430	76914650
Nil (2013-14: 5606458) Compulsory Convertible Preference Shares of Rs. 10/- each		56064580
Total	196869430	132979230

Reconciliation of the number of shares

Particulars	31-03-15		31-03-14	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,691,465	76,914,650	6,255,038	62,550,380
Shares issued from CCPS to Equity Shares	5,606,458	56,064,580	-	-
Shares issued during the year	6,389,020	63,890,200	1,436,427	14,364,270
Shares outstanding at the end of the year	19,686,943	196,869,430	7,691,465	76,914,650

Particulars	31-03-15		31-03-14	
	Preference Shares		Preference Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	5,606,458	56,064,580	-	-
Shares transferred from CCPS to Equity Shares	(5,606,458)	(56,064,580)	-	-
Shares issued during the year	-	-	5,606,458	56,064,580
Shares outstanding at the end of the year	-	-	5,606,458	56,064,580

113,51,574 Equity Shares (Previous year: 11,75,982) are held by APOLLO HOSPITALS ENTERPRISE LIMITED, the holding company.

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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. 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.



Share holders holding more than 5% of total paid up capital

Name of Shareholder	31-03-15		31-03-14	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Dr Devendra Bhargava	2012395	10.22%	3922647	51.00%
Sidharth Bhargava			430518	5.60%
Ratnakar Tripathi	1012104	5.14%	705171	9.17%
Yogendra Bhargava	1679657	8.53%		
Dr Ashok Bajpai			408662	5.31%
Rajshree Engineering Private Limited	1608169	8.17%		
Apollo Hospitals Enterprise Limited	11351574	57.66%	1175982	15.29%

Note 3

(In Rs.)

Particulars	31-03-15	31-03-14
Reserves & Surplus		
a. Securities Premium Account		
Opening Balance	236,757,913	93,675,570
Add : Securities premium credited on Share issue	131,102,660	143,082,343
Closing Balance	367,860,573	236,757,913
b. Surplus		
Opening balance	(249,481,130)	(160,597,831)
(+) Net Profit/(Net Loss) For the current year	(96,437,531)	(88,883,298)
(+) Transfer from Reserves		
(-) Proposed Dividends		
(-) Interim Dividends		
(-) Transfer from Fixed assets	977,124	
(-) Transfer to Debenture Redemption Reserve		
Closing Balance	(346,895,785)	(249,481,130)
Total	20,964,788	(12,723,217)

Note 4

(In Rs.)

Particulars	31-03-15	31-03-14
Long Term Borrowings		
Secured		
(a) Term loans		
From Banks		
(i) Axis Bank Term Loan	136,013,339	69,881,047
Total	136,013,339	69,881,047

The term loan availed from Axis Bank is secured by first charge on all movable and immovable fixed assets, both present and future. Exclusive hypothecation charge on all the company's movable fixed assets and current assets, both present and future.



Note 5

(in Rs)

Particulars	Deferred Tax Liability as at 31.03.2014	Current year charge /(credit)	Deferred Tax Liability as at 31.03.2015
Deferred Tax Liability on account of Depreciation	66,42,855.00	75,29,178.00	1,41,72,033.00
Total	66,42,855.00	75,29,178.00	1,41,72,033.00

Additional deferred tax liability of Rs.75, 29,178/- for the period has been recognized in the Statement of Profit and Loss.

Note 6

(In Rs.)

Particulars	31-03-15	31-03-14
Other Long term Liabilities		
(a) Other Deposits	10,000,000	10,000,000
Total	10,000,000	10,000,000

Note 7

(In Rs.)

Particulars	31-03-15	31-03-14
Long Term Provisions		
(a) Provision for employee benefits		
Leave Encashment	2,006,760	973,606
Total	2,006,760	973,606.00

Note 8

(In Rs.)

Particulars	31-03-15	31-03-14
Short Term Borrowings		
Unsecured		
(a) Loans repayable on demand from banks		
Axis Bank	10,303,938.42	
Total	10,303,938.42	-

Axis Bank Cash credit account is secured by way of exclusive charge on all accounts of the company including Escrow Account.



Note 9: Trade Payables

Details of Trade Payables are based on the information available with the company. Regarding the status of suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006, no amount is due to Micro, Small and Medium Enterprises for the financial year ended 31st March 2015 as per the information furnished by the Management. No interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 as per the information furnished by the Management.

Note 10

(In Rs.)

Particulars	31-03-15	31-03-14
Other Current Liabilities		
(i) Other payables		
Sundry Creditors Others	7,519,402	5,188,132
Inpatient Deposits	3,281,735	2,461,190
Other Deposits	317,831	910,311
Tax Deducted at Source	2,528,990	-
Interunit payable	113,058	-
Outstanding Expenses	2,245,568	-
Total	16,006,584	8,559,633

Note 11

(In Rs.)

Particulars	31-03-15	31-03-14
Short Term Provisions		
(a) Provision for employee benefits		
Gratuity	1,017,111	698,652
(b) Others		
Taxation	16,191	-
Total	1,033,302	698,652.00

*The taxation of Rs.16, 191/- represents Tax on short term Capital Gains.



Note 12

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		(in Rs)
	Balance as at 01.04.2014	Additions/ (Disposals)	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation charge for the year	Transfer to Reserves	Balance as at 01.04.2015	Balance as at 31.03.2014	
Tangible Assets									
Land	72,571,900	-	72,571,900	-	-		72,571,900	72,571,900	
Buildings	89,638,857	9,961,187	99,600,044	16,780,437	1,305,792		81,513,815	72,858,420	
Plant and Equipment							0	0	
Medical Equipment & Surgical Instruments	13,248,375	141,118,090	154,366,465	3,093,616	6,538,815		144,734,034	10,154,759	
Air Conditioning Plant & Air Conditioners	105,474,895	7,188,998	112,663,893	49,682,944	4,643,563		58,337,386	55,791,951	
Furniture and Fixtures	9,531,380	3,426,904	12,958,284	2,075,992	1,215,568		9,666,724	7,455,388	
Vehicles	1,454,731	-	1,454,731	583,780	179,346		691,605	870,950	
Others							0	0	
Electrical Installations & Generators	28,964,817	2,791,999	31,756,816	6,798,049	3,253,133		21,705,634	22,166,768	
Computer	2,769,041	1,398,724	4,167,765	1,587,733	272,419	977,124	1,330,489	1,181,308	
Total	323,653,996	165,885,902	489,539,898	80,602,551	17,408,637	977,124	390,551,586	243,051,444	
Previous Figure (Rs.)	320,396,984	3,257,011	323,653,995	57,485,186	23,117,365	-	243,051,444	262,911,798	

a) During the year, the Company has adopted estimated useful life of Fixed Assets as stipulated by Schedule II to the Companies Act, 2013. applicable for accounting periods commencing 1st April 2014. On account of the change, the depreciation for the year has gone up to the extent of Rs 4,46,269/-.



Note 13

(In Rs.)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01.04.2014	Additions/ (Disposals)	Balance as at 31.03.2015	Balance as at 01.04.2014	Amortization for the year	Transfer to Reserves	Balance as at 01.04.2015	Balance as at 31.03.2014
Intangible Assets								
Computer Software	6,15,304	-	6,15,304	1,44,459	4,12,901		57,944	4,70,845
Total	6,15,304	-	6,15,304	1,44,459	4,12,901	-	57,944	4,70,845
Previous Figure (Rs.)	6,15,304	-	6,15,304	82,928	61,530	-	4,70,845	1,92,585

Note 14: Capital Work-In-Progress

Capital Work-in-Progress of Rs. 19, 03,433/- (Rs. 15, 15,791/-) comprises amounts spent on assets under construction and pre-operative expenses directly related to the cost of the asset.



Note 15

(In Rs.)

Particulars	31-03-15		31-03-14	
Long Term Loans and Advances				
a. Security Deposits				
Unsecured, considered good	2,623,337		2,179,487	
	-	2,623,337	-	2,179,487
Total		2,623,337		2,179,487

Note 16

(In Rs.)

Particulars	31-03-15	31-03-14
Current Investments		
(a) Investments in Mutual Funds		20,000,000
Total	-	20,000,000

Particulars	31-03-15	31-03-14
Aggregate amount of unquoted investments	-	20,000,000
Total	-	20,000,000

Note 17

(In Rs.)

Particulars	31-03-15		31-03-14	
Inventories				
a. Stores and spares (Valued at cost)	5,938,885	5,938,885		-
b. Lab Materials (Valued at cost)	418,587	418,587		-
c. Other Consumables (Valued at cost)	1,586,464	1,586,464	13,695,154	13,695,154
Total		7,943,936		13,695,154



Note 18

(In Rs.)

Particulars	31-03-15	31-03-14
Trade Receivables		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	18,699,661	11,325,451
Unsecured, considered doubtful		
Trade receivables outstanding for a period more than six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	4,841,276	10,892,634
	23,540,937	22,218,085
Total	23,540,937	22,218,085

- a. Accrued patient collection constitutes Rs.50, 50,369/- (Rs 34, 61,170/-) of Trade Receivables.
- b. Confirmation of balances from debtors, creditors are yet to be received though the company has sent letters of confirmation to them. The balances adapted are as appearing in the books of accounts of the company.
- c. Sundry Debtors represent the debt outstanding on hospital services and is considered good. The company holds no other securities other than the personal security of the debtors.

Note 19

(In Rs.)

Particulars	31-03-15		31-03-14	
a. Balances with banks				
Current Account Balance	3,499,329		16,736,266	
Guarantees	5,627,014		109,512	
Bank deposits	20,399,264	29,525,607		16,845,778
b. Cash on hand	789,626	789,626	784,456	784,456
Total		30,315,233		17,630,234

Note 20

(In Rs.)

Particulars	31-03-15		31-03-14	
Short-term loans and advances				
Other loans and advances				
Unsecured, considered good				
Advance to Suppliers	929,018		403,856	
Loans and advance to employees			74,664	
	-	929,018	-	478,520
Total		929,018		478,520



Note 21

(In Rs.)

Particulars	31-03-15	31-03-14
Other Current Assets		
Interest Receivables	37,764	26,953
Prepaid Expenses	614,599	138,782
TDS Receivable	8,947,897	8,600,428
Total	9,600,260	8,766,163

Note 22

(In Rs.)

Particulars		31-03-15		31-03-14
Revenue From Operations				
Healthcare Income		297,506,102		206,556,984
Less: Payment to Doctors	126,107,418	-	64,825,136	-
Less: Medicine Purchases	32,631,153	158,738,571	15,338,544	80,163,680
Total		138,767,532		126,393,304

Note 23

(In Rs.)

Particulars	31-03-15	31-03-14
Other Income		
Interest Income	1,107,645	217,777
Net gain/(loss) on Sale of Investments	104,799	-
Total	1,212,444	217,777

Note 24: Cost of materials consumed

Consumption relates to items used for Healthcare services only. All material consumptions are indigenous only.

Note 25

(In Rs.)

Particulars	31-03-15	31-03-14
Employee Benefits Expense		
Salaries and Wages	51,958,677	44,073,464
Contribution to Provident and other Funds	2,526,366	702,253
Staff Welfare Expenses	480,310	288,767
Gratuity	483,280	366,152
Incentive	362,200	60,000
Leave Encashment	1,389,966	973,606
Total	57,200,799	46,464,242



As per The requirements of AS -15 'Employee benefits' (Revised 2005) as notified under the Companies (Accounting standards) Rules, 2006, the contribution to the Gratuity and Leave Salary is determined using the projected unit credit method with Actuarial Valuation being carried out at each Balance Sheet Date. Only the additional Provision as required is charged to the Statement of profit & Loss for the relevant Year. Also Refer Note 1(I) of notes forming Part of accounts.

(In Rs)

Particulars	as at 31st March 2015			as at 31st March 2014		
	Gratuity	Leave Encashment	Total	Gratuity	Leave Encashment	Total
Present Value of Obligation as at the beginning of the year	1,198,652	973,606	2,172,258	871,114	-	871,114
Interest Cost	95,892	77,888	173,780	78,400	-	78,400
Current Service Cost	585,491	1,060,338	1,645,829	432,327	-	432,327
Benefit Paid	-	-	-	-	-	-
Actuarial (gain) / Loss on obligation	(198,103)	(105,072)	(303,175)	(183,189)	-	(183,189)
Present Value of Obligation end of the year	1,681,932	2,006,760	1,681,932	1,198,652	973,606	1,198,652
Defined benefit obligation liability as at the balance sheet is wholly funded by the company						
Change in plan assets						
Fair Value of Plan Assets beginning of the period	672,470	-	672,470	-	-	-
Expected return on plan assets	14,756	-	14,756	-	-	-
Mortality Admin Expenses & service Tax	(10,444)	-	-	-	-	-
Contributions	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-
Actuarial gain / (loss)	-	-	-	-	-	-
Fair Value of Plan Assets	676,782	-	676,782	-	-	-
Reconciliation of present value of the obligation and the fair value of the plan assets						
Fair value of the defined benefit	1,681,932	2,006,760	1,681,932	1,198,652	973,606	1,198,652
Fair value of plan assets at the end of the year	(676,782)	-	(676,782)	-	-	-
Liability / (assets)	1,005,150	2,006,760	1,005,150	1,198,652	973,606	1,198,652
Unrecognised past service cost	-	-	-	-	-	-
the balance sheet	1,005,150	2,006,760	1,005,150	1,198,652	973,606	1,198,652
Gratuity & Leave Encashment cost for the period						
Service Cost	585,491	1,060,338	585,491	432,327	-	432,327
Interest Cost	95,892	77,888	95,892	78,400	-	78,400
Expected return on plan assets	(14,756)	-	(14,756)	-	-	-
Actuarial (gain) / loss	(198,103)	(105,072)	(198,103)	(183,189)	-	(183,189)
Past Service Cost	-	-	-	-	-	-
Net gratuity cost	468,524	1,033,154	468,524	327,538	-	327,538
Investment details of plan assets						
invested in debt instruments						
Actual return on plan assets	14,756		14,756			



(i) Expected return on Plan assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations. The Gratuity scheme is invested in the Group Gratuity Cash Accumulation Plan with Life Insurance Corporation of India.

(ii) The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market.

Note 26

(In Rs.)

Particulars	31-03-15	31-03-14
Finance Cost		
Interest Expense	13,774,426	19,294,749
Other borrowing costs		
Bank Charges	4,793,833	137,882
Total	18,568,259	19,432,631

Note 27

(In Rs.)

Particulars	31-03-15	31-03-14
Other Expenses		
Power and fuel	11,602,459	8,029,254
House Keeping Expenses	9,617,819	-
OMA Fees	10,593,638	-
Rent	2,035,336	878,640
Repair and Maintenance	6,112,736	3,403,813
Repairs to Vehicles	337,075	-
Insurance	193,864	106,504
Rates and Taxes, Excluding Taxes on Income	3,725,497	1,529,041
Printing & Stationery	2,355,496	1,333,478
Postage & Telegram	167,648	-
Advertisement, Publicity & Marketing	9,985,032	593,096
Travelling & Conveyance	2,635,940	2,318,975
Security Charges	2,886,985	1,543,052
Legal & Professional Fees	2,188,405	1,812,524
Continuing Medical Education & Hospitality Expenses	50,000	-
Hiring Charges	400,271	-
Telephone Expenses	1,276,842	1,055,287
Provision for Bad Debts	3,117,075	11,884,485
Outsourcing Expenses	168,540	-
Miscellaneous expenses	1,105,816	868,883
Investigation Expenses	14,718,627	22,644,395
Net (gain)/loss on foreign currency transactions and translation	75,792	-
Total	85,350,894	58,001,427



During the year the foreign exchange Loss (the difference between the spot rates on the date of the transactions, and the actual rates at which the transactions are settled) is Rs 75,792/- (Nil)

Note 28: Payment to auditors as statutory auditors

(In Rs)

Particulars	31-03-15	31-03-14
Audit Fees*	168,540.00	44,944.00
Tax Audit Fees*	-	-
Certification Fees*	-	-
Reimbursement of Expenses	-	-
Total	168,540.00	44,944.00

*Inclusive of Service Tax @12.36%

Note 29: Earnings per Share

(In Rs)

Particulars	31.03.2015	31.03.2014
Profit before extraordinary items attributable to equity shareholders (Amount Rs.)	(85,392,161.99)	(63,703,983.00)
Weighted Averaged Equity Shares outstanding during the year (Nos) - (B1)	19,686,943	7,691,465
Basic Earnings Per Share before extra-ordinary item	(4.34)	(8.28)
Diluted Earnings before extraordinary items attributable to equity shareholders (Amount Rs.)	(85,392,161.99)	(63,703,983.00)
Weighted Averaged Equity Shares outstanding for Diluted Earnings Per Share. (Nos)	19,686,943	6,752,412
Diluted Earnings Per Share before extra-ordinary item -	(4.34)	(9.43)
Profit after extraordinary items attributable to equity shareholders (Amount Rs.)	(96,437,531.48)	(88,883,298.00)
Weighted Averaged Equity Shares outstanding during the year (Nos) - (B)	19,686,943	7,691,465
Basic Earnings Per Share after extra-ordinary item	(4.90)	(11.56)
Diluted Earnings after extraordinary items attributable to equity shareholders (Amount Rs.)	(99,457,634.48)	(88,883,298.00)
Weighted Averaged Equity Shares outstanding for Diluted Earnings Per Share. (Nos)	19,686,943	6,752,412
Diluted Earnings Per Share after extra-ordinary item	(5.05)	(13.16)

Note 30: Expenditure in Foreign Currency

(In Rs)

Particulars	31.03.2015	31.03.2014
a. CIF Value of Imports:		
Machinery and Equipment	9,027,969	-



Note 31: Related Party Transactions

S.No	Name of related parties	Nature of relationship	Nature of Transaction	31.03.2015	31.03.2014
1	Faber sindoori Management Services Private Limited	Related party of Holding Company	Services received during the year	6,651,065	
2	Apollo Hospitals Enterprise Limited	Holding Company	Payables as at year end	705,747	
			Investment by Related Party	346,450,038	
			Fees	10,593,638	
			Pharmacy purchase	34,255,427	
			Loan received	16,500,000	
			Transactions during the year	927,870	
			Interest paid	716,055	
			Payables as at year end	21,215,422	
3	Rajshree Engineering Pvt Ltd	Enterprise over which Key Management personnel are able to exercise significant influence	Investment by Related Party	49,081,318	
4	Western Hospitals Corporation Private Limited	Subsidiary of Holding company	Loan received	100,000,000	
			Interest on loan	4,840,000	



[Handwritten signature]

32. For the current year, on a review as required by Accounting Standard 28 'Impairment of Assets', the management is of the opinion that no impairment loss or reversal of impairment loss is required, as conditions of impairment do not exist.

33. Figures in brackets relate to the figures of the previous year.

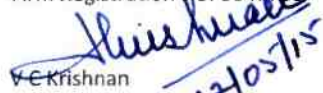
34. Previous year figures have regrouped and reclassified wherever necessary to confirm with the current year's classification.

As per our report annexed

For M/s.S.Viswanathan

Chartered Accountants

Firm Registration No: 0047705


V. C. Krishnan
Partner

(Membership No: 022167)

17, Bishop Wallers Avenue (West)

Mylapore, Chennai – 600004

Place: Indore

Date : 12.05.2015

For and on behalf of Board of Directors



Gunjan Shrimal
Chief Financial Officer



Dr. Hari Prasad Kovelamudi
Nominee Director



Surbhi Jain
Company Secretary



Dr. Devendra Bhargava
Whole Time Director



APOLLO RAJSHREE HOSPITAL PRIVATE LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2015

(In Rs)

Particulars	For the year ended March 31,2015	For the year ended March 31,2014
Net Profit before taxation & extraordinary items	(88,892,162)	(91,203,983)
Adjustment for:		
Extraordinary Items		
Compensation	3,500,000	27,500,000.00
Depreciation	17,821,538	23,178,895
Interest paid	18,568,259	19,432,631
Foreign Exchange Loss	75,792	-
Interest received	(1,107,645)	(217,777)
Dividend received	-	-
Sundry balances written back	(25,044)	-
Share Application Money Pending Allotment	124,679	-
Baddebts written off	3,117,075	-
Profit/Loss on sale of investments	(104,799)	-
Profit/Loss on sale of assets	-	-
Operating Profit before working capital changes	(46,922,307)	(21,310,234)
Adjustment for:		
Trade Receivables	(4,439,927)	7,416,422
Gratuity and leave encashment	1,033,154	973,606
Inventories	5,751,218	(4,487,370)
Trade Payables	17,254,824	4,566,511
Change in Other current asset	(1,728,445)	(1,665,762.00)
Change in Other current Liabilities	7,781,602	(25,786,535)
Cash generated from operations	(21,269,882)	(40,293,362)
Income tax paid	-	-
Foreign Exchange Gain / Loss	(75,792)	-
Cash flow before extraordinary items	(21,269,882)	(40,293,362)
Extraordinary Items		
Compensation for early termination of Radiology Contract	(3,500,000)	(27,500,000)
Net cash from Operating activities	(A) (24,769,882)	(67,793,362)
CASH FLOW FROM INVESTING ACTIVITIES		
Interest Income	1,107,645	217,777
Investment in demand deposit	-	109,512
Dividend Income	-	-
Purchase of fixed assets including Capital WIP	(166,273,544)	(4,772,802)
Sale Of Fixed Assets	-	-
Sale Of Investment	20,104,799	-
Purchase of investment	-	(20,000,000)
Net cash from investing activities	(B) (145,061,100)	(24,445,513)



CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	40,896,010	14,364,270
Proceeds from issue of share premium	83,876,677	143,082,343
Proceeds from issue of convertible preference shares	-	56,064,580
Share Application Money Pending Allotment	(124,679)	70,178,277
Proceeds from Long term Borrowings	66,132,292	(115,788,783)
Proceeds from Short term Borrowings	10,303,938	(39,244,763)
Interest expense	(18,568,259)	(19,432,631)
Net cash From financing activities	182,515,980	109,223,293
Net increase in cash & cash equivalent	12,684,999	16,984,418
Cash and cash equivalent (opening)	17,630,234	645,817
Cash and cash equivalent (closing)	30,315,233	17,630,234

As per our report annexed
For M/s.S.Viswanathan
Chartered Accountants
Firm Registration No: 0047705

V C Krishnan
V C Krishnan
Partner
(Membership No: 022167)
17, Bishop Wallers Avenue (West)
Mylapore, Chennai – 600004
Place: Indore
Date : 12.05.2015



For and on behalf of Board of Directors

Gunjan Shrimal
Gunjan Shrimal
Chief Financial Officer

Dr. Hari Prasad Kovelamudi
Dr. Hari Prasad Kovelamudi
Nominee Director

Surbhi Jain
Surbhi Jain
Company Secretary

Dr. Devendra Bhargava
Dr. Devendra Bhargava
Whole Time Director



C.N. RAMACHANDRAN
B.Com., F.C.A., A.T.I.I.(Lond.)
V.C. KRISHNAN
M.A.(Eco.), F.C.A., M.B.A.(U.S.A.)
C.N. SRINIVASAN
B.Com., F.C.A.,
CHELLA K. SRINIVASAN
B.Com., F.C.A.,
R.M. NARAYANAN
M.Com., F.C.A., P.G.D.M.
CHELLA K. RAGHAVENDRAN
B.Com., F.C.A., D.I.S.A.(I.C.A.)

MESSRS. S. VISWANATHAN

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50, Fifty Feet Road, Krishnaswamy Nagar,
Ramanathapuram, Coimbatore - 641 045.
Tel.: 94-422-4367065

INDEPENDENT AUDITORS' REPORT

To the Members of Apollo Rajshree Hospitals Private Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of APOLLO RAJSHREE HOSPITALS PRIVATE 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 significant accounting policies and other explanatory information, which we have signed under reference to this report.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 there under.

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 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 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 the effectiveness of the Entity's Internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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.

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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("The Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 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 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 included in the Auditor's Report and to our best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

New No. 17, Bishop Wallers Avenue (West)
Mylapore, Chennai – 600004

Place: Chennai
Date: 12.05.2015

For M/s SViswanathan
Chartered Accountants
FRN: 004770S


V C Krishnan
Partner
Membership No: 022167

Annexure to Independent Auditors' Report

The Annexure referred to in paragraph 1 of Our Report of even date to the members of Apollo Rajshree Hospital Private Limited. On the accounts of the company for the year ended 31st March 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) The company has a program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were observed by the Management on such verification.

2. (a) Stock of medicines, stores, spares, consumables, chemicals, lab materials and surgical instruments have been physically verified at reasonable intervals by the Management.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock of medicines, stores, spares, consumables, chemicals, lab materials and surgical instruments followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.



(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the Management as compared to book records.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses 3 (a) and 3(b) are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of stores, medicines and fixed assets for sale of goods and services. During the course of our audit, we have not observed any major weaknesses in the internal control system
5. According to the information and explanations given to us, the Company has not accepted deposits from the public and consequently the directives issued by the Reserve Bank of India and provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits)amended Rules, 2015 are not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Sub Section (1) of Section 48 of the Companies Act, 2013 for any of the activities of the Company.



7. (a) According to the information and explanations given to us, the Company is regular in depositing with the appropriate authorities the undisputed statutory dues except in the case of Provident Fund, Employees' State Insurance and Tax deducted at source where there is considerable delay in depositing the dues in a few cases. To the best of our knowledge and according to the information and explanations given to us, there are no arrears of outstanding statutory dues as at March 31, 2015 for a period of more than six months from the date they became payable. To the best of our knowledge and belief and according to the information and explanations given to us, excise duty is not applicable to this Company.
- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues disputed with respect to Cess, Wealth Tax, Customs duty and Income tax.
- c) According to information and explanations given to us, no amount is required to be transferred to Investor Education & Protection Fund and therefore the relevant provisions of the Companies Act, 1956(1 of 1956) & rules made there under is not applicable.
8. In our opinion and according to the information and explanations given to us, the Company has accumulated losses of Rs.3468.96 lakhs as at March 31, 2015 which is not less than fifty per cent of its net worth. The Company has also incurred cash losses of Rs.740.33 lakhs in March 31, 2015 and Rs.507.53 lakhs in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions, banks and debenture holders.



10. In our opinion and according to the information and explanations given to us, the Company has not given guarantee for any loans and advances taken by others from bank or Financial Institutions, the terms & conditions whereof are prejudicial to the interest of the Company.
11. In our opinion and according to the information and explanations given to us, the Company has availed term loans and the said term loans have been used for the purpose for which the term loans have been obtained
12. According to the information and explanations given to us, by the Company, no fraud on or by the Company has been noticed or reported, during the year.

New No. 17, Bishop Wallers Avenue (West)
Mylapore, Chennai – 600004

Place: Chennai
Date: 12.05.2015



For M/s S Viswanathan
Chartered Accountants
FRN: 004770S

12/5/15

V C Krishnan
Partner

Membership No: 022167