



INDEPENDENT AUDITOR'S REPORT

To the Members of APOLLO HEALTH AND LIFE STYLES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of APOLLO HEALTH AND LIFE STYLES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. 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. 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its Profit and its 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (18 of 2013), 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 purpose of 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, Statement of Profit and Loss, and Cash Flow Statement dealt 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 representation received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors were disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Karra & Co.,
Chartered Accountants
Firm Registration Number: 001749S

V. Venkateswara Rao
Partner
Membership Number: 22370



Place : Hyderabad

Date:

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 under Report on other legal and regular requirements of the Independent Auditor's Report to the Members of APOLLO HEALTH AND LIFE STYLES LIMITED for the year ended 31st March 2016. We report as required under paragraph 3 and 4 of the order that:

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

(b) The fixed Assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical assets have been noticed. In our opinion, the frequency of verification is reasonable.

(c) According to the information and explanations given to us the company does not have any immovable properties and hence the provisions of this clause are not applicable.

ii) The Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.

iii) The Company has granted loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act 2013.

a) The rate of interest and other terms and conditions on the unsecured loans given by the company are not prima facie prejudicial to the interest of the company.

b) There are no overdue amounts of more than one Lakh rupees in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the act.

iv) This clause is not applicable since the Company has not granted any loan or advances or has provided any guarantee or security as per the Section 185 & 186 of the Companies Act, 2013,

v) According to the information and explanation given to us, the Company has not accepted any deposits from the public under the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India are not applicable.

vi) The company is subject to cost audit and maintains records prescribed under section 148(1) of the companies act.



vii) (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues applicable to the Company including provident fund, employees' state insurance, income-tax, cess and other statutory dues with the appropriate authorities during the financial year ended 31st March 2016. There are no undisputed amounts payable in respect of income tax, cess and other statutory dues which are outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.

(b) There are no dues in respect of income tax, service tax, cess and other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

Viii) The company has borrowed term loans from banks, and there were no defaults in payments during period of audit.

ix) This clause is not applicable as the company has not raised moneys by way of initial public offering or further public offer (including debt instruments) however, the company has utilized the term loan for the purpose it was raised.

x) To the best of our knowledge and belief and according to the information and explanation given to us no fraud on or by the Company has been noticed or reported during the period under Audit. Hence disclosure of the nature and the amount involved in the fraud is not applicable.

xi) This clause is not applicable as no Managerial Remuneration has been paid / provided during the year.

xii) This clause is not applicable as the company is not a Nidhi Company.

xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

Xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of shares during the year.



xv) The Company has not entered into any non-cash transactions with the directors or persons connected with them.

xvi) This clause is not applicable as the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Karra & Co.,
Chartered Accountants
Firm Registration Number: 001749S

V. Venkateswara Rao
Partner
Membership Number: 22370

Place : Hyderabad

Date :



ANNEXURE A

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **APOLLO HEALTH AND LIFE STYLES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Karra & Co.,
Chartered Accountants
Firm Registration Number: 001749S

V. Venkateswara Rao
Partner
Membership Number: 22370



Place : Hyderabad

Date :

APOLLO HEALTH AND LIFESTYLE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No	As on Mar 31, 2016	As on Mar 31, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	637,314,500	419,697,960
(b) Reserves and surplus	4	901,438,621	275,186,277
(c) Share Application Money pending Allotment		-	10,395,460
2 Non-current liabilities			
(a) Long-term borrowings	5	2,412,350,000	1,236,000,000
(b) Long-term provisions	6	7,461,164	6,709,057
3 Deferred tax liability (Net)	7	11,137,020	25,457,010
4 Current liabilities			
(a) Trade payables	8	485,833,905	96,692,788
(b) Other current liabilities	9	210,781,577	346,632,016
(c) Short term provisions	10	1,036,457	-
TOTAL		4,667,353,244	2,416,770,568
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	11	441,184,975	546,717,162
(ii) Intangible assets	12	20,309,198	19,983,122
(iii) Capital work-in-progress	13	1,792,835	20,690,936
(b) Non-current investments	14	1,302,660,658	543,576,216
(c) Long-term loans and advances	15	2,344,701,325	903,245,856
2 Current assets			
(a) Inventories	16	26,385,180	11,872,226
(b) Trade receivables	17	305,669,389	263,694,885
(c) Cash and cash equivalents	18	63,352,951	105,872,770
(d) Other current assets	19	161,296,733	1,117,395
TOTAL		4,667,353,244	2,416,770,568

Summary of significant accounting policies **2**
The accompanying notes are an integral part of the financial statements

As per our report of even date

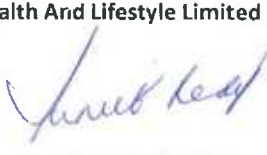
For Karra & Co
Chartered Accountants
Firm Regn.No:001749S

V.Venkateswara Rao
Partner
Membership No: 022370



By order of the Board of Directors
For Apollo Health And Lifestyle Limited


Sangita Reddy
Director


Suneeta Reddy
Director


C V Ram
Chief Financial Officer


D V Sivaram
Company Secretary

Date : 11th May 2016
Place : Hyderabad

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APOLLO HEALTH AND LIFESTYLE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

S.No:	Particulars	Note No	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
I.	Revenue from operations	20	1,143,919,008	1,070,374,018
II.	Other income	21	203,260,784	47,325,418
III.	Total Revenue (I + II)		1,347,179,792	1,117,699,436
IV.	Expenses:			
	Cost of materials consumed	22	211,935,083	137,864,108
	Cost of Services	23	420,920,758	410,940,307
	Employee benefits expense	24	375,635,121	342,440,127
	Finance costs	25	216,282,724	129,407,800
	Depreciation and amortization expense	26	76,450,030	89,277,644
	Other expenses	27	426,095,859	385,813,140
	Total expenses		1,727,319,575	1,495,743,127
V.	Profit / (Loss) Before Tax and Extraordinary items (III-IV)		(380,139,783)	(378,043,690)
VI.	Extraordinary Items		(556,839,067)	(278,627,714)
VII.	Profit before tax (V- VI)		176,699,284	(99,415,976)
VIII.	Tax expense:			
	(1) Current tax			
	(2) Deferred tax	28	(14,319,990)	13,512,727
IX.	Profit (Loss) for the year from continuing operations (VII-VIII)		191,019,274	(85,903,249)
X.	Profit/(loss) from discontinuing operations			
XI.	Tax expense of discontinuing operations			
XII.	Profit (Loss) for the year (IX-X-XI)		191,019,274	(85,903,249)
XIII.	Earnings per share	29		
	Basic		3.86	(2.91)
	Diluted		3.79	(2.91)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date


For Karra & Co
Chartered Accountants
 Firm Regn.No:001749S

V.Venkateswara Rao
 Partner
 Membership No: 022370



By order of the Board of Directors
 For Apollo Health And Lifestyle Limited


 Sangita Reddy
 Director


 Suneeta Reddy
 Director


 C V Ram
 Chief Financial Officer


 D V Sivaram
 Company Secretary

Date : 11th May 2016
 Place : Hyderabad



APOLLO HEALTH AND LIFESTYLE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Particulars		March 31, 2016		March 31, 2015	
A	Cash Flow from Operating Activities:				
	Net profit before tax		176,699,284		(85,903,253)
	Adjustment for:				
	Depreciation & Amortisation	76,450,030		89,277,646	
	Loss on Sale of Assets	743,873		39,944,199	
	Short term Capital gain	(569,707,153)		(396,729,040)	
	Interest paid	216,282,724		127,051,914	
	Interest on deposits	(163,297,544)	(439,528,070)	(27,767,178)	(168,222,459)
	Operating profit / (loss) before working capital changes		(262,828,786)		(254,125,712)
	Adjustment for:				
	Change in Sundry Debtors	(41,974,504)		(46,350,360)	
	Change in Loans & Advances (Asset)	(1,441,455,469)		(593,672,380)	
	Change in Inventories	(14,512,954)		-	
	Change in Other current Assets	(160,179,338)		(18,171,435)	
	Change in Current Liabilities & Provisions	255,079,242	(1,403,043,023)	190,111,024	(468,083,151)
	Cash generated from / (used in) operating activities		(1,665,871,809)		(722,208,863)
	Less: Taxes paid				
	Net Cash generated from / (used in) operating activities		(1,665,871,809)		(722,208,863)
B	Cash flow from Investing Activities:				
	Investments	(759,084,442)		(339,761,880)	
	Proceeds from sales of Investments	569,707,153		400,000,000	
	Proceeds from sales of Assets	46,910,300		33,057,166	
	Interest received	163,297,544		27,767,178	
	Fixed Assets			(105,264,043)	
	Net Cash from / (used in) Investing activities		20,830,555		15,798,421
C	Cash Flow from Financing Activities				
	Proceeds from Borrowings	2,396,350,000		501,000,000	
	Repayment of Borrowings	(1,220,000,000)		-	
	Interest paid	(207,490,044)		(121,678,867)	
	Loan processing charges	(8,792,680)		(5,373,050)	
	Issue of Share Capital	652,849,620		499,999,980	
	Share application money pending allotment	(10,395,460)		(89,604,540)	
	Net Cash Flow from Financing Activities		1,602,521,436		784,343,523
	Net increase / (decrease) in cash and cash equivalents		(42,519,818)		77,933,081
Add :	Opening Cash and Bank balances				
	Cash on hand	1,150,613		891,356	
	Balance with Banks	104,722,157		27,048,333	
			105,872,770		27,939,689
Less :	Closing Cash and Bank balances				
	Cash on hand	1,272,815		1,150,613	
	Balance with Banks	62,080,137		104,722,157	
			63,352,952		105,872,770

As per our report of even date

For Karra & Co
Chartered Accountants
Firm Regn.No:001749S

V.Venkateswara Rao
Partner
Membership No: 022370



By order of the Board of Directors
For Apollo Health And Lifestyle Limited

Sangita Reddy
Director

C V Ram
Chief Financial Officer

Suneeta Reddy
Director

D V Sivaram
Company Secretary

Date : 11th May 2016
Place : Hyderabad

APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 3

(Amount in Rs.)

Particulars	As on Mar 31, 2016		As on Mar 31, 2015	
	Number	Amount	Number	Amount
Share Capital				
Authorised				
70,000,000 Equity Shares of Rs. 10/- each	70,000,000	700,000,000	500,000,000	5,000,000,000
Issued				
63,731,450 Equity Shares of Rs. 10/- each	63,731,450	637,314,500	41,969,796	419,697,960
Subscribed and Paid up				
63,731,450 Equity Shares of Rs. 10/- each fully paid	63,731,450	637,314,500	41,969,796	419,697,960

(Amount in Rs.)

Particulars	As on Mar 31, 2016		As on Mar 31, 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	41,969,796	419,697,960	25,303,130	253,031,300
Shares Issued during the year	21,761,654	217,616,540	16,666,666	166,666,660
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	63,731,450	637,314,500	41,969,796	419,697,960

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

Above disclosure is required for each class of Shares held by its holding company or its ultimate holding company

Name of Shareholder	As on Mar 31, 2016		As on Mar 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Apollo Hospitals Enterprise Ltd.	63,278,029	99.29	41,969,726	99.99



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 4

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Reserves and surplus		
a. Securities Premium Account		
Opening Balance	832,519,203	499,185,883
Add : Securities premium credited on Share issue	435,233,080	333,333,320
Less : Premium Utilised	-	-
Closing Balance	1,267,752,283	832,519,203
b. Surplus		
Opening balance	(557,332,936)	(466,569,267)
(+) Net Profit/(Net Loss) For the current year	191,019,274	(85,903,249)
(-) Transfer to Depreciation Reserves	-	(4,860,410)
Closing Balance	(366,313,662)	(557,332,927)
Total	901,438,621	275,186,276

Note 5

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Long Term Borrowings		
Unsecured Term Loan	645,800,000	829,000,000
Optional Convertible Debentures	9,550,000	-
Secured Term Loan (Exclusive charge on moveable fixed assets and current assets of the company)	1,757,000,000	407,000,000
Total	2,412,350,000	1,236,000,000
As per the sanction letter dated 22nd March, 2016, the loan shall be repaid in 28 quarterly structured installments after moratorium period of 36 months from the date of 1st disbursement. The said loan carrying an annual interest rate of 10.50% (Base Rate 10.25% + Margin 0.25%) payable on a monthly basis on the last date of every month. The Loan is mortgaged by all movable fixed assets, current assests, receivables of the company and all refundable rent/lease deposits placed with various lessors. In addition to this Apollo Health and Lifestyle Ltd has given a comfort letter of undertaking to the bank.		

Note 6

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Long Term Provisions		
(a) Provision for employee benefits		
Gratuity	6,016,379	1,355,772
Provision for Bonus	975,575	1,109,124
Leave Encashment	469,210	764,110
(b) Others		
Taxation	-	3,480,052
Others	-	-
Total	7,461,164	6,709,058



APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 7

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Deferred tax liabilities (Net)		
Opening balance of Deferred Tax Liability	25,457,010	38,969,737
Differences in depreciation and amortisation for accounting and income tax purposes	(14,319,990)	(13,512,727)
Closing balance of Gross deferred tax liability	11,137,020	25,457,010

Note 8

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Trade payables		
Sundry Creditors	485,833,905	88,336,095
Others	-	8,356,694
Total	485,833,905	96,692,788

Note 9

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Other Current Liabilities		
(a) Income received in advance	-	-
(b) Other payables		
Dues to Holding Company	-	196,273,821
Interest accrued and due	7,953,226	
Doctor Consultations Payable		11,748,452
Gratuity Liability received from AHEL	4,275,164	4,275,164
Leave Encashment Liability received from AHEL	210,748	210,748
Duties & Taxes	17,464,055	16,694,017
Security Deposit	35,144,979	37,643,110
Employee Outstanding	2,138,549	4,683,974
Other Liabilities	918,694	-
Outstanding Expenses	142,676,162	75,102,730
Total	210,781,577	346,632,016

Note 10

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Short Term Provisions		
(a) Provision for employee benefits		
Gratuity	94,834	-
Leave Encashment	941,623	-
Total	1,036,457	-



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 11 (i) Tangible assets

Fixed Assets	Gross Block					Depreciation			Net Block			
	Balance as at April 1, 2015	Additions during year	Through Business Transfer	Deletions	Balance as at March 31, 2016	Balance as at April 1, 2015	Additions during year	Through Business Transfer	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Tangible Assets												
Assets under lease:												
Civil & Interior Works	133,652,801	67,277,526		20,279,121	180,651,206	31,526,951	15,511,958		2,696,730	44,342,178	102,125,850	136,309,028
Leasehold improvements	144,360,874	4,568,476		66,980,323	81,949,027	49,083,373	10,282,275		16,731,020	42,634,628	95,277,501	39,314,398
Plant and Equipment												
Medical Equipment & Surgical Instruments	255,032,078	43,372,526	8,213,065	98,857,789	207,759,879	52,438,202	16,038,810	2,977,781	12,251,628	59,203,165	202,593,876	148,556,714
Air Conditioning Plant	395,839	815,000	1,210,839		1,210,839	395,837	25,936			421,773	2	789,066
Others	21,143,642	722,001	11,490,489	11,490,489	10,375,154	3,912,571	771,192		1,828,859	2,854,904	17,231,071	7,520,250
Furniture and Fixtures	38,508,629	7,747,607	3,760,139	9,888,540	40,127,835	8,445,193	3,591,853	1,660,769	1,349,966	12,347,850	30,063,436	27,779,986
Electrical Equipments	67,202,241	3,495,453	2,506,922	19,217,564	53,987,052	14,993,863	5,417,405	962,848	3,847,507	17,526,610	52,208,378	36,460,442
Office equipment	52,825,706	18,381,281	1,870,034	14,358,290	58,718,731	16,552,827	11,089,271	1,707,123	1,588,482	27,760,739	36,272,879	30,957,993
Others												
Computers	12,953,329	3,246,427	1,271,402	1,726,955	15,744,203	7,836,529	3,451,809	1,196,676	1,594,005	10,891,010	5,116,800	4,853,193
Computers and computer equipment	23,773,505	7,993,702	2,051,344	2,051,344	29,715,863	19,775,895	2,145,959		180,504	21,741,350	3,997,610	7,974,513
Broadband Connections	147,095				147,095	147,095				147,095		
Vehicles	3,438,737			1,074,280	2,364,457	1,608,982	426,338		340,256	1,695,065	1,829,755	669,393
Total	753,434,476	157,619,998	17,621,562	245,924,695	682,751,342	206,717,318	68,752,806	8,505,197	42,408,955	241,566,366	546,717,158	441,184,975

Note 12 (ii) Intangible assets

Fixed Assets	Gross Block			Depreciation			Net Block	
	Balance as at April 1, 2015	Additions during year	Through Business Transfer	Balance as at March 31, 2016	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Intangible Assets								
Clinic Management Software(CMS)	6,536,000			6,536,000		2,300,664	4,235,336	4,235,336
Software & Packages	10,820,972	8,329,478		18,918,440	232,010	6,988,338	7,491,667	11,930,102
Non Compete fee	21,000,000			21,000,000		21,000,000		
Trademark and concept rights	20,561,800			20,561,800		16,418,041	8,256,119	4,143,759
Total	58,918,772	8,329,478	-	67,016,240	232,010	46,707,043	19,983,122	20,309,197
Grand Total	812,353,248	165,949,476	17,621,562	749,767,582	246,156,705	288,273,409	556,700,280	461,494,172



APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 13

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Capital work-in-progress		
Work in Progress Clinics	1,792,835	3,548,404
Work in Progress Shivji Marg (Delhi Cradle)	-	10,922,490
Work in Progress Satellite City	-	1,896,528
Work in Progress Marathali Cradle BLR	-	4,323,514
Total	1,792,835	20,690,936



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 14

Particulars	(Amount in Rs.)	
	As on Mar 31, 2016	As on Mar 31, 2015
Non-current investments Investment in Equity Instruments	1,302,660,658	543,576,216
Total (A)	1,302,660,658	543,576,216

A) Details of Other Investments

Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Amount		Whether stated at Cost Yes/No
		As on Mar 31, 2016	As on Mar 31, 2015	As on Mar 31, 2016	As on Mar 31, 2015	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Investment in Equity Instruments						
Apollo Bangalore Cradle Limited	Subsidiary	-	1,963,546	-	191,860,000	Yes
Akso Healthcare Private Limited	Subsidiary	1,370,000	1,370,000	81,828,800	81,828,800	Yes
Alliance Dental Care Limited	Subsidiary	2,647,606	-	840,407,953	-	Yes
Apollo Cosmetic Surgical Center Private Limited	Subsidiary	4,098,360	2,851,412	48,309,198	28,514,120	Yes
Apollo Dialysis Private Limited	Subsidiary	2,593,105	-	39,184,903	-	Yes
Apollo Sugar Clinic Limited	Subsidiary	2,934,340	2,934,340	238,861,520	238,861,520	Yes
Nova Speciality Hospitals Private Limited	Associate	50,000	50,000	52,056,508	500,000	Yes
Health Super Hiway Private Limited	Others	201,000	201,000	2,010,000	2,010,000	Yes
Sunrise Medicare Private Limited	Others	78	78	1,776	1,776	Yes
Total		13,894,489	9,370,376	1,302,660,658	543,576,216	



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 15

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Long Term Loans and Advances		
a. Capital Advances		
Unsecured, considered good	1,865,133	1,521,644
b. Security Deposits		
Unsecured, considered good	84,400,413	97,098,303
c. Loans and advances to related parties		
Unsecured, considered good	2,057,290,050	600,017,236
d. Other Loans and Advances		
Advance to Suppliers	38,500,792	83,346,146
Other Advances	3,838,880	3,368,216
Prepaid Expenses	2,578,905	1,142,257
Tax deducted at source-Receivable	154,190,836	115,196,685
Loans and advance to employees	2,036,318	1,555,368
Total	2,344,701,325	903,245,856

Note 16

Particulars	As on Mar 31, 2016	March 31, 2015
Inventories		
Lab & Diagnostic Consumables Valued at cost on FIFO basis.	26,385,180	11,872,226
Total	26,385,180	11,872,226

Note 17

Particulars	As on Mar 31, 2016	March 31, 2015
Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	82,057,639	130,038,492
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	247,387,740	150,580,718
Less: Provision for doubtful debts	23,775,990	16,924,325
Total	305,669,389	263,694,885



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 18

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Cash and cash equivalents		
a. Balances with banks	43,053,308	100,756,981
Margin money		
Bank deposits with more than 12 months maturity	19,026,828	3,965,176
b. Cash on hand	1,272,815	1,150,613
Total	63,352,951	105,872,770

Note 19

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Other Current Assets		
Service Tax & VAT Balances		120,066
Interest Receivable	161,296,733	997,324
Total	161,296,733	1,117,390



APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 20

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Revenue from operations		
Income from Consultancy	10,513,617	21,616,377
Income from Operating License Fees	78,393,796	80,785,631
One Time License Fees	19,183,406	12,000,000
Inpatient Income	26,632,630	142,762,164
Outpatient Income	1,043,796,643	813,209,847
Less: Discounts	(34,601,084)	(9,772,905)
Total	1,143,919,008	1,060,601,113

Note 21

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Other Income		
Interest on deposits	163,297,544	27,767,178
Commision of Pharmacy Revenue	10,781,616	11,561,679
Other Miscellaneous Income	22,314,443	4,241,076
Rental Income	6,698,916	3,755,485
Sale of Scrap	168,265	-
Total	203,260,784	47,325,418



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 22

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Cost of materials consumed		
Lab Consumables	21,248,053	117,154,541
Medical Consumables	171,974,712	1,244,710
Other Consumables	10,270,195	680,514
Printing & Stationery	22,955,077	20,032,085
X-Ray Films	-	132,722
Sub Total	226,448,037	139,244,572
Add: Opening Stock	11,872,226	10,491,762
Less: Closing Stock	26,385,180	11,872,226
Total	211,935,083	137,864,108

Note 23

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Cost of Services		
Consultation Fee-OP	188,900,962	214,605,497
Ambulance Service	9,427,800	10,573,684
Camp Exp	753,447	573,010
Credit/Debit Card Swiping Charges	4,715,937	4,158,596
Franchisee Service Charges	3,406,233	-
Sample Collection	-	4,077,811
Lab Testing Charges	44,723,044	48,640,983
Laundry & Drycleaners	579,186	566,212
Patient Diet Expenses	3,486,632	1,614,918
Retainership Fee-Doctors	41,197,013	41,454,835
Logistics	10,068,660	-
Corporate Purchases	113,653,338	74,901,857
Others	8,507	-
Total	420,920,758	401,167,402



APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 24 Employee Benefits expenses

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Employee Benefits Expense		
Salaries & Wages	311,616,816	288,314,019
Gratuity	3,533,573	2,144,853
Staff Welfare Expenses	10,553,692	9,345,510
Leave Encashment	2,576,810	2,346,991
Consultancy Charges	19,143,799	17,018,677
Incentives & Bonus	8,680,136	6,040,134
Employee Insurance	365,980	-
Ex-gratia	616,487	-
Other expenses	1,153,936	2,705,068
Contribution to Statutory funds	17,393,892	14,524,875
Total	375,635,121	342,440,127

Note 25 Finance Cost

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Finance Cost		
Interest on Loan	204,562,215	121,678,867
Loan Processing Charges	8,792,680	5,373,050
Bank Charges	2,927,830	2,355,883
Total	216,282,724	129,407,800

Note 26 Depreciation

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Depreciation		
Tangible Assets	68,752,807	82,387,842
Intangible Assets	7,697,223	6,889,802
Total	76,450,030	89,277,644



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 27

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
<u>Other Expenses</u>		
Audit Fee	660,000	600,000
Legal and Professional Expenses	31,583,762	15,692,756
Printing and Stationery Expenses	553,682	1,181,976
Annual Maintenance Charges	16,029,694	11,568,648
Books & Periodicals	176,505	226,392
Car Rental Charges	17,361	868,455
Conference , Seminars & Training	2,896,325	4,216,318
Electricity Charges	33,510,655	32,153,141
Generator Diesel Exp	3,122,186	2,682,081
House Keeping Charges	33,831,939	42,411,697
Insurance Premium	2,697,428	894,809
Communication Expenses	22,737,415	20,934,085
Maintenance Expenses	32,427,021	24,935,633
Directors Sitting Fee	171,500	-
Shifting of Assets	584,750	38,250
Rent,Rates & Taxes	142,844,813	144,967,145
Recruitment Charges	6,479,799	6,532,241
Security Services	4,769,180	9,422,116
Travelling Expenses	30,342,964	18,131,454
Bad Debts	1,114,079	-
Write off of Cash & Card collections	387,802	-
Provision For Doubtful Debts	-	12,740,580
Provision For Doubtful Advances	926,020	-
Provision For Doubtful Deposits	3,500,086	-
Interest on delayed statutory payments	104,129	207,897
Sub Total	371,469,094	350,405,675
<u>Marketing Expenses</u>		
Advertisement Expenses	39,491,558	29,707,157
Business Development Expenses	2,570,194	999,335
Marketing Expenses	11,247,286	3,909,277
Printing-Advertisement	1,317,726	791,697
Sub Total	54,626,764	35,407,466
Grand total	426,095,859	385,813,140



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 28

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Earnings per share (EPS)		
Profit/(Loss) after tax	191,019,274	(85,903,253)
Net Profit/(Loss) for calculation of EPS	191,019,274	(85,903,253)
Weighted average number of equity shares in calculating Basic EPS	49,503,309	29,528,925
Weighted average number of equity shares in calculating Diluted EPS	50,458,302	29,528,925
Earnings per share		
Basic	3.86	(2.91)
Diluted	3.79	(2.91)

Note 29

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Payments to Auditors		
Statutory Audit	550,000	500,000
Tax Audit Fee (Excluding Service Tax)	110,000	100,000
Total	660,000	600,000

30. Contingent Liabilities & Capital Commitments

a. Contingent Liabilities

Nil

b. Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. 142,090,000



Note 31**Related Party Transactions****a. List of Related parties and relationship****(i) Holding company**

Apollo Hospitals Enterprise Limited

(ii) Subsidiary company

Apollo Sugar Clinics Limited

Apollo Cosmetic Surgical Center Private Limited

Akeso Healthcare Private Limited

Alliance Dental Care Limited

Apollo Dialysis Private Limited

(iii) Associate

Apollo Specialty Hospitals Private Limited

(iv) Significant Influence

Apollo Bangalore Cradles Limited

Faber Sindoori Management Services Pvt Ltd.,

Health Super Hwy Pvt Ltd.,

Medvarsity Online Ltd.,

(v) Key Management Personnel

Ms. Sangeetha Reddy, Managing Director

Mr. Neeraj Garg, Chief Executive Officer

b. Transactions & Balances with related parties

Transactions	Details of Transactions	Holding Company	Subsidiary Company	Associate	Significant Influence	Key Management Personnel	Total
Purchase of Goods							
Apollo Hospitals Enterprise Limited	Purchase of Consumables	26,767,434					26,767,434
Akeso Healthcare Private Limited	Corporate Purchases		1,642,490				1,642,490
Sales of Goods							
Apollo Hospitals Enterprise Limited	Pharmacy Income	14,060,856					14,060,856
Apollo Bangalore Cradles Limited	Corporate Sales				385,005		385,005
Rendering of Services							
Akeso Healthcare Private Limited	Franchisee Fee received		2,758,206				2,758,206
Receiving of Services							
Apollo Hospitals Enterprise Limited	Legal & Professional Charges	521,250					521,250
Apollo Bangalore Cradles Limited	Lab Investigating Charges				4,448,357		4,448,357
Faber Sindoori Management Services Pvt Ltd.,	House Keeping Services				29,849,959		29,849,959
Other Income							
Apollo Sugar Clinics Limited	Revenue from sharing common facilities		12,457,314				12,457,314
Interest Income							
Apollo Specialty Hospitals Private Limited	Interest on Unsecured loan given		150,510,862				150,510,862
Alliance Dental Care Limited	Interest on Unsecured loan given		456,439				456,439
Apollo Dialysis Private Limited	Interest on Unsecured loan given		81,934				81,934
Interest Expense							
Apollo Hospitals Enterprise Limited	Interest on Unsecured loan taken	131,779,144					131,779,144
Finance Provided							
Apollo Specialty Hospitals Private Limited	Unsecured loan given			1,220,000,000			1,220,000,000
Alliance Dental Care Limited	Unsecured loan given		14,000,000				14,000,000
Apollo Dialysis Private Limited	Unsecured loan given		2,800,000				2,800,000
Loan taken							
Apollo Hospitals Enterprise Limited	Unsecured loan taken	1,036,800,000					1,036,800,000
Loan repaid							
Apollo Hospitals Enterprise Limited	Unsecured loan repaid	1,220,000,000					1,220,000,000
Management Services provided							
Akeso Healthcare Private Limited	Management Consultancy		12,000,000				12,000,000
Investment made							
Alliance Dental Care Limited	Investment made		840,407,933				840,407,933
Apollo Dialysis Private Limited	Investment made		39,184,903				39,184,903
Remuneration							
Mr. Neeraj Garg	Remuneration paid					17,654,700	17,654,700
Outstanding Receivables							
Apollo Specialty Hospitals Private Limited			2,191,000,912				2,191,000,912
Akeso Healthcare Private Limited			1,630,758				1,630,758
Apollo Sugar Clinics Limited			7,121,205				7,121,205
Apollo Bangalore Cradles Limited			-		788,659		788,659
Alliance Dental Care Limited			14,167,260				14,167,260
Apollo Dialysis Private Limited			2,824,098				2,824,098
Outstanding Payables							
Apollo Hospitals Enterprise Limited		861,005,566					861,005,566
Faber Sindoori Management Services Pvt Ltd.,					9,003,719		9,003,719

APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 32

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Gratuity		
Current Service Cost	1,195,869	77,929
Interest Cost on benefit obligation	75,772	51,440
Expected return on plan assets		
Net Actuarial (gain). Loss recognized in the year past services cost	715,049	174,784
Net Benefit expense	1,986,690	304,153
Actual return on plan assets		
Balance Sheet		
Details of provision for Gratuity		
Change in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	947,148	642,995
Interest cost	75,772	51,440
Current services cost	1,195,869	77,929
Benefits paid	0	0
Actuarial (gains)/losses on obligation	715,049	174,784
Closing defined benefit obligation	2,933,838	947,148
The principal assumptions used in determining gratuity and post employment medical benefit obligations for the company's plans are shown below:		
Assumptions	%	%
Salary Rise	5	4
Discount rate	8	8
Attrition Rate	15	33
Available Balance Service	28.20 Years	27.71 Years



APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 33

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Leave Encashment		
Current Service Cost	250,442	7,253
Interest Cost on benefit obligation	38,186	36,238
Expected return on plan assets		
Net Actuarial (gain). Loss recognized in the year	551,781	(19,152)
past services cost		
Net Benefit expense	840,409	24,339
Actual return on plan assets		
Balance Sheet		
Details of provision for Gratuity		
Change in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation	477,320	452,981
Interest cost	38,186	36,238
Current services cost	250,442	7,253
Benefits paid	0	0
Actuarial (gains)/losses on obligation	551,781	(19,152)
Closing defined benefit obligation	1,317,729	477,320
The principal assumptions used in determining gratuity and post employment medical benefit obligations for the company's plans are shown below:		
Assumptions	%	%
Salary Rise	5	4
Discount rate	8	8
Attrition Rate	15	33
Available Balance Service	28.20 Years	27.71 Years



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 34 Business transfers

During the year, 5 business units including 3 Cradles, 1 Day Surgical center and 1 Fertility centers have been transferred to Apollo Spectra Hospitals Private Limited, as part of business restructuring, through Business Transfer Agreement dated 1st July, 2015, on a going concern basis. The above transfer was made as a slump sale for a consideration of Rs. 8,702,182 which is received by way of fully paid up equity shares of Rs. 10/- face value each issued by Apollo Specialty Hospitals Private Limited.


The Company acquired the business of M/s Akeso Healthcare Private Limited (Subsidiary of the Company) through Business Transfer Agreement dated 15th December, 2015, on a going concern basis, as a slump sale for a consideration of Rs. 4,197,260. The consideration is discharged by way of paying cash to M/s Akeso Healthcare Private Limited.

Note 35 Divestment

The Company divested its 81% stake in its subsidiary M/s Apollo Bangalore Cradle Limited for a consideration of Rs. 431,587,035 resulting in a capital gain of Rs. 239,727,035 which is presented as extra-ordinary items on the face of the Statement of Profit and Loss.

The Company divested its 51% stake in its subsidiary M/s Apollo Spectra Hospitals Private Limited for a consideration of Rs. 710,010,645 resulting in a capital gain of Rs. 329,980,118 which is presented as extra-ordinary items on the face of the Statement of Profit and Loss.

For Karra & Co
Chartered Accountants
Reg. No. 001749S


V. Venkateswara Rao
Partner

ICAI Membership No: 22370
Date : 11th May 2016

By order of the Board
For Apollo Health and Lifestyle Limited


Sangita Reddy
Director

Place : Hyderabad
Date: 11th May 2016


Suneeta Reddy
Director

Place: Hyderabad
Date: 11th May 2016


C V Ram
Chief Financial Officer

Place: Hyderabad
Date: 11th May 2016


D V Sivaram
Company Secretary

Place: Hyderabad
Date: 11th May 2016



INDEPENDENT AUDITOR'S REPORT

To the Members of Apollo Health and Lifestyle Limited on the Consolidated Financial Statements of Apollo Health and Lifestyle Limited.

Report on the Consolidated Financial Statements.

1. We have audited the accompanying Consolidated financial statements of **Apollo Health and Lifestyle Limited** ("the Company") and its subsidiaries, Apollo Cosmetics Surgical Center Pvt Ltd, Apollo Sugar Clinics Limited, Akeso Health Care Private Limited, Alliance Dental care limited and Apollo Dialysis private limited (The Holding Company and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the consolidated financial statements")

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "The Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly Controlled entities in accordance with 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial and statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.



Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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.
4. 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 consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated 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 Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of the group's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph 9, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.



Other Matters

8. Financial statements of five subsidiaries reflect total assets of Rs.53,61,43,509 as at 31st March 2016, total revenue of Rs. 71,59,51,693 as 31st March 2016 and loss amount to Rs.25,07,12,239 for the year ended 31st March 2016
9. We did not audit the financial statements of three subsidiaries (other than Apollo Cosmetics & Surgical centre private limited), whose financial statements reflect total assets of Rs.259,908,062 as at 31st March, 2016, total revenues of Rs.318,382,119 and loss amounting to Rs. 177,925,943 for the year ended on that date, as considered in the consolidated financial statements 31st March, 2016, as considered in the consolidated financial statements, in respect of four subsidiaries , whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

10. 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, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group's companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.


12. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the 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 Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

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

For Karra and Co.,
Chartered Accountants
Firm Registration No.001749S


V. Venkateswara Rao
Partner
Membership No. 022370
Place:Hyderabad
Date:



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Financial Statements for the year ended 31st March, 2016

1) Corporate information

Apollo Health and Lifestyle Limited ('AHLL' or the 'the Company') is wholly owned subsidiary of Apollo Hospital Enterprises Limited and was incorporated in India on November 10, 2000. The Company was formed to provide outpatient care through neighbor-hood Family Clinics through the brand 'The Apollo Clinic'. AHLL started operating Family Clinics through Franchisee network and from the year 2010 onwards AHLL also started establishing owned Clinics. In addition to the Family Clinics AHLL ventured into Diagnostic centers.

Each of the Apollo Clinics is committed to providing consistently superior quality health care services to address the day-to-day health care needs of the family. To maximize convenience and comfort, The Apollo Clinic is an integrated model and offers all facilities under one roof for Specialist Consultation, Diagnostics, Preventive Health Checks and other outpatient care. The Clinic also pioneers in a range of value added services such as counseling on various lifestyle parameters.

During the year the company acquired two companies Apollo Dialysis Private Limited and Alliance Dental Care Limited to extend its services into new segments i.e., Dental and Dialysis.

2) Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (India GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles that require the management to make estimates and assumptions that affect the reported values of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.



APOLLO HEALTH AND LIFESTYLE LIMITED**Notes to Financial Statements for the year ended 31st March, 2016****b. Fixed Assets**

Fixed Assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs relating to acquisition of fixed assets are capitalized. The costs include freight, installation costs, duties and taxes, and other allocated expenses for bringing the assets to its working condition for its intended use.

c. Depreciation/Amortization

i) Depreciation is provided using the straight-line method, pro rata for the period of use of the assets, at annual depreciation rates stipulated in Schedule II to the Indian Companies Act, 2013, or based on the estimated useful lives of the assets, whichever is higher.

Nature of asset	Useful Life	Deemed rate
Furniture and fittings	10	9.50%
Office equipment	5	19.00%
Air conditioners	5	19.00%
Electrical Installations and Equipment	10	9.50%
Desktops, laptops, etc.	3	31.67%
Broadband Connections	3	31.67%
Vehicles	8	11.88%
Medical Equipment	13	7.31%
Vehicles-Motor Vehicles	5	19.00%
Software's (without residual Value of 5%)	3	33.33%

ii) Lease hold improvements are depreciated over the primary period of lease or useful lives of the assets, whichever is shorter.

iii) Fixed assets not exceeding Rs.5000 are charged off in the year of purchase.

iv) Intangible assets are amortized on a straight line basis over the estimated useful economic Life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life.



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Financial Statements for the year ended 31st March, 2016

d. Inventories

Consumables are valued at lower of cost or net realizable value. Cost is determined on First in First out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

e. Foreign Currency Transactions

Foreign Currency transactions are accounted at the exchange rate prevailing as on the date of Invoice. Current Assets and Current Liabilities are converted at the rates prevailing as on the Balance Sheet date.

f. Leases

Leases where the lessor effectively retains substantially all the risks and the benefits of ownership of the leased assets over the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss account.

g. Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

h. Investment

The Investments which are readily realizable and intended to be held for not more than one year from the date which such Investments are made are classified as current investments. All other investments are classified as long term investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:



APOLLO HEALTH AND LIFESTYLE LIMITED
Notes to Financial Statements for the year ended 31st March, 2016

The Company has recognized revenue as follows.

For Franchisee Business:

One time License Fee

With reference to clinics 100% of One Time License Fee is recognized in the year of signing the MOU

Operating License Fee:

Operating License Fee is recognized as a percentage of the gross sales.

Owned clinics operational income:

Owned clinics are recognizing the revenues on the basis of the services rendered on cash or on an accrual basis whichever is earlier.

Corporate services Fee:

Corporate services fee is recognized on basis of the services rendered and as per the terms of the agreement.

Other Incomes

All other incomes are recognized on a pro-rata basis, based on the completion of work and as per the terms of the agreement.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable Interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

All the above incomes are recognized net of Service tax or VAT wherever applicable

j. Retirement & other employment benefits

- i) Liability for gratuity which is defined benefit obligation and leave encashment is provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method (PUC).
- ii) Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to statement of profit and loss for the year when the contributions are due. The company has no obligations, other than the contribution payable to the provident fund.

k. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



APOLLO HEALTH AND LIFESTYLE LIMITED
Notes to Financial Statements for the year ended 31st March, 2016

I. Segment reporting

Identification of segments:

The company operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and also in different markets.

Inter segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.



m. Income Tax

The Company has made provisions of Income Tax as per Income Tax Act, 1961.

n. Earnings per share

Basic Earnings per Share is determined by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

As per our report of even date

<p>For Karra & Co Chartered Accountants Reg No. 001749S</p> 	<p>By order of the Board For Apollo Health and Lifestyle Limited</p> 			
<p>V. Venkateswara Rao Partner ICAI Membership No: 22370 Date : 11th May 2016</p>	<p>Sangita Reddy Director Place : Hyderabad Date: 11th May 2016</p>	<p>Suneeta Reddy Director Place: Hyderabad Date:11th May 2016</p>	<p>C V Ram Chief Financial Officer Place: Hyderabad Date: 11th May 2016</p>	<p>D V Sivaram Company Secretary Place: Hyderabad Date:11th May 2016</p>

APOLLO HEALTH AND LIFESTYLE LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

Particulars	Note No	March 31, 2016	March 31, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	637,314,500	419,697,960
(b) Reserves and surplus	4	633,618,310	27,423,076
(c) Share Application Money pending Allotment		-	11,380,710
2 Minority Interest	5	502,080,061	542,531,723
3 Non-current liabilities			
(a) Long-term borrowings	6	2,571,392,758	1,865,000,000
(b) Deferred tax liabilities (Net)	7	20,626,838	26,513,404
(c) Long-term provisions	8	13,073,509	14,682,172
4 Current liabilities			
(a) Short term borrowings & Provisions		82,082,385	-
(b) Trade payables	9	564,638,308	314,452,948
(c) Other current liabilities	10	261,645,261	439,055,283
TOTAL		5,286,471,930	3,660,737,275
II. ASSETS			
Non-current assets			
1 (a) Fixed assets			
(i) Tangible assets	11	800,174,816	1,660,303,594
(ii) Intangible assets	12	1,050,066,991	304,182,939
(iii) Capital work-in-progress	13	2,346,562	20,759,936
(b) Non-current investments	14	275,902,427	253,111,296
(c) Long-term loans and advances	15	2,368,470,026	480,768,519
2 Current assets			
(a) Inventories	16	59,047,610	48,059,221
(b) Trade receivables	17	309,389,120	389,071,039
(c) Cash and cash equivalents	18	194,993,702	502,179,379
(d) Short-term loans and advances		45,443,549	-
(e) Other current assets	19	180,637,127	2,301,352
TOTAL		5,286,471,930	3,660,737,275

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements

As per our report of even date

For Karra & Co
Chartered Accountants
Firm Regn.No:0017495

V.Venkateswara Rao
Partner
Membership No: 022370

By order of the Board of Directors
For Apollo Health and Lifestyle Limited

Sangita Reddy
Director

Suneeta Reddy
Director

C V Ram
Chief Financial Officer

D V Sivaram
Company Secretary

Date : 11th May 2016
Place : Hyderabad

APOLLO HEALTH AND LIFESTYLE LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

S.No:	Particulars	Note No	March 31, 2016	March 31, 2015
			AHLL Consol	AHLL Consol
I.	Revenue from operations	20	1,773,146,716	1,572,429,238
II.	Other income	21	226,985,530	66,322,550
III.	Total Revenue (I + II)		2,000,132,246	1,638,751,788
IV.	Expenses:			
	Cost of materials consumed	22	302,108,196	223,743,275
	Cost of Services	23	694,002,055	633,087,870
	Employee benefits expense	24	569,541,826	448,758,415
	Finance costs	25	246,082,972	150,298,161
	Depreciation and amortization expense	26	146,230,664	142,379,412
	Other expenses	27	659,310,494	615,855,927
	Total expenses		2,617,276,207	2,214,123,060
V	Profit / (Loss) Before Tax and Extraordinary Items (III-IV)		(617,143,961)	(575,371,272)
VI	Minority Interest		2,837,318	(8,151,188)
VII	Extraordinary Items		(545,519,150)	(285,333,190)
VIII	Profit before tax (V- VI)		(68,787,493)	(281,886,894)
IX	Tax expense:			
	(1) Current tax		300,000	(1,974,071)
	(2) Deferred tax		(12,231,847)	12,247,568
X	Profit (Loss) for the year from continuing operations (VII-VIII)		(56,855,646)	(271,613,396)
XI	Profit/(loss) from discontinuing operations			
XII	Tax expense of discontinuing operations			
XIII	Profit (Loss) for the year (IX-X-XI)		(56,855,646)	(271,613,396)
XIV	Earnings per equity share:			
	(1) Basic	28	(1.15)	(9.20)

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements


As per our report of even date

For Karra & Co
Chartered Accountants
Firm Regn.No:0017495

V.Venkateswara Rao
Partner
Membership No: 022370



By order of the Board of Directors
For Apollo Health and Lifestyle Limited


Sangeeta Reddy
Director


Suneeta Reddy
Director


C V Ram
Chief Financial Officer


D V Sivaram
Company Secretary

Date : 11th May 2016
Place : Hyderabad

APOLLO HEALTH AND LIFESTYLE LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(Amount in Rs.)

Particulars		March 31, 2016		March 31, 2015	
A	Cash Flow from Operating Activities:				
	Net profit before tax		(68,787,493)		(271,613,397)
	Adjustment for:				
	Depreciation & Amortisation	146,230,664		142,379,412	
	Loss on Sale of Asset	743,873		-	
	Fixed Assets written off	17,941,804		-	
	Intangible assets written off	1,779,600		-	
	Preliminary expenses written off	11,319,917		-	
	Short term Capital Gain	(569,707,153)		(396,729,040)	
	Interest paid	230,284,807		146,998,141	
	Interest on deposits	(194,829,251)	(356,235,739)	(9,636,227)	(116,987,714)
	Operating profit / (loss) before working capital changes		(425,023,232)		(388,601,111)
	Adjustment for:				
	Change in Sundry Debtors	79,681,919		(171,016,862)	
	Change in Loans & Advances (Asset)	(1,933,145,056)		(233,138,099)	
	Change in Inventories	(10,988,389)		-	
	Change in Other current Assets	(178,335,775)		(36,684,557)	
	Change in Current Liabilities & Provisions	71,021,285	(1,971,766,016)	475,976,906	35,137,388
	Cash generated from / (used in) operating activities				
	Less: Taxes paid				
	Net Cash generated from / (used in) operating activities		(2,396,789,247)		(353,463,723)
B	Cash flow from Investing Activities:				
	Investments	(22,791,131)		(267,348,427)	
	Proceeds from sales of Investments	569,707,153		400,000,000	
	Interest received	194,829,251		9,636,227	
	Fixed Assets	(34,037,841)		(1,226,331,790)	
	Net Cash from / (used in) Investing activities		707,707,432		(1,084,043,990)
C	Cash Flow from Financing Activities				
	Proceeds from Borrowings	2,008,475,143		1,130,000,000	
	Repayment of Borrowings	(1,220,000,000)		-	
	Interest paid	(230,284,807)		(133,434,901)	
	Loan processing charges	(8,792,680)		(13,563,240)	
	Issue of Share Capital	834,329,192		991,168,484	
	Issue of Debentures	9,550,000		-	
	Share Pending application allotment money	(11,380,710)		(89,604,540)	
	Net Cash Flow from Financing Activities		1,381,896,138		1,884,565,803
	Net increase / (decrease) in cash and cash equivalents		(307,185,677)		447,058,090
Add :	Opening Cash and Bank balances				
	Cash on hand	2,847,935		1,238,239	
	Balance with Banks	499,331,443		53,883,049	
			502,179,378		55,121,288
Less :	Closing Cash and Bank balances		194,993,701		502,179,378
	Cash on hand	2,720,851		2,847,935	
	Balance with Banks	192,272,852		499,331,443	
			194,993,702		502,179,378

As per our report of even date

For Karra & Co
Chartered Accountants
 Firm Regn.No:0017495

V.Venkateswara Rao
 Partner
 Membership No: 022370



By order of the Board of Directors
For Apollo Health and Lifestyle Limited

Sangita Reddy
 Director

Suneeta Reddy
 Director

C V Ram
 Chief Financial Officer

D V Sivaram
 Company Secretary

Date : 11th May 2016
 Place : Hyderabad

APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 3

(Amount in Rs.)

Particulars	As on Mar 31, 2016		As on Mar 31, 2015	
	Number	Amount	Number	Amount
Share Capital				
Authorised				
70,000,000 Equity Shares of Rs. 10/- each	70,000,000	700,000,000	50,000,000	500,000,000
Issued				
63,731,450 Equity Shares of Rs. 10/- each	63,731,450	637,314,500	41,969,796	419,697,960
Subscribed and Paid up				
63,731,450 Equity Shares of Rs. 10/- each fully paid	63,731,450	637,314,500	41,969,796	419,697,960

(Amount in Rs.)

Particulars	As on Mar 31, 2016		As on Mar 31, 2015	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year Apollo Hospitals Enterprise Limited	41,969,796	419,697,960	25,303,130	253,031,300
Shares Issued during the year	21,761,654	217,616,540	16,666,666	166,666,666
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	63,731,450	637,314,500	41,969,796	419,697,960

Disclosure pursuant to Note no. 6(A)(f) of Part I of Schedule VI to the Companies Act, 1956

Above disclosure is required for each class of Shares held by its holding company or its ultimate holding company

Name of Shareholder	As on Mar 31, 2016		As on Mar 31, 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Apollo Hospitals Enterprise Ltd.	63,278,029	99.29	41,969,726	99.99



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 4

Particulars	March 31, 2016	March 31, 2015
Reserves and surplus		
a. Securities Premium Account		
Opening Balance	928,922,271	499,185,883
Add : Securities premium credited on Share issue	435,233,080	333,333,320
Less : Premium Utilised	-	146,626
Closing Balance	1,364,155,351	832,372,577
b. Surplus		
Opening balance	(668,006,757)	(528,295,692)
(+) Net Profit/(Net Loss) of New Subsidiaries Op Bal	-	49,967
(+) Net Profit/(Net Loss) For the current year	(62,530,284)	(271,613,398)
(-) Transfer to Depreciation Reserves	-	(5,090,377)
Closing Balance	(730,537,041)	(804,949,500)
Total	633,618,310	27,423,077

Note 5

Particulars	March 31, 2016	March 31, 2015
Minority Interest		
Minority Share holders share in Share Capital	29,796,251	526,372,402
Minority Share holders share in Losses	472,283,809	16,159,321
Total	502,080,061	542,531,723

Note 6

Particulars	March 31, 2016	March 31, 2015
Long Term Borrowings		
Unsecured Term Loan	650,526,443	829,000,000
Optional Convertible Depentures	9,550,000	1,036,000,000
Secured Loan (Exclusive charge on moveable fixed assets and current assets of the company)	1,911,316,315	-
Total	2,571,392,758	1,865,000,000

Note 7

Particulars	March 31, 2016	March 31, 2015
Deferred tax liabilities (Net)		
Opening balance of Deferred Tax Liability	32,484,587	39,333,129
Tangible & Intangible assets : Impact of difference between tax depreciation and depreciation /amortisation charged for the financial reporting	(11,857,749)	(12,819,725)
Closing balance of Gross deferred tax liability	20,626,838	26,513,404



Note 8

Particulars	March 31, 2016	March 31, 2015
Long Term Provisions		
(a) Provision for employee benefits		
Gratuity	6,262,110	6,884,469
Provision for Bonus	975,575	1,273,342
Leave Encashment	740,407	1,070,238
(b) Others		
Taxation	5,095,417	5,454,123
Total	13,073,509	14,682,172

Note 9

Particulars	March 31, 2016	March 31, 2015
Trade payables		
Sundry Creditors	563,755,163	231,331,454
Others	883,145	83,121,494
Total	564,638,308	314,452,948

Note 10

Particulars	March 31, 2016	March 31, 2015
Other Current Liabilities		
(a) Income received in advance	-	-
(b) Other payables		
Retention Money on Capital Contracts	-	205,161
Dues to Holding Company	-	156,838,132
Dues to Group Companies	-	17,751,632
Doctor Consultations Payable	-	13,868,729
Gratuity Liability received from AHEL	4,275,164	4,275,164
Leave Encashment Liability received from AHEL	210,748	210,748
Statutory Liabilities	19,101,161	34,227,014
Security Deposit	35,244,979	38,303,520
Security Deposit-Rental	-	1,522,400
Employee Outstanding	2,138,552	7,097,194
Current Maturity of Loan	22,860,954	3,022,246
Other Liabilities	1,903,944	48,920,780
Outstanding Expenses	167,956,536	112,812,559
Interest accrued and due	7,953,226	-
Total	261,645,261	439,055,280



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 11 Tangible assets

Fixed Assets	Gross Block					Depreciation					Net Block	
	Balance as at April 1, 2015	Additions during year	BTA	Deletions	Balance as at March 31, 2016	Balance as at April 1, 2015	Additions during year	BTA	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Tangible Assets												
Assets under lease:												
Civil & Interior Works	157,554,757	70,503,440	-	31,747,946	196,310,251	37,718,057	18,330,347	-	9,879,951	46,168,452	119,836,700	150,141,799
Leasehold Improvements	144,360,874	4,568,476	-	66,980,323	81,949,027	49,083,373	10,282,275	-	16,731,020	42,634,628	95,277,501	39,314,398
Plant and Equipment												
Plant and Equipment	255,951,297	32,077,898	-	6,408,823	281,620,372	53,867,150	20,437,062	-	1,200,553	73,103,659	202,084,148	208,516,713
Medical Equipment & Surgical Instruments	270,933,727	43,377,026	16,426,130	106,550,873	224,186,009	58,616,932	16,626,411	5,958,562	16,040,177	65,158,727	212,316,795	159,027,282
	395,839	815,000	-	-	1,210,839	395,837	25,936	-	-	421,773	2	789,066
Air Conditioning Plant & Air Conditioners	21,143,642	722,001	-	11,490,489	10,375,154	3,912,571	771,192	-	1,828,859	2,854,904	17,231,071	7,520,250
Others	182,188,972	14,204,897	7,520,278	12,938,062	190,976,086	48,650,204	19,358,456	3,321,538	2,976,936	68,353,262	133,538,768	122,622,824
Furniture and Fixtures	69,709,163	3,495,453	5,013,843	19,217,564	59,000,895	15,750,068	5,624,048	1,925,696	3,847,507	19,452,306	53,959,095	39,548,589
Electrical Equipments	84,790,702	20,653,148	3,740,069	14,685,043	94,498,876	30,112,880	15,802,836	3,414,246	2,213,103	47,116,859	54,677,823	47,382,017
Office equipment	33,124,386	10,340,336	2,542,804	2,263,675	43,743,851	18,915,916	8,425,324	2,393,352	2,109,725	27,624,867	14,208,469	16,118,983
Others	23,773,505	7,993,702	-	2,051,344	29,715,863	19,775,895	2,145,959	-	180,504	21,741,350	3,997,610	7,974,513
Computers and computer equipment	147,095	-	-	-	147,095	147,095	-	-	-	147,095	-	-
Broadband Connections	5,809,347	444,695	-	3,078,649	3,175,393	2,509,121	590,769	-	1,142,878	1,957,012	3,300,226	1,218,381
Vehicles												
Total	1,249,883,306	209,196,072	35,243,124	277,412,791	1,216,909,711	339,455,059	118,420,614	17,010,394	58,151,211	416,734,895	910,428,207	800,174,816

Note 12 Intangible assets

Fixed Assets	Gross Block					Depreciation					Net Block	
	Balance as at April 1, 2015	Additions during year	BTA	Deletions	Balance as at March 31, 2016	Balance as at April 1, 2015	Additions during year	BTA	Deletions	Balance as at March 31, 2016	Balance as at March 31, 2015	Balance as at March 31, 2016
Intangible Assets												
Clinic Management Software(CMS)	6,536,000	-	-	-	6,536,000	2,300,664	-	-	-	2,300,664	4,235,335	4,235,336
Software & Packages	11,374,658	8,329,478	146,851	612,689	19,238,298	3,597,772	3,648,085	293,702	244,950	7,294,610	7,776,886	11,943,688
Non Compete fee	21,000,000	-	-	-	21,000,000	21,000,000	-	-	-	21,000,000	-	-
Trademark and concept rights	20,561,800	-	-	-	20,561,800	12,305,681	4,112,360	-	-	16,418,041	8,256,119	4,143,759
Goodwill	228,398,912	2,000	-	1,779,600	226,621,312	2,956,139	20,049,605	-	-	23,005,744	225,442,773	203,615,568
Total	287,871,370	8,331,478	146,851	2,392,289	293,957,410	42,160,256	27,810,051	293,702	244,950	70,019,059	245,711,114	223,938,351
Grand Total	1,537,754,676	217,527,550	35,389,975	279,805,080	1,510,867,121	381,615,355	146,230,664	17,304,096	58,396,162	486,753,953	1,156,139,321	1,024,113,167

APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 13

Particulars	March 31, 2016	March 31, 2015
Capital work-in-progress		
Work In Progress- Kondapur Cradle	-	3,548,404
Work in Progress Shivji Marg (Delhi Cradle)	-	10,922,490
Work in Progress Satellite City	-	1,896,528
Work in Progress Marathali Cradle BLR	-	4,323,514
Capital Work In Progress	2,346,562	69,000
Total	2,346,562	20,759,936



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 14
 (Amount in Rs.)

Particulars	As on Mar 31, 2016	As on Mar 31, 2015
Non-current Investments		
Investment in Equity instruments	1,302,660,658	543,576,216
Total (A)	1,302,660,658	543,576,216

A) Details of Other Investments
 (Amount in Rs.)

Name of the Body Corporate (1)	Subsidiary / Associate / JV/ Controlled Entity / Others (2)	No. of Shares / Units (3)		Amount (5)		Whether stated at Cost Yes/No (7)
		As on Mar 31, 2016	As on Mar 31, 2015	As on Mar 31, 2016	As on Mar 31, 2015	
AHLL						
Investment in Equity Instruments						
Apollo Bangalore Cradle Limited	Subsidiary	-	1,963,546	-	191,860,000	Yes
Akeso Healthcare Private Limited	Subsidiary	1,370,000	1,370,000	81,828,800	81,828,800	Yes
Alliance Dental Care Limited	Subsidiary	2,647,606	-	840,407,953	-	Yes
Apollo Cosmetic Surgical Center Private Limited	Subsidiary	4,098,360	2,851,412	48,309,198	28,514,120	Yes
Apollo Dialysis Private Limited	Subsidiary	2,593,105	-	39,184,903	-	Yes
Apollo Sugar Clinic Limited	Subsidiary	2,934,340	2,934,340	238,861,520	238,861,520	Yes
Nova Speciality Hospitals Private Limited	Associate	50,000	50,000	52,056,508	500,000	Yes
Health Super Hiway Private Limited	Others	201,000	201,000	2,010,000	2,010,000	Yes
Sunrise Medicare Private Limited	Others	78	78	1,776	1,776	Yes
Total		13,894,489	9,370,376	1,302,660,658	543,576,216	
ACSCP						
Nova Speciality Hospitals Private Limited	Associate	278		5,284,224		Yes
ASCL						
Investment in Mutual Funds				268,606,427		Yes
Total Investments				1,576,551,309		



APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 15

Particulars	March 31, 2016	March 31, 2015
Long Term Loans and Advances		
a. Capital Advances		
. Unsecured, considered good	1,865,133	3,346,862
b. Security Deposits		
Unsecured, considered good	87,105,832	214,554,097
c. Loans and advances to related parties		
Unsecured, considered good	2,057,290,050	1,517,236
d. Other Loans and Advances		
Advance to Suppliers	38,500,792	95,072,499
Other Advances	24,902,162	12,561,748
Prepaid Expenses	2,578,905	17,572,871
Tax deducted at source-Receivable	154,190,836	133,782,057
Loans and advance to employees	2,036,318	2,361,149
Total	2,368,470,026	480,768,519

Note 16

Particulars	March 31, 2016	March 31, 2015
Inventories		
Lab & Diagnostic Consumables Valued at cost on FIFO basis.	59,047,610	48,059,221
Total	59,047,610	48,059,221

Note 17

Particulars	March 31, 2016	March 31, 2015
Trade Receivables		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	94,148,825	131,519,082
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	239,077,119	286,696,928
Less: Provision for doubtful debts	23,836,824	29,144,970
Total	309,389,120	389,071,039



APOLLO HEALTH AND LIFESTYLE LIMITED

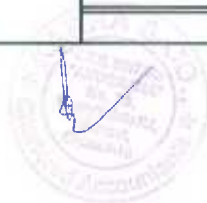
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 18

Particulars	March 31, 2016	March 31, 2015
Cash and cash equivalents		
a. Balances with banks	131,115,104	495,366,268
Margin money	-	3,965,176
Bank deposits with more than 12 months maturity	61,157,748	-
b. Cash on hand	2,720,851	2,847,935
Total	194,993,702	502,179,379

Note 19

Particulars	March 31, 2016	March 31, 2015
Other Current Assets		
Service Tax & VAT Balances	9,139,026	120,066
Other Deposits	7,303,599	-
Interest Receivable	163,975,476	2,181,286
Prepaid Expenses	219,027	-
Total	180,637,128	2,301,352



APOLLO HEALTH AND LIFESTYLE LIMITED

NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 20

Particulars	March 31, 2016	March 31, 2015
Revenue from operations		
Income from Consultancy	10,513,617	23,266,377
Income from Operating License Fees	83,768,591	80,785,631
One Time License Fees	19,183,406	12,000,000
Inpatient Income	84,643,845	515,088,422
Outpatient Income	1,614,166,295	884,856,771
Health Services-Medical Centres	-	2,520,113
Corporate Sales	-	79,509,203
Less: Discount	(39,129,039)	(25,597,279)
Total	1,773,146,716	1,572,429,238

Note 21

Particulars	March 31, 2016	March 31, 2015
Other Income		
Interest on deposits	194,829,251	9,636,227
Commission of Pharmacy Revenue	10,781,616	14,195,188
Other Miscellaneous Income	14,074,294	38,735,650
Rental Income	6,698,916	3,755,485
Scrap Sales	168,265	-
Profit on Sale of Assets	433,188	-
Total	226,985,530	66,322,550



APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 22

Particulars	March 31, 2016	March 31, 2015
Cost of materials consumed		
Lab Consumables	22,519,352	156,985,350
Medical Consumables	258,208,708	14,119,813
Other Consumables	10,270,195	41,362,257
Laboratory Expenses	-	6,377,787
Printing & Stationery	22,955,077	23,972,323
Purchase - Housekeeping Consumables	-	1,086,931
Medical Oxygen	-	192,996
Purchase of Medicines	-	13,699,144
Staff Welfare Uniform	-	977
Others	-	132,722
Sub Total	313,953,332	257,930,300
Add: Opening Stock	48,688,595	13,872,196
Less: Closing Stock	60,533,731	48,059,221
Total	302,108,196	223,743,275

Note 23

Particulars	March 31, 2016	March 31, 2015
Cost of Services		
Consultation Fee-OP	398,683,765	263,893,387
Consultation Fee-IP	5,570,553	69,661,921
Consultation Procedure/Treatment	-	57,413,786
Ambulance Service	9,427,800	12,490,246
Camp Exp	753,447	573,010
Credit/Debit Card Swiping Charges	5,805,366	6,113,187
Dental Clinic Expenses	-	13,946
Franchisee Service Charges	3,406,232	-
Sample Collection	-	4,077,811
Lab Testing Charges	100,267,563	73,630,799
Laundry & Drycleaners	1,655,437	1,485,685
Patient Diet Expenses	3,504,373	7,013,924
Retainership Fee-Doctors	41,197,013	61,818,310
Logistics	10,068,660	-
Corporate Purchases	113,653,338	74,901,857
Others	8,507	-
Total	694,002,052	633,087,870



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 24 Employee Benefits expenses

Particulars	March 31, 2016	March 31, 2015
Employee Benefits Expense		
Salaries & wages	477,800,598	382,980,657
Gratuity	4,404,072	2,754,430
Staff Welfare Expenses	15,700,119	11,365,084
Leave Encashment	4,999,836	2,905,258
Consultancy Charges	19,143,799	19,176,804
Incentives & Bonus	19,796,853	6,112,467
Employee Insurance	1,048,369	700,096
Exartia	616,487	-
Other expenses	1,846,454	2,637,609
Contribution to Statutory funds	24,185,239	20,126,011
Total	569,541,826	448,758,415

Note 25 Finance Cost

Particulars	March 31, 2016	March 31, 2015
Finance Cost		
Interest on Loan	230,284,807	133,434,901
Loan Processing Charges	8,792,680	13,563,240
Bank Charges	7,005,485	3,300,020
Total	246,082,972	150,298,161

Note 26 Depreciation

Particulars	March 31, 2016	March 31, 2015
Depreciation		
Tangible Assets	118,483,836	133,194,536
Intangible Assets	27,746,828	9,184,876
Total	146,230,664	142,379,412

APOLLO HEALTH AND LIFESTYLE LIMITED
 NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 27

Particulars	March 31, 2016	March 31, 2015
Other Expenses		
Audit Fee	1,397,708	1,181,912
Legal and Professional Expenses	48,852,600	16,974,911
Printing and Stationery Expenses	1,567,731	3,567,378
Annual Maintenance Charges	17,656,152	13,071,754
Biological Wastemanagement Expenses	80,626	1,229,339
Books & Periodicals	236,963	289,353
Car Rental Charges	17,361	881,280
Consultancy Charges-Others	319,992	15,175,689
Conference , Seminars and Training	2,896,325	4,616,440
Electricity Charges	42,899,532	45,818,715
Genarator Diesel Exp	3,894,439	2,689,546
Generator Maintenance Charges	-	181,959
House Keeping Charges	41,846,296	47,978,985
House Keeping Materials	229,144	7,859,755
Insurance Premium	3,134,956	2,859,695
Communication Expenses	28,586,479	18,283,671
Local Conveyance	83,923	7,751,821
Laundry	646,618	118,924
Maintenance Expenses	44,395,965	40,781,063
Directors Siting Fee	171,500	-
Merger Charges	744,756	23,301,691
Shifting of Assets	584,750	38,250
Rent,Rates & Taxes	187,246,718	234,592,661
Recruitment Charges	6,479,799	7,434,743
Relocation Exp	-	746,635
Security Services	7,574,925	14,468,442
Travelling Expenses	40,146,472	22,233,936
Bad Debts	1,114,079	716,741
Provision For Doubtful Debts	4,911,085	24,961,225
Interest on delayed statutory payments	104,204	225,524
Others	98,288,564	-
Sub Total	586,109,661	560,032,038
Marketing Expenses		
Advertisement Expenses	47,352,462	37,806,567
Business Development Expenses	13,283,359	3,434,819
Marketing Expenses	11,247,286	13,538,219
Printing-Advertisement	1,317,726	1,044,284
Sub Total	73,200,833	55,823,889
Grand total	659,310,494	615,855,927



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 28

Particulars	For the Year ended Mar 31, 2016	For the year ended Mar 31, 2015
Earnings per share (EPS)		
Profit/(Loss) after tax	(56,855,646)	(271,613,396)
Net Profit/(Loss) for calculation of EPS	(56,855,646)	(271,613,396)
Weighted average number of equity shares in calculating Basic EPS	49,503,309	29,528,925
Earnings per share		
Basic	(1.15)	(9.20)



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO CONSOLIDATED FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 29

Segmental Reporting

(Amount in Rs.)

PARTICULARS	Clinics & Diagnostics	Diabetic	Dental	Dialysis	Shortstay Centers	Cradles	TOTAL
Segment Revenue							
Operating Revenue	1,108,336,974	186,315,734	382,344,308	49,133,977	29,987,488	5,594,545	1,761,713,027
Other Income	203,031,054	28,767,272	1,409,026	2,771,644	194,644	35,086	236,208,726
Total Revenue	1,311,368,029	215,083,006	383,753,334	51,905,621	30,182,132	5,629,631	1,997,921,753
Segment Result							
Profit after tax	210,272,868	(171,010,725)	(62,676,725)	(6,295,546)	(4,272,232)	(14,981,362)	(48,963,722)
Capital Expenditure	461,517,894	226,330,028	313,013,921	23,828,772	-	1,769,113	1,026,459,729
Segment Liabilities	675,381,446	40,958,186	86,895,042	16,941,909	661,395	20,572,641	841,410,619
Segment Assets	2,769,157,646	70,953,628	136,196,891	22,776,032	132,063,767	184,167	3,131,332,130
Depreciation	71,391,214	25,276,321	33,894,254	7,378,514	3,332,408	1,726,408	142,999,119



APOLLO HEALTH AND LIFESTYLE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 30

Related Party Transactions

a. List of Related parties and relationship

(i) Holding company

Apollo Hospitals Enterprise Limited

(ii) Significant Influence

Apollo Bangalore Cradles Limited
Faber Sindoori Management Services Pvt Ltd,
Health Super Hiway Pvt Ltd,
Medaerisity Online Ltd.,

(v) Key Management Personnel

Ms. Saragetha Reddy, Managing Director
Mr. Neeraj Gang, Chief Executive Officer

b. Transactions & Balances with related parties

Transactions	Details of Transactions	Holding Company	Subsidiary Company	Associate	Significant Influence	Key Management Personnel	Total
Purchase of Goods Apollo Hospitals Enterprise Limited Triviron Health Care Private Limited	Purchase of Consumables Purchase of Dialysis Machinery, Consumables & Salary Re- imbursement	26,767,434			4,238,737		26,767,434
Sales of Goods Apollo Hospitals Enterprise Limited	Pharmacy Income Revenue from Quality Monitoring of Revenue from Health Care Services Corporate Sales	14,060,856 2,400,000 11,685,706			385,005		14,060,856 2,400,000 11,685,706 385,005
Receiving of Services Apollo Hospitals Enterprise Limited Apollo Bangalore Cradles Limited Faber Sindoori Management Services Pvt. Ltd.,	Legal & Professional Charges Lab Investigating Charges House Keeping Services	521,250			4,448,357 29,849,959		521,250 4,448,357 29,849,959
Interest Expense Apollo Hospitals Enterprise Limited	Interest on Unsecured loan taken	131,779,144					131,779,144
Loan taken Apollo Hospitals Enterprise Limited	Unsecured loan taken	1,036,800,000					1,036,800,000
Loan repaid Apollo Hospitals Enterprise Limited	Unsecured loan repaid	1,220,000,000					1,220,000,000
Re-Imbursements Apollo Hospitals Enterprise Limited	Re-Imbursement of expenses	318,720					318,720
Remuneration Mr. Neeraj Gang	Remuneration paid				788,659	17,654,700	17,654,700
Outstanding Receivables Apollo Bangalore Cradles Limited							788,659
Outstanding Payables Apollo Hospitals Enterprise Limited Triviron Health Care Private Limited Faber Sindoori Management Services Pvt. Ltd.,		847,238,580			4,238,737 9,003,719		847,238,580 9,003,719



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2016

Financial Statements of all the subsidiaries have been drawn up to 31st Mar, 2016

2.1 Summary of significant accounting policies

a. Use of estimates

The preparation of financial statements is in conformity with generally accepted accounting principles that require the management to make estimates and assumptions that affect the reported values of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues and expenses during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from the estimates.

b. Fixed Assets

Fixed Assets are stated at the cost of acquisition, less accumulated depreciation. Direct costs relating to acquisition of fixed assets are capitalized. The costs include freight, installation costs, duties and taxes, and other allocated expenses for bringing the assets to its working condition for its intended use.

c. Depreciation/Amortization

i) Depreciation is provided using the straight-line method, pro rata for the period of use of the assets, at annual depreciation rates stipulated in Schedule II to the Indian Companies Act, 2013, or based on the estimated useful lives of the assets, whichever is higher.

Category of Asset	Useful Life of Asset
Buildings	10 Years
Furniture and fittings	6 -10 Years
Office equipment	5 Years
Air conditioners	5 Years
Electrical Installations and Equipment	7-10 Years
Desktops, laptops, etc.	2.5 -3 Years
Broadband Connections	3 Years
Vehicles	8 Years
Medical Equipment	5 -13 Years
Software's (without residual Value of 5%)	1 -4 Years

ii) Lease hold improvements are depreciated over the primary period of lease or useful lives of the assets, whichever is shorter.

iii) Fixed assets not exceeding Rs.5000 are charged off in the year of purchase.



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2016

iv) Intangible assets are amortized on a straight line basis over the estimated useful economic Life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life.

d. Inventories

Consumables are valued at lower of cost or net realizable value. Cost is determined on First in First out basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost necessary to make the sale.

e. Foreign Currency Transactions

Foreign Currency transactions are accounted at the exchange rate prevailing as on the date of Invoice. Current Assets and Current Liabilities are converted at the rates prevailing as on the Balance Sheet date.

f. Leases

Leases where the lessor effectively retains substantially all the risks and the benefits of ownership of the leased assets over the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss account.

g. Provisions and contingent liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

h. Investment

The Investments which are readily realizable and intended to be held for not more than one year from the date which such Investments are made are classified as current investments. All other investments are classified as long term investments

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2016

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

The Company has recognized revenue as follows.

For Franchisee Business:

One time License Fee

Entire amount of One Time License Fee is recognized in the year of signing the MOU with franchisee.

Operating License Fee:

Operating License Fee is recognized as a percentage of the gross sales.

Owned clinics operational income:

Owned clinics are recognizing the revenues on the basis of the services rendered on cash or on an accrual basis whichever is earlier.

Corporate services Fee:

Corporate services fee is recognized on basis of the services rendered and as per the terms of the agreement.

Other Incomes

All other incomes are recognized on a pro-rata basis, based on the completion of work and as per the terms of the agreement.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable Interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

All the above incomes are recognized net of Service tax or VAT wherever applicable

j. Retirement & other employment benefits

i) Liability for gratuity which is defined benefit obligation and leave encashment is provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method (PUC).

ii) Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to statement of profit and loss for the year when the contributions are due. The company has no obligations, other than the contribution payable to the provident fund.



APOLLO HEALTH AND LIFESTYLE LIMITED

Notes to Consolidated Financial Statements for the year ended 31st March, 2016

k. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

l. Segment reporting

Identification of segments:

The company operating businesses are organized and managed separately according to the nature of services provided, with each segment representing a strategic business unit that offers different services and also in different markets.

Inter segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.



m. Income Tax

The Company has made provisions of Income Tax as per Income Tax Act, 1961.

n. Earnings per share

Basic Earnings per Share is determined by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

As per our report of even date

For Karra & Co Chartered Accountants Reg No. 001749S 	By order of the Board For Apollo Health and Lifestyle Limited 			
Per V. Venkateswara Rao Partner ICAI Membership No: 22370 Date : 11th May 2016	Sangita Reddy Director Place : Hyderabad Date: 11th May 2016	Suneeta Reddy Director Place: Hyderabad Date:11 th May 2016	C V Ram Chief Financial Officer Place: Hyderabad Date: 11th May 2016	D V Sivaram Company Secretary Place: Hyderabad Date:11th May 2016