

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Imperial Hospital & Research Centre Limited

1. Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Imperial Hospital and Research Centre Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs(financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

V K Commerce

8, 3rd Floor, 3rd Main Road (Off WOC Rd),
Opp Rajajinagar IT Park, KSSIDC Rajajinagar
Industrial Estate, Bengaluru 560 010.

+91 80 2316 7560
+91 80 2316 7561
info@vkca.com

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3. Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements 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 Ind AS financial statements are free from material misstatement.

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

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2017, and its profit/loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to note 3.2 (Basis of preparation of Ind AS financial statements) and 5 (Property, Plant and Equipment and Capital work in progress) to the Ind AS financial statements in respect of proceedings initiated against the company by Government of Karnataka. Our opinion is not modified in respect of these matters.

5. 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 in terms of Section 143(11) of the Act, we give in "**Annexure A**" 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 our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit & Loss, the Cash Flow Statement, Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e. On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection fund by the Company.
- iv. the company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 08th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company



For Vinay & Keshava LLP

Chartered Accountants



CA M.S. Keshava

Designated Partner

Membership No: 201113

LLP Reg.No. 005586S/S-200008

Place: Bangalore,

Date: 01st June 2017

"ANNEXURE-A" TO THE AUDITOR'S REPORT

The Annexure Referred to in the Auditor's report to the Members of **IMPERIAL HOSPITAL AND RESEARCH CENTRE LIMITED (The Company)**, for the year ended 31st March, 2017. We report that:

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

1.
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The company has a policy of physical verification of its fixed assets, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets.
 - c. In our opinion no material discrepancy was noticed on physical verification of assets as compared to book records.
2. The company is a service oriented company primarily rendering medical / hospital services. The inventory carried, being in the nature of medical consumables, utilities, surgical consumables, patient implants, etc held by the company is for the use in the delivery of these services.
 - a. As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year.
 - b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are

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reasonable and adequate in relation to the size of the company and the nature of its business.

- c. In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- 3. The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- 4. In respect of loans, investments and guarantees to which the provisions of Sec 185 and 186 of the companies Act, 2013 have been complied with.
- 5. The Company has not accepted any deposits from the public. Therefore, the directives issued by RBI and the provision of Sec 73 to Sec 76 or any other provisions of the Companies Act, 2013 and the rules framed there under do not apply. Accordingly, paragraph 3(v) of the Order is not applicable.
- 6. We have broadly reviewed the cost records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, as amended specified by the Central Government under section 148(1) of the Companies Act and are of the Opinion that *prima facie* the prescribed cost records have been maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 7. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state

insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

According to the information and explanations given to us and to the best of our knowledge, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, sales tax, and custom duty and cess which have not been deposited on account of any dispute.

8. Based on our audit procedures and on the information and explanation given by the management, we are of the opinion that the company has not defaulted in repayment of dues to its bank.
9. In our opinion and according to the information and explanations given to us, the Company has availed term loans and the said term loans have been used for the purpose for which the term loans have been obtained.
10. During the course of our examination of the books of accounts carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.
11. In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12. The Company is not a Nidhi Co, and therefore clause 3(12) of the Order is not applicable to the company.
13. All transactions with the related parties are in compliance with S.188 and 177(where applicable) of the companies Act,2013 and the details thereof have been disclosed in the Ind AS Financials Statements etc as required by the Indian Accounting Standards and Companies Act, 2013.
14. The Company has not made any preferential allotment/private placement of the shares during the year and therefore clause 3(xiv) of the Order is not applicable to the Company.
15. The Company has not entered into any non-cash transaction with directors/persons connected with him and therefore clause 3(xv) of the order is not applicable to the company.
16. The company is not a financial institution. Hence it is not required to be registered under Section 45-1A of the Reserve Bank of India Act, 1934.



For Vinay & Keshava LLP
Chartered Accountants

CA M.S. Keshava
Designated Partner
Membership No: 201113

LLP Reg.No. 005586S/S-200008

Place: Bangalore,

Date: 01st June 2017

'Annexure -B' to the Independent Auditor's Report of Even Date On the Financial Statements Of Imperial Hospital & Research Centre Limited

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 **Imperial Hospital & Research Centre Limited (the Company)** as of March 31st, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management Responsibility for Internal Financials Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on materiality level. These responsibilities include the design, implementation and maintenance of adequate internal financials 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, 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 aspects.

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 reporting included obtaining an understanding of internal controls over financial

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reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The Procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal 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 the financial reporting, including the possibility of conclusion 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 may become inadequate because of the 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 aspects, an adequate internal financial controls system over financial reporting were operating effectively as at March 31st, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Vinay & Keshava LLP
Chartered Accountants



CA M.S. Keshava
Designated Partner
Membership No: 201113

LLP Reg.No. 005586S/S-200008

Place: Bangalore,

Date: 01st June 2017

Imperial Hospital & Research Centre Limited

Balance Sheet as at March 31, 2017

(All amounts are in Rs. Million unless otherwise stated)

	Note No	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
ASSETS				
Non-current assets				
(a) Property, plant and equipment	5	1,697.66	1,697.20	1,763.81
(b) Capital work-in-progress	5	-	3.73	1.61
(c) Other intangible assets	6	-	-	0.21
(d) Financial assets				
(i) Investments (others)	7	0.50	0.50	-
(ii) Other financial assets	10	19.99	21.29	21.52
(e) Deferred tax assets (Net)	11	16.41	81.37	122.90
Total non - current assets		1,734.56	1,804.09	1,910.05
Current assets				
(a) Inventories	12	33.48	31.54	30.26
(b) Financial assets				
(i) Trade receivables	8	374.40	377.44	284.28
(ii) Cash and cash equivalents	9	43.62	73.92	68.65
(iii) Other financial assets	10	3.13	1.76	1.61
(c) Current tax assets (Net)	20	102.35	96.84	94.30
(d) Other current assets	13	35.68	30.78	19.93
Total current assets		592.66	612.28	499.03
Total assets		2,327.27	2,416.36	2,409.07
EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	299.45	299.45	299.45
(b) Other equity	15	270.05	188.68	121.38
Total equity		569.50	488.13	420.83
Liabilities				
Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	776.24	975.95	961.70
(b) Provisions	19	15.10	16.59	12.02
Total non-current liabilities		791.34	992.54	973.72
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	16	338.88	265.02	321.20
(ii) Trade payables	17	536.47	577.14	625.61
(iii) Other financial liabilities	18	22.14	21.51	17.48
(b) Provisions	19	37.55	20.85	6.66
(d) Other liabilities	21	31.39	51.17	43.57
Total current liabilities		966.43	935.69	1,014.52
Total liabilities		1,757.77	1,928.23	1,988.24
Total equity and liabilities		2,327.27	2,416.36	2,409.07

See accompanying notes to the financial statements

In terms of our report attached.

For Vinay & Keshava LLP

Chartered Accountants

ICAI Firm Regn No: 0055869

M.S. Keshava
Partner

M. No 201113

Place: Bengaluru
Date: 25-05-2017



For and on behalf of the Board of Directors

Sangita Reddy
Director

Dr. Viqar Syed
Director

Ramasekhar Reddy G
Chief Financial Officer

Anil Prasad Sahoo
Company Secretary

Imperial Hospital & Research Centre Limited
Statement of Profit and Loss for the year ended March 31, 2017

All amounts are in Rs. Million except for earnings per share information

	Note No.	Year ended 31-Mar-17	Year ended 31-Mar-16
Revenue from Operations	22	2,100.70	1,979.30
Other Income	23	11.23	8.96
Total Income		2,111.93	1,988.26
Expenses			
Cost of materials consumed		530.61	514.88
Changes in inventory of stock-in-trade		(1.94)	(1.27)
Employee benefit expense	24	367.04	314.04
Finance costs	25	136.33	148.14
Depreciation and amortisation expense	26	139.06	132.36
Other expenses	27	766.17	747.96
Total expenses		1,937.27	1,856.11
Profit before tax		174.66	132.15
Tax expense	28	37.90	20.33
(1) Current tax	28	54.73	42.55
(2) Deferred tax		92.63	62.88
Profit for the period		82.03	69.27
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit liabilities / (asset)		1.01	2.99
Income tax relating to items that will not be reclassified to profit or loss		(0.34)	(1.02)
Total comprehensive income for the period		81.36	67.30
Profit for the year		82.03	69.27
Other comprehensive income for the year		0.67	1.97
Total Comprehensive income		81.36	67.30
Earnings per equity share (for continuing operation):	30		
Basic (in Rs.)		2.72	2.25
Diluted (in Rs.)		2.72	2.25

See accompanying notes to the financial statements

In terms of our report attached.
 For Vinay & Keshava LLP
 Chartered Accountants
 ICAI Firm Regn No: 005586S

For and on behalf of the Board of Directors

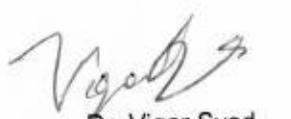
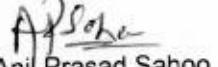
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 Sangita Reddy
 Director

Place: Bengaluru
 Date : 25-05-2017




 Ramasekhar Reddy G
 Chief Financial Officer


 Dr. Viqar Syed
 Director

 Anil Prasad Sahoo
 Company Secretary

Imperial Hospital & Research Centre Limited

Cash Flow Statement as on March 31, 2017

(Amounts in Rs.millions unless otherwise stated)

		Year ended 31 March 2017	Year ended 31 March 2016
<u>Cash flows from operating activities</u>			
Profit before tax for the year		81.36	67.30
Adjustments for:			
Income tax expense recognised in profit or loss		92.63	62.88
Finance costs recognised in profit or loss		123.31	134.12
Investment income recognised in profit or loss		(0.73)	(0.79)
Other Comprehensive Income		0.67	1.97
Gain on disposal of property, plant and equipment		-	1.25
Depreciation and amortisation of non-current assets		139.06	132.36
Net foreign exchange (gain)/loss		-	1.82
Movement due to IND AS transition		9.58	-
Movements in working capital:			
Increase in trade and other receivables		1.67	(93.31)
(Increase)/decrease in inventories		(1.94)	(1.28)
(Increase)/decrease in other assets		(10.41)	(13.39)
Increase/(Decrease) in trade and other payables		(39.99)	(47.64)
Increase/(decrease) in provisions		16.70	14.19
(Decrease)/increase in other liabilities		54.08	(48.58)
Cash generated from operations		465.99	210.90
Income taxes paid		(37.90)	(20.33)
Net cash generated by operating activities		428.09	190.57
<u>Cash flows from investing activities</u>			
Interest received		0.73	0.79
Payments for property, plant and equipment		(135.91)	(71.29)
Proceeds from disposal of property, plant and equipment		-	0.77
Payments for investment property			(0.50)
Net cash (used in)/generated by investing activities		(135.18)	(70.23)
<u>Cash flows from financing activities</u>			
Proceeds from financial assets		1.30	0.23
Proceeds from borrowings		-	14.25
Repayment of borrowings		(199.71)	-
Changes in non-current liabilities		(1.49)	4.57
Interest paid		(123.31)	(134.12)
Net cash used in financing activities		(323.21)	(115.07)
Net increase in cash and cash equivalents		(30.30)	5.27
Cash and cash equivalents at the beginning of the year		73.92	68.65
Cash and cash equivalents at the end of the year		43.62	73.92

In terms of our report attached.

For and on behalf of the Board of Directors

For Vinay & Keshava LLP

Chartered Accountants

ICAI Firm Regn No: 005586S

M.S. Keshava
Partner

M. No 201113

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For Vinay & Keshava LLP

Chartered Accountants

ICAI Firm Regn No: 005586S

For and on behalf of the Board of Directors

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Partner

M. No 201113

Sangita Reddy

Director

Dr. Viqar Syed

Director

Place: Bengaluru

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Ramasekhar Reddy G

Chief Financial Officer

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Imperial Hospital & Research Centre Limited

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For Vinay & Keshava LLP

Chartered Accountants

ICAI Firm Regn No: 005586S

For and on behalf of the Board of Directors

M.S. Keshava
Partner
M. No 201113

Place: Bengaluru
Date : 25.05.2017

Sangita Reddy
Managing Director

Dr. Vigar Syed
Director

Ramasekhar Reddy G Anil Prasad Sahoo
Chief Financial Officer **Company Secretary**

Imperial Hospital & Research Centre Limited
Statement of Changes in Equity as on March 31, 2017
(Amounts in INR millions unless otherwise stated)

a. Equity share capital

	<u>Amount</u>
Balance at April 1, 2015	299.45
Changes in equity share capital during the year	-
Balance at March 31, 2016	299.45
Changes in equity share capital during the year	-
Balance at March 31, 2017	299.45

b. Other Equity

	Capital reserve	Share premium	Reserves and Surplus	Retained earnings	Total
			Revaluation reserve		
Balance at April 1, 2015	1.49	199.00	199.00	(278.11)	121.38
Profit for the year	-	-	-	69.27	69.27
Other comprehensive income for the year, net of income tax	-	-	-	1.97	1.97
Total comprehensive income for the year	-	-	-	67.30	67.30
Balance at March 31, 2016	1.49	199.00	199.00	(210.81)	188.68
Profit for the year	-	-	-	82.03	82.03
Other comprehensive income for the year, net of income tax	-	-	-	0.67	0.67
Total comprehensive income for the year	1.49	199.00	199.00	(129.44)	270.05
Others	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-
Income tax relating to transactions with owners	-	-	-	-	-
Balance at March 31, 2017	1.49	199.00	199.00	(129.44)	270.05

1 General Information

Imperial Hospital & Research Centre Limited ('the Company') is a public Company incorporated in India. The address of its registered office and principal place of business are disclosed in the introduction to the annual report. The main business of the Company is to provide and establish a cancer hospital for screening, detection, diagnosis, treatment and rehabilitation of the patients affected by cancer and to carry out, encourage, aid and assist in the establishment of research center, particularly for cancer diseases. The other activities of the Company include enhance the quality of life of patients by providing comprehensive, high-quality hospital services on a cost-effective basis, operation of multidisciplinary private hospitals, clinics, diagnostic centres.

2 Application of new and revised Ind ASs

The company has applied all the Ind ASs notified by the MCA. There are no Ind AS that have not been applied by the company.

3 Significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2016, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015. Refer Note 3.21 for the details of first-time adoption exemptions availed by the Company.

3.2 Basis of preparation and presentation

The company operates its hospital from a land that was originally allotted by State Government of Karnataka subject to compliance of certain terms and conditions. During the year 2014-15 the company has received an order from the Special Deputy Commissioner alleging non-compliance of certain conditions associated with the allotment of the land. Further the said authority has also demanded to surrender the land and building constructed back to the government of Karnataka.

The Company has sought legal opinions with legal experts and is of the view that

- (a) there is no violation on the part of the Company of any terms and conditions of the allotment
- (b) There is no threat to the marketable title of the property held by the Company

Further, the Company has made written representations to the concerned authorities, highlighting these facts and requesting for withdrawal of the said order. The representation is under review and the company is confident that there will be no threat to the land and building considering the progress of the matter and the response received from the authorities. Accordingly, these financial statements are prepared on a going concern basis.

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements determined on such a basis, except for, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3.3 Revenue recognition

3.3.1 Rendering of services

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theatre, medical professional services, equipment, radiology, laboratory materials consumed. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the estimated amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

The service revenues are presented net of related doctor fees, pharmacy and applicable taxes. in cases where the company is not the primary obligor and does not have the pricing latitude.

Other Services

(i) Other services fee is recognized on basis of the services rendered and as per the terms of the agreement.

3.3.2 Interest income

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

3.3.3 Rental income

The Company's policy for recognition of revenue from operating leases is described in note 3.4 below.

3.4 Leasing

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

3.4.1 The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases are generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.4.2 The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 3.6). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases are generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.5 Foreign currencies

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

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.6 Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.7 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.8 Employee benefits

3.8.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

3.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.8.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

3.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.9.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

3.10 Property, plant and equipment

Land and buildings mainly comprise hospitals and offices. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures, plant and medical equipment are stated at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Estimated useful lives of the assets are as follows:

Buildings (Freehold)	60 years
Medical Equipment	13 years
Equipment under finance lease	Lease term or useful life whichever is lower
Surgical Instruments	3 Years
Office Equipment	5 years
Furniture and Fixtures	10 years
Plant and Machinery	15 years
Vehicles	8 years
Computers	3 Years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its Property plant & equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.11 Intangible assets

3.11.1 Intangible assets acquired separately

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

3.11.2 Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.11.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Software	5 years
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3.11.4 Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.12 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.13 Inventories

The inventories of all medicines, medicare items meant for in-house consumption by the Company are valued at cost or net realisable value which ever is lower. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location including applicable taxes wherever applicable, applying the FIFO method.

Stock of stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house only. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location including applicable taxes wherever applicable applying FIFO method.

Imported inventories are accounted for at the applicable exchange rates prevailing on the date of transaction.

3.14 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.15 Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

3.15.1 Other Provisions

Other provisions (including third-party payments for malpractice claims if any) which are not covered by insurance and other costs for legal claims are recognised based on legal opinions and management judgment.

3.16 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.17 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.17.1 Classification of financial assets

All financial assets are subsequently measured at amortised cost

3.17.2 Effective interest method

The effective interest method is a method of calculating the amortised cost and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.17.3 Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading

A financial asset that meets the amortised cost criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.17.4 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

3.17.5 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments

3.18 Classification of Equity Instruments

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

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

3.19 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured in accordance with the specific accounting policies set out below.

3.19.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when it applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Fair value is determined in the manner described in note 33.8

3.19.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.19.3 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.20 Segment reporting

The Company uses the "management approach" for reporting information about segments in annual financial statements. The management approach is based on the way the chief operating decision-maker organizes segments within a company for making operating decisions and assessing performance. Reportable segments are based on services, geography, legal structure, management structure and any other manner in which management disaggregates a company. Based on the "management approach" model, the Company has determined that its business is comprised of a single operating segment which comprise of Healthcare service.

3.21 First-time adoption – mandatory exceptions, optional exemptions

3.21.1 Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

3.21.2 Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2015 (the transition date).

3.21.3 Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

3.21.4 Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

3.21.5 Deemed cost for property, plant and equipment, investment property, and intangible assets

For transition to Ind AS, Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date

3.21.6 Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

3.21.7 Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

3.21.8 Long-term foreign currency monetary items

Under previous GAAP, paragraph 46/46A of AS 11 The Effects of Changes in Foreign Exchange Rates, provided an alternative accounting treatment to companies with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset. In other cases, the exchange difference could be accumulated in a foreign currency monetary item translation difference account, and amortised over the balance period of such long term asset/ liability. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The exemption under Ind AS 101 will not be available for long-term foreign currency monetary items recognised after this date. Accordingly the Company has elected to apply this optional exemption on transition.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4.2 Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that there are no changes to the existing PP&E useful lives.

4.3 Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the findings to the board of directors of the Company to explain the cause of fluctuations in the fair value of the assets and liabilities.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 33

4.4 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 32

4.6 Litigations

The Company has a ongoing litigations, the results of which could significantly affect its operations and profitability.

4.7 Revenue Recognition

Revenue from fees charged for inpatient and outpatient hospital/clinical services rendered to insured and corporate patients are subject to approvals for the insurance companies and corporates. Accordingly, the Company estimates the amounts likely to be disallowed by such companies based on past trends.

Estimations based on past trends are also required in determining the value of consideration from customers to be allocated to award credits for customers.

4.8 Expected Credit Losses

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix considering the nature of receivables and the risk characteristics. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. Also Refer Note 8

Imperial Hospital & Research Centre Limited
 Notes to the financial statements for the year ended March 31, 2017
 (All amounts are in Rs. Million unless otherwise stated)

5 Property, plant and equipment and capital work-in-progress

	As at 31-Mar-17	As at 31-Mar-16	As at 1-Apr-15
Carrying amounts of:			
Land - Freehold	200.00	200.00	200.00
Buildings - Freehold	789.84	792.11	797.76
Medical Equipment	541.99	549.25	596.38
Surgical Instruments	20.69	20.62	24.58
Office Equipment	34.68	22.87	25.72
Furniture and Fixtures	15.56	16.01	18.19
Vehicles	3.90	4.72	4.31
Air Conditioning Plant & AirConditioners	35.74	29.47	24.77
Computers	10.38	6.11	4.94
Equipment Under Finance Lease	44.92	56.04	67.16
	1,697.66	1,697.20	1,763.82
Capital work-in-progress		3.73	1.61
	1,697.66	1,700.93	1,765.43
	-	-	-

Description of Assets	Land - Freehold **	Buildings - Freehold	Medical Equipment	Surgical Instruments	Office Equipment	Furniture and Fixtures	Vehicles	Air Conditioning Plant & Air Conditioners	Computers	Equipment Under Finance Lease	Total
Deemed cost											
As at 1 April, 2015	200.00	797.76	596.38	24.58	25.72	18.19	4.31	24.77	4.94	67.16	1,763.81
Additions	-	10.11	31.66	5.13	7.20	1.37	1.89	7.82	4.20	-	69.38
Disposals	-	(1.80)	(1.82)	-	-	-	(1.02)	-	-	-	(4.64)
Benefit of duty concession on waiver of Import Duties (Refer note)		-	-	-	-	-	-	-	-	-	-
Balance as at 31-Mar-16	200.00	806.07	626.22	29.71	32.92	19.56	5.18	32.59	9.14	67.16	1,828.55
Additions	12.15	75.06	11.55	19.77	3.41	-	9.90	7.80	-	-	139.64
Disposals	-	-	-	-	-	-	-	-	-	-	-
Benefit of duty concession on waiver of Import Duties (Refer note)		-	-	-	-	-	-	-	-	-	-
Balance as at 31-Mar-17	200.00	818.22	701.28	41.26	52.69	22.97	5.18	42.49	16.94	67.16	1,968.19
Accumulated depreciation											
Eliminated on disposal of assets	-	(0.23)	(0.09)	-	-	-	(0.56)	1.02	3.12	3.03	11.12
Depreciation expense	14.19	77.06	9.09	10.05	3.55	1.02	3.12	3.03	3.03	11.12	132.23
Balance as at 31-Mar-16	-	13.96	76.97	9.09	10.05	3.55	0.46	3.12	3.03	11.12	131.35
Depreciation expense	-	14.42	82.32	11.48	7.96	3.86	0.82	3.63	3.53	11.12	139.14
Balance as at 31-Mar-17	-	28.38	159.29	20.57	18.01	7.41	1.28	6.75	6.56	22.24	270.49
Carrying Amount 31-Mar-16	200.00	792.11	549.25	20.62	22.87	16.01	4.72	29.47	6.11	56.04	1,697.20
Carrying Amount 31-Mar-17	200.00	789.84	541.99	20.69	34.68	15.56	3.90	35.74	10.38	44.92	1,697.66

**Note - The land has been originally allotted by State Government of Karnataka and they have issued an order cancelling the allotment of land and directed to handover the building also along with land. FIXED ASSETS – LAND AND BUILDINGS – WDV AS ON 31.03.2017 – Rs.989.84

The company operates its hospital from a land that was originally allotted by State Government of Karnataka subject to compliance of certain terms and conditions. During the year 2014-15 the company has received an order from the Special Deputy Commissioner alleging non-compliance of certain conditions associated with the allotment of the land. Further the said authority has also demanded to surrender the land and building constructed back to the government of Karnataka.

The Company has sought legal opinions with legal experts and is of the view that

- (a) there is no violation on the part of the Company of any terms and conditions of the allotment
- (b) There is no threat to the marketable title of the property held by the Company

Further, the Company has made written representations to the concerned authorities, highlighting these facts and requesting for withdrawal of the said order. The representation is under review and the company is confident that there will be no threat to the land and building considering the progress of the matter and the response received from the authorities.

Given the above-mentioned facts, the management is of the unequivocal opinion that no assets have been impaired during the year and there is no threat to the continuity of the operations of the company or its revenue earning capabilities..

6 Intangible Assets

	31-Mar-17	31-Mar-16	01-Apr-15
Carrying amounts of :			
Computer software	-	-	0.21
	-	-	0.21
Deemed Cost		Computer Software	Total
Balance as at 1 April, 2015		0.21	0.21
Additions	-	-	
Balance as at 31 March, 2016		0.21	0.21
Additions	-	-	
Balance as at 31 March, 2017		-	-
Accumulated depreciation			
Balance as at 1 April, 2015		-	-
Amortisation expense for the year	0.21	0.21	
Balance as at 31 March, 2016		0.21	0.21
Amortisation expense for the year	-	-	
Balance as at 31 March, 2017		-	-

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

7 Other investments

(carried at cost)

	31-Mar-17 Non Current	31-Mar-17 Current	31-Mar-16 Non Current	31-Mar-16 Current	01-Apr-15 Non Current	01-Apr-15 Current
Unquoted Investments						
Investments in Equity Instruments						
Matrix Agro Pvt Ltd 50,000 shares of Rs.10 each fully paid (31 March 2016 50,000 shares of Rs.10 each) (1 April 2015 50,000 shares of Rs.10 each)	0.50	-	0.50	-	-	-
Total Investments	0.50	-	0.50	-	-	-
Aggregate carrying value of unquoted investments	0.50	-	0.50	-	-	-

The Company has invested in the shares of Matrix Agro Private limited pursuant to a power purchase arrangement entered into during 2015-16

8 Trade receivables

(carried at amortised cost)

	31-Mar-17 Non Current	31-Mar-17 Current	31-Mar-16 Non Current	31-Mar-16 Current	01-Apr-15 Non Current	01-Apr-15 Current
Unsecured, considered good	-	374.40	-	377.44	-	284.28
Unsecured, considered doubtful	-	65.94	-	71.15	-	78.06
Allowance for doubtful debts (expected credit loss allowance)	-	(65.94)	-	(71.15)	-	(78.06)
Total Trade Receivables	-	374.40	-	377.44	-	284.28

i. Confirmations of balances from Debtors are yet to be received in a few cases though the company has sent letters of confirmation to them. The balances adopted are as appearing in the books of accounts of the company
ii. Sundry Debtors represent the debt outstanding on hospital services and are considered good. The company holds no other securities other than the personal security of the debtors.

Majority of the company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables are low.

The following are the customers who represent more than 5% of the total balance of trade receivables.

	31-Mar-17		31-Mar-16		31-Mar-15	
	Amount (Rs)	%	Amount (Rs)	%	Amount (Rs)	%
Central Government Health Scheme (CGHS)	76.84	15.32%	55.56	13.4%	46.48	13.7%
Medi-Assist India Ltd	31.00	5.34%	55.93	13.4%	45.54	13.4%
Arogya Bhagya Yojane (Arc)	55.26	11.01%	23.45	5.6%	29.86	8.8%
South Western Railways	26.77	6.18%	47.70	11.5%	29.55	8.7%
The United Republic Of Tanzania	41.75	8.32%	46.18	11.1%	23.06	6.8%

The average credit period on sales of services is 30-60 days from the date of the invoice

The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing

Not due
0-30 days
31-90 days
91-180 days
181-365 days
1 to 2 years
2 to 3 years
>3 years

	Expected Credit loss (%)		
	31-Mar-17	31-Mar-16	01-Apr-15
Not due	4.4%	4.4%	4.4%
0-30 days	6.8% - 8.6%	6.8% - 8.6%	6.8% - 8.6%
31-90 days	7.6% - 16.2%	7.6% - 16.2%	7.6% - 16.2%
91-180 days	7.6% - 16.2%	7.6% - 16.2%	7.6% - 16.2%
181-365 days	16.4% - 32.0%	16.4% - 32.0%	16.4% - 32.0%
1 to 2 years	46.8% - 59.6%	46.8% - 59.6%	46.8% - 59.6%
2 to 3 years	76.6% - 86.4%	76.6% - 86.4%	76.6% - 86.4%
>3 years	100.0%	100.0%	100.0%

Age of receivables

Not Due
0-30 days past due
31-90 days past due
91-180 days past due
> 6 months - 1 year days past due
1 - 2 years days past due
> 2 years days past due
> 3 years days past due

	31-Mar-17	31-Mar-16	01-Apr-15
Not Due	141.22	102.82	131.49
0-30 days past due	41.74	33.63	40.83
31-90 days past due	53.18	71.00	23.59
91-180 days past due	44.64	51.84	15.34
> 6 months - 1 year days past due	35.89	46.65	16.61
1 - 2 years days past due	8.34	18.66	26.13
> 2 years days past due	4.84	3.43	6.04
> 3 years days past due	-	-	-
Total Trade Receivables	329.85	328.03	260.03
International Patient Bills of The United Republic of Tanzania, AAR Insurance Tanzania and Consulate general of UAE are not considered for the expected credit loss allowance	44.55	49.41	24.25
	374.40	377.44	284.28

Movement in the expected credit loss allowance

Balance at beginning of the year
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses
Balance at end of the year

	31-Mar-17	31-Mar-16
Balance at beginning of the year	71.15	78.06
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(5.21)	(6.91)
Balance at end of the year	65.94	71.15
	65.94	71.15

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

9 Cash and cash equivalents
(carried at amortised cost)

	31-Mar-17	31-Mar-16	01-Apr-15
Balances with Banks			
Earmarked balances with banks (Refer note below)	11.62	8.51	9.34
Other bank balances	27.52	60.49	52.92
Cash on hand	4.48	4.92	6.39
Cash and cash equivalents as per statement of cash flows	43.62	73.92	68.65

Note: Earmarked balances comprise of deposits made with Indus Ind bank to the tune of Rs.6.31 (31 March 2016:Rs.5.87, 1 April 2015: Rs.5.43) and with Yes bank to the tune of Rs. 5.31 (31 March 2016: Rs.2.64,1 April 2015: Rs.3.90) for meeting the DSRA requirements

10 Other Financial Assets

	31-Mar-17			31-Mar-16		
	Non Current	Current	Non Current	Current	Non Current	Current
(carried at amortised cost)						
unsecured, considered good unless otherwise stated						
Interest receivable						0.38
Deposits	19.99	1.24	21.29	1.20	21.52	1.20
Advance to employees	-	1.89	-	0.56	-	0.03
	19.99	3.13	21.29	1.76	21.52	1.61

11 Deferred tax

	31-Mar-17	31-Mar-16	01-Apr-15
Deferred Tax Assets	81.60	85.53	123.83
Deferred Tax Liabilities	(65.19)	(4.16)	(0.93)
	16.41	81.37	122.90

2016-2017

	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
Investments in associates	-	-	-	-	-	-
Investment in joint venture	-	-	-	-	-	-
Property, plant and equipment	(225.26)	(9.51)	-	-	-	(234.77)
Finance leases	(6.37)	(3.85)	-	-	-	(10.22)
FVTPL financial assets	-	-	-	-	-	-
Financial assets at FVTOCI	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Exchange difference on foreign operations	-	-	-	-	-	-
Provisions	2.33	0.36	-	-	-	2.69
Provision for doubtful debts	58.63	(3.98)	-	-	-	54.65
Defined benefit obligation	(15.22)	8.97	0.83	-	-	(5.41)
Other financial liabilities	(0.10)	(0.39)	-	-	-	(0.49)
Others - Unabsorbed Loss including IT Depreciation	279.67	(57.38)	-	-	-	222.29
Total	93.69	(65.78)	0.83	-	-	28.73
Tax losses	-	-	-	-	-	-
Others	(12.32)	-	-	-	-	(12.32)
	81.37	(65.78)	0.83	-	-	16.41

2015-2016

	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
Investments in associates	-	-	-	-	-	-
Investment in joint venture	-	-	-	-	-	-
Property, plant and equipment	(228.43)	3.18	-	-	-	(225.26)
Finance leases	(2.52)	(3.85)	-	-	-	(6.37)
FVTPL financial assets	-	-	-	-	-	-
Financial assets at FVTOCI	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Convertible notes	-	-	-	-	-	-
Exchange difference on foreign operations	-	-	-	-	-	-
Provisions	3.20	(0.87)	-	-	-	2.33
Provision for doubtful debts	29.13	29.51	-	-	-	58.63
Defined benefit obligation	5.53	(20.39)	-	(0.35)	-	(15.22)
Other financial liabilities	(0.93)	0.83	-	-	-	(0.10)
Others - Unabsorbed Loss including IT Depreciation	328.67	(49.00)	-	-	-	279.67
Total	134.64	(40.60)	-	(0.35)	-	93.69
Tax losses	-	-	-	-	-	-
Others	(11.73)	(0.59)	-	-	-	(12.32)
	122.90	(41.19)	-	(0.35)	-	81.37

2014-2015

	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised directly in equity	Acquisitions/ Disposals	Closing Balance
Property, plant and equipment	(222.00)	(6.44)	-	-	-	(228.43)
Finance leases	(0.55)	(1.97)	-	-	-	(2.52)
Intangible assets	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Provisions	-	3.20	-	-	-	3.20
Provision for doubtful debts	1.59	27.54	-	-	-	29.13
Defined benefit obligation	4.49	1.04	-	-	-	5.53
Other financial liabilities	-	(0.93)	-	-	-	(0.93)
Others - Unabsorbed Loss including IT Depreciation	347.61	(18.94)	-	-	-	328.67
Total	131.14	3.50	-	-	-	93.69
Tax losses	-	-	-	-	-	-
Others	(11.73)	-	-	-	-	(11.73)
	119.40	3.50	-	-	-	122.90

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

12 Inventories

	31-Mar-17	31-Mar-16	01-Apr-15
a) Inventories (carried at lower of cost and net realisable value)			
Medicines	1.54	1.11	1.33
Lab materials	4.38	4.38	4.30
Consumables*	27.55	26.05	24.63
	33.48	31.54	30.26

*Consumables include Housekeeping materials, Ward Consumables, Printing and Stationery etc. Also refer note 16

13 Other Assets

	31-Mar-17		31-Mar-16		01-Apr-15	
	Non Current	Current	Non Current	Current	Non Current	Current
Capital Advances	-	24.34	-	11.38	-	3.89
Other Advances	-	2.14	-	2.94	-	3.08
Advance for Goods		0.03		0.04		0.03
Prepaid Expenses	-	9.17	-	16.42	-	12.93
	-	35.68	-	30.78	-	19.93

14 Equity Share Capital

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Authorised Share capital :			
3,50,00,000 fully paid equity shares of Re.10 each	350.00	350.00	350.00
Issued and subscribed capital comprises:			
2,99,45,000 fully paid equity shares of Re.10 each (as at March 31, 2016: 2,99,45,000; as at April 1, 2015: 2,99,45,000)	299.45	299.45	299.45
	299.45	299.45	299.45

(a) Fully paid equity shares

	Number of shares	Share capital (Amount)
Balance at April 1, 2015	29,945,000	299.45
Capital issued	-	-
Balance at March 31, 2016	29,945,000	299.45
Capital issued	-	-
Balance at March 31, 2017	29,945,000	299.45

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

(b) Details of shares held by the holding company

Particulars	31-Mar-17	31-Mar-16	01-Apr-15
Apollo Hospitals Enterprise Limited	26,950,496	26,950,496	26,950,496

(c) Details of shares held by each shareholder holding more than 5% shares

	31-Mar-17			31-Mar-16		
	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares	Number of Shares held	% holding of equity shares
Fully paid equity shares						
Apollo Hospitals Enterprise Limited	26,950,496	90%	26,950,496	90%	26,950,496	90%
Dr. Vigar Syed	1,497,250	5%	1,497,250	5%	1,497,250	5%
Shri. Ziaulla Sheriff	1,497,250	5%	1,497,250	5%	1,497,250	5%
Total	29,944,996	100%	29,944,996	100%	29,944,996	100%

15 Other equity

	Note	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Capital Reserve	15.1	1.49	1.49	1.49
Share Premium	15.2	199.00	199.00	199.00
Revaluation Reserve	15.3	199.00	199.00	199.00
Retained earnings	15.4	(129.44)	(210.81)	(278.11)
		270.05	188.68	121.38

15.1 Capital reserve

	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Balance at beginning of year	1.49	1.49	1.49
Movement during the year	-	-	-
Balance at end of year	1.49	1.49	1.49

15.2 Share Premium

		As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Balance at beginning of year		199.00	199.00	199.00
Movement during the year		-	-	-
Balance at end of year		199.00	199.00	199.00

15.3 Revaluation Reserve

		As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Balance at beginning of year		199.00	199.00	199.00
Movement during the year		-	-	-
Balance at end of year		199.00	199.00	199.00

15.4 Retained earnings

			As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Balance at beginning of year			(210.81)	(278.11)	(278.11)
Profit attributable to owners of the Company			82.03	69.27	-
Other comprehensive income arising from remeasurement of defined benefit obligation net of income tax			(0.67)	(1.97)	-
Balance at end of year			(129.44)	(210.81)	(278.11)
					-

16 Borrowings

(carried at amortised cost)

	As at 31-Mar-17			As at 31-Mar-16		
	Non Current	Current	Non Current	Current	Non Current	Current
Secured						
(i) Term loans from banks	735.65	187.93	921.29	149.90	895.75	137.01
(ii) Short Term Borrowings	-	150.95	-	115.12	-	184.19
(iii) finance lease obligations*	40.59	-	54.66	-	65.95	-
Total	776.24	338.88	975.95	265.02	961.70	321.20

* Current maturities have been disclosed under other financial liabilities. Refer note 18

16.1 Summary of borrowing arrangements

(i) The terms of repayment of term loans and other loans are stated below.

Yes Bank Term Loan II

(a) Terms of Repayment:

Complete repayment in the FY2023-24

(b) Details of Security

First charge on immovable fixed assets of borrower. Exclusive First charge on movable Property plant & equipment (present and future not exclusive charged to any other lender) of borrower. Exclusive charge on equipments purchased under YBL Term Loan. Second Charge on current assets (present and future) of borrower. Exclusive charge on equipments purchased under Yes BankTerm Loan. Deposits maintained as per the DSRA requirements. Refer note 9.

Yes Bank Term Loan III

(a) Terms of Repayment:

Tenor 131 months, Repayment in 36 quarterly installments starting from June 2015

(b) Details of Security

First charge on immovable fixed assets of borrower. Exclusive First charge on movable fixed assets (present and future not exclusive charged to any other lender) of borrower. Exclusive charge on equipments purchased under YBL Term Loan. Second Charge on current assets (present and future) of borrower. Exclusive charge on equipments purchased under YBL Term Loan. Deposits maintained as per the DSRA requirements. Refer note 9.

Indus Ind Bank Term Loan

(a) Terms of Repayment:

Repayment in 20 quarterly installment. FY15 Rs. 98.50 million FY16 Rs. 104.36 million, FY 17 Rs. 115.90 million, FY18 Rs. 102.56 million, FY 18 Rs. 59.7 million

(b) Details of Security

All present and future of the movable and immovable properties of the borrower - First pari-passu charge on all the movable fixed assets of the borrower (present and future) and Second pari-passu charge on all the current assets of the borrower both present and future. All present and future book debts. All present and future stock in trade. Deposits maintained as per the DSRA requirements. Refer note 9.

HDFC Bank Ltd - Term Loan I

(a) Terms of Repayment:

Tenor is 9 years, including moratorium period of 1 year and repayment of 8 years. Repayment in 32 quarterly installment immediately after a moratorium of 1 year from the date of first drawdown. Repayment in FY15-16 Rs.26.00, FY16-17 Rs. 26.00, FY17-18 Rs. 26.00, FY18-19 Rs. 41.60, FY19-20 Rs. 78.00, FY20-21 Rs. 83.20, FY21-22 Rs. 83.20, FY22-23 Rs. 136.00

(b) Details of Security

HDFC Bank Ltd - Term Loan 2

(a) Terms of Repayment:

Tenor is 4 years, comprising moratorium period of 1 Year and Repayment period of 3 years. Repayment in 12 quarterly installment (Rs. 50.00 from Apr 2017 onwards repayment starts) from the end of the quarter starting after the moratorium of 1 year from first drawdown.

(b) Details of Security

First pari-passu charge on movable and immovable fixed assets of the company

Yes Bank Cash credit

(a) Terms of Repayment: Limit of 190 million as at 31.03.2017

(b) Details of Security

First charge on immovable fixed assets of borrower. Exclusive First charge on movable fixed assets (present and future not exclusive charged to any other lender) of borrower. Exclusive charge on equipments purchased under YBL Term Loan. Second Charge on current assets (present and future) of borrower. Exclusive charge on equipments purchased under Yes Bank LimitedTerm Loan

Rate of Interest	31-Mar-17	31-Mar-16	01-Apr-15
FY 16-17 10.65%	-	-	-
FY15-16 10.65%	-	-	-
FY14-15 11.75%	-	-	-

FY 16-17 10.65%	9.36	8.00	6.65
FY15-16 10.65%	-	-	-
FY14-15 11.75%	-	-	-

FY 16-17 10.70%	102.57	115.90	104.36
FY15-16 10.70%	-	-	-
FY14-15 11.50%	-	-	-

FY 16-17 10.20%	26.00	26.00	26.00
FY15-16 10.20%	-	-	-
FY14-15 10.90%	-	-	-

FY 16-17 9.85%	50.00	-	-
FY15-16 9.85%	-	-	-

FY 16-17 10.65%	150.95	115.12	184.19
FY15-16 10.65%	-	-	-
FY14-15 11.75%	-	-	-

338.88	265.02	321.20
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17 Trade Payables

Sundry Creditors - Capital

Sundry Creditors - Expenses

Sundry Creditors - Goods

Sundry Creditors - Others

Payable to Related Parties*

Total

As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
Non Current	Current	Non Current	Current	Non Current	Current
-	8.42	-	0.47	-	39.47
-	25.19	-	34.54	-	24.67
-	100.54	-	106.42	-	114.06
-	45.74	-	37.77	-	43.12
-	356.58	-	397.94	-	404.29
-	536.47	-	577.14	-	625.61

*Refer note no. 34 for Related Party Transaction

18 Other financial liabilities

Interest accrued and due

Current maturities of finance lease obligations

Deposits

Rent Payable

Salary Payable

Total

As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
Non Current	Current	Non Current	Current	Non Current	Current
-	6.64	-	6.97	-	6.15
-	14.07	-	11.29	-	8.47
-	0.77	-	0.77	-	0.77
-	-	-	1.66	-	1.55
-	0.66	-	0.82	-	0.53
-	22.14	-	21.51	-	17.48

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Employee benefits						
Provision for Bonus	-	10.28	-	9.82	-	4.13
Provision for Gratuity*	0.90	16.58	8.25	4.44	8.31	1.40
Provision for Leave Salary*	14.20	10.69	8.34	6.59	3.71	1.13
Total	15.10	37.55	16.59	20.85	12.02	6.66
* Also refer note 32						
20 Current tax assets and liabilities						
Current tax assets						
Tax refund receivable				122.68	117.17	94.30
Current tax liabilities						
Income tax payable				(20.33)	(20.33)	-
				102.35	96.84	94.30
21 Other Liabilities						
	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Statutory dues payable	-	6.70	-	10.85	-	7.10
Patient deposits	-	17.99	-	33.05	-	31.62
Telephone Charges Payable	-	-	-	0.14	-	0.22
Staff Benevolent Fund	-	0.05	-	-	-	-
Due to Staff	-	0.23	-	0.17	-	-
Stale Cheques	-	(0.13)	-	-	-	-
Other Liabilities	-	4.25	-	2.20	-	1.09
Doctor Consultancy Payable	-	1.94	-	0.97	-	-
Provisions Others	-	0.36	-	3.04	-	3.54
Apollo Family Benevolent Fund	-	-	-	0.75	-	-
Deferred Revenue on Govt. Grants	-	-	-	-	-	-
Total	-	31.39	-	51.17	-	43.57

* other liabilities includes CSR carrying amount Rs. 1.08 m for 31.03.2015, Rs. 2.12 m for 31.03.2016 and Rs. 3.76 m for 31.03.2017

Provisions Others contains amount payable towards the electricity charges payable 0.11 for 31.03.2017, Rs. 3.04 for 31.03.2016, 3.54 for 31.03.2015 , water charges payable Rs. 0.25 for 31.03.2017,

	Year ended 31-Mar-17	Year ended 31-Mar-16
22 Revenue from Operations		
(a) Revenue from rendering of healthcare services	2,100.70	1,978.12
(b) Other operating revenues	-	1.18
	2,100.70	1,979.30
(Other operating revenues include income from sale of Food & Beverages)		
23 Other Income		
a) Interest income		
Bank deposits	0.73	0.79
Interest on IT Refund	4.95	3.13
	5.68	3.92
b) Other non-operating income (net of expenses directly attributable to such income)		
Income from Training	0.91	-
Discount Received	0.02	-
Sale of Scrap	0.39	0.10
Rent Received	2.64	2.61
Other Income*	2.60	4.58
	6.56	7.29
Breakup of other income -	31-Mar-17	31-Mar-16
Parking Income	2.36	2.66
Manpower Charges	0.13	1.50
Others	0.11	0.14
Clinic Income	-	0.28
c) Other gains/Losses		
Foreign Exchange Fluctuation Gains/(Losses)	(1.01)	(2.25)
	(1.01)	(2.25)
24 Employee benefits expense		
Salaries and wages	314.89	269.95
Contribution to provident and other funds	47.48	37.38
Staff welfare expenses	4.67	6.71
	367.04	314.04
25 Finance costs		
Interest on term loans	108.32	111.78
Interest on Cash credit facilities	7.66	12.87
Interest on finance lease obligation	7.33	9.47
Other interest expense		
Bank Charges - credit card and others	12.64	13.62
Bank DD Charges	0.01	-
Bank Guarantee Charges	0.15	0.40
Bank LC Charges	0.22	-
	136.33	148.14
26 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	Year ended 31-Mar-17	Year ended 31-Mar-16
Amortisation of intangible assets	139.06	132.15
	-	0.21
	139.06	132.36

27 Other expenses

	Year ended 31-Mar-17	Year ended 31-Mar-16
Power and fuel	45.45	47.60
Water Charges	5.05	4.04
Rent	21.75	22.78
Repairs to Buildings	14.35	21.35
Repairs to Machinery	22.32	21.69
Repairs to Vehicles	0.45	0.18
Office Maintenance & Others	16.94	12.01
Insurance	1.62	1.47
Rates and Taxes, excluding taxes on income	9.57	7.46
Printing & Stationery	16.35	16.52
Postage & Telegram	0.41	0.27
Advertisement, Publicity & Marketing	21.89	25.46
Travelling & Conveyance	23.71	22.38
Security Charges	10.49	5.40
Legal & Professional Fees (Refer note 27.1)	127.59	131.47
Telephone Expenses	4.86	4.45
Books & Periodicals	1.07	0.89
Bad Debts Written off	13.01	28.42
Provision for doubtful debts	(11.81)	0.92
Outsourcing Expenses	112.23	103.79
Doctor Fees (Paid on Guarantee money basis)	293.64	253.20
Discount Allowed	5.64	8.59
Expenditure incurred for corporate social responsibility (Refer note 27.2)	2.88	1.06
Miscellaneous expenses	6.71	6.56
Loss on Sale of Asset	-	-
	766.17	747.96

27.1 Payments to auditors

	Year ended 31-Mar-17	Year ended 31-Mar-16
a) For audit	2.08	1.66
b) For taxation matters	0.37	0.15
c) For company law matters	-	-
d) For other services	0.07	0.61
c) For reimbursement of expenses	-	-
	2.52	2.43

27.2 Expenditure incurred for corporate social responsibility

The Composition of the CSR Committee is as follows:

Name of the member	Designation
Mr. Raj Kumar Menon	Chairperson
Mr. Ganesan Venkatraman	Member
Smt. Sangita Reddy	Member

	Year ended 31-Mar-17	Year ended 31-Mar-16
Average net profit of the company for the last three financial years	100.83	53.10
Prescribed CSR Expenditure	2.02	1.06
Gross amount required to be spent by the company during the year	2.02	1.06
Amount spent during the year	0.54	0.20
Cumulative Balance to be spent	3.40	1.92

CSR project or activity Identified.	Sector in which the Project is covered	Projects or programs (1)Local area or other (2) Specify the State and the district where projects or programs was taken	Amount Outlay(Budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2)Overheads:	Cumulative expenditure upto to the reporting period
Construction of Laboratory facility for Government Higher Primary School.	Education	Gottegere Bannargha	0.68	Advance payment released Rs. 0.20	
Supply of Black board, chairs, slotted angles for Government Primary School	Education	Bannerghatta Road, I	0.01		0.01
Supply and installation of grill work for Government Primary school for the safety of children	Education	Bannerghatta Road, I	0.08		0.08

All amounts disclosed above have been spent directly by the Company.

28 Income taxes

28.1 Income tax recognised in profit or loss

Current tax

In respect of the current year

Year ended

31-Mar-17

Year ended

31-Mar-16

Deferred tax

In respect of the current year

Deferred tax reclassified from profit or loss to equity

37.90

20.33

37.90

20.33

54.73

42.55

(0.34)

(1.02)

54.39

41.53

Total income tax expense recognised in the current year

92.29

61.86

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax from continuing operations	174.66	132.15
Income tax expense	37.28	26.94
Effect of income that is exempt from taxation	-	-
Effect of expenses that are not deductible in determining taxable profit	0.62	(6.61)
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	54.39	41.53
	92.29	61.86

29 Segment information

The Company uses the "management approach" for reporting information about segments in annual financial statements. The management approach is based on the way the chief operating decision-maker organizes segments within a company for making operating decisions and assessing performance. Reportable segments are based on services, geography, legal structure, management structure and any other manner in which management disaggregates a company. Based on the "management approach" model, the Company has determined that its business is comprised of a single operating segment which comprise of Healthcare service. Accordingly no further disclosures have been made.

30 Earnings per Share

		31-Mar-17	31-Mar-16
Basic earnings per share	D=B/A	2.72	2.25
Diluted earnings per share	E=B/C	2.72	2.25
30.1 Basic earnings per share			
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.			
Profit for the year attributable to owners of the Company		81.36	67.30
Earnings used in the calculation of basic earnings per share	A	81.36	67.30
Weighted average number of equity shares for the purposes of basic and diluted earnings per share	B	29,945,000	29,945,000
30.2 Diluted earnings per share			
The earnings used in the calculation of diluted earnings per share are as follows.			
Earnings used in the calculation of diluted earnings per share	C	81.36	67.30

31 Obligations under finance leases

31.1 Leasing arrangements

The company has obtained PET CT medical equipment under finance lease arrangement. The lease term is 7 years. The company has an options to purchase the equipment for a nominal amount at the end of the lease term. The company's obligations under finance leases are secured by the lessors' title to the leased assets.

Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 11% to 12% per annum (as at March 31, 2016: 11% to 12% per annum; as at April 1, 2015: 11% to 12% per annum).

31.2 Finance lease liabilities

Particulars	Minimum Lease Payments			Present Value of Minimum Lease Payments		
	31-Mar-17	31-Mar-16	01-Apr-15	31-Mar-17	31-Mar-16	01-Apr-15
Not later than one year	19.87	18.62	16.96	14.07	11.29	8.47
Later than one year and not later than five years	46.79	66.66	85.28	40.59	54.66	65.95
Later than five years	-	-	-	-	-	-
Less: future finance charges	66.66	85.28	102.24	54.66	65.95	74.42
Present value of minimum lease payments	54.66	65.95	74.42	54.66	65.95	74.42
Included in the financial statements as:				31-Mar-17	31-Mar-16	01-Apr-15
- Current maturities of finance lease obligations (note 18)				14.07	11.29	8.47
- borrowings (note 16)				40.59	54.66	65.95
				54.66	65.95	74.42

32 Employee benefit plans

32.1 Defined contribution plans

The Company makes contributions towards provident fund and employees state insurance as a defined contribution retirement benefit fund for qualifying employees. The provident fund is operated by the regional provident fund commissioner. The Employee state insurance is operated by the employee state insurance corporation. Under these schemes, the Company is required to contribute a specific percentage of the payroll cost as per the statute. The Company has no further obligations in this regard.

The total expense recognised in profit or loss of Rs.5.56 (for the year ended March 31, 2016: Rs.4.26) represents contributions payable to these plans by the Company at rates specified in the rules of the plans.

As at March 31, 2017, contributions of Rs.3.25 (as at March 31, 2016: Rs.2.57) (as at April 1, 2015: Rs.2.30) reporting period had not been paid over to the plans. The amounts were paid subsequent to the end of the respective reporting periods.

32.2 Defined benefit plans

(a) Gratuity

The Company makes an annual contribution to Employee's group gratuity cum life assurance scheme of Life insurance corporation of India (LIC). The scheme provides for lumpsum payment to the vested employees at retirement, death while in employment, or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service, or part thereof in excess of 6 months. Vesting occurs on completion of five years of service.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at 31-Mar-17	31-Mar-16
Discount rate(s)	6.46%	7.25%
Expected rate(s) of salary increase	Uniform 8.0%	Uniform 9.0%
Average longevity at retirement age for current beneficiaries of the plan (years)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08) Ultimate

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows

	31-Mar-17	31-Mar-16
Service cost:		
Current service cost	4.71	3.77
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.86	0.50
Components of defined benefit costs recognised in profit or loss	5.57	4.27
Remeasurement on the net defined benefit liability:		
Return on plan assets (excluding amounts included in net interest expense)	(0.25)	0.06
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	0.02	0.44

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

Actuarial (gains) / losses arising from experience adjustments	0.74	2.62
Components of defined benefit costs recognised in other comprehensive income	1.01	2.99
Total	6.58	7.25

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	31-Mar-17	31-Mar-16
Present value of funded defined benefit obligation	18.90	14.12
Fair value of plan assets	(1.43)	(1.43)
Funded status	17.48	12.69
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	17.48	12.69

Movements in the present value of the defined benefit obligation are as follows.

	31-Mar-17	31-Mar-16
Opening defined benefit obligation	14.12	8.06
Current service cost	4.71	3.77
Interest cost	0.96	0.59
Remeasurement (gains)/losses:	-	-
Actuarial gains and losses arising from changes in demographic assumptions	0.02	0.44
Actuarial gains and losses arising from changes in financial assumptions	0.74	2.62
Actuarial gains and losses arising from experience adjustments	(1.65)	(1.35)
Benefits paid	18.90	14.12
Closing defined benefit obligation	18.90	14.12

Movements in the fair value of the plan assets are as follows.

	Year ended 31-Mar-17	Year ended 31-Mar-16
Opening fair value of plan assets	1.43	0.84
Interest income	0.10	0.09
Remeasurement gain (loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	(0.25)	0.06
Contributions from the employer	1.79	1.78
Contributions from plan participants	-	-
Benefits paid	(1.65)	(1.35)
Closing fair value of plan assets	1.43	1.43

The fair value of the plan assets are as follows

	Fair value of plan assets as at	
	31-Mar-17	31-Mar-16
Equity investments categorised by industry type:		
- Others	1.43	1.43
Total	1.43	1.43

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and attrition rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption		Decrease in assumption	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Discount rate	+100 basis points	+100 basis points	18.52	13.83	-	-
	-100 basis points	-100 basis points	-	-	19.30	14.42
Salary growth rate	+ 100 basis points	+ 100 basis points	19.19	14.34	-	-
	-100 basis points	-100 basis points	-	-	18.62	13.91
Attrition rate	+ 100 basis points	+ 100 basis points	18.83	14.06	-	-
	-100 basis points	-100 basis points	-	-	18.98	14.19

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. The Maturity profile of the defined benefit obligation is 2 to 3 years

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

(b) Leave encashment benefits

As per the company's leave policy, every employee who has worked for a period of not less than 240 days during a calendar year, shall be eligible for not less than 15 days privilege leave computed at the rate of one day for every 20 days of actual service.

No other post-retirement benefits are provided to these employees.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Discount rate(s)
Expected rate(s) of salary increase
 Average longevity at retirement age for current beneficiaries of the plan (years)

	Valuation as at 31-Mar-17	31-Mar-16
6.46%	7.25%	
Uniform 8.0%	Uniform 9.0%	
Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	
Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate	

Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows

	31-Mar-17	31-Mar-16
Service cost:		
Current service cost	12.03	12.36
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	0.97	0.28
Components of defined benefit costs recognised in profit or loss	13.01	12.65

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	31-Mar-17	31-Mar-16
Present value of funded defined benefit obligation	24.89	14.91
Fair value of plan assets	-	-
Funded status	24.89	14.91
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	24.89	14.91

Movements in the present value of the defined benefit obligation are as follows.

	31-Mar-17	31-Mar-16
Opening defined benefit obligation	14.91	4.84
Current service cost	3.18	2.24
Interest cost	0.97	0.28
Remeasurement (gains)/losses:	-	-
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	3.14	0.36
Actuarial gains and losses arising from experience adjustments	5.72	9.76
Benefits paid	(3.03)	(2.57)
Closing defined benefit obligation	24.89	14.91

Movements in the fair value of the plan assets are as follows.

	Year ended 31-Mar-17	Year ended 31-Mar-16
Opening fair value of plan assets	-	-
Interest income	-	-
Remeasurement gain (loss):	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions from the employer	3.03	2.57
Contributions from plan participants	-	-
Benefits paid	(3.03)	(2.57)
Closing fair value of plan assets	-	-

The fair value of the plan assets are as follows

	Fair value of plan assets as at	
	31-Mar-17	31-Mar-16
Equity investments categorised by industry type:		
- Others	-	-
Total	-	-

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and attrition rates. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption		Decrease in assumption	
	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16	31-Mar-17	31-Mar-16
Discount rate	+100 basis points	+100 basis points	24.45	14.68	-	-
	-100 basis points	-100 basis points	-	-	25.35	15.20
Salary growth rate	+ 100 basis points	+ 100 basis points	25.23	15.13	-	-
	-100 basis points	-100 basis points	-	-	24.56	14.74
Attrition rate	+ 100 basis points	+ 100 basis points	24.87	14.92	-	-
	-100 basis points	-100 basis points	-	-	24.91	14.95

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. The Maturity profile of the defined benefit obligation is 2 to 3 years

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

The Company's objectives with respect to its capital structure are to maintain effective access to capital on a long-term basis at reasonable rates, and to deliver appropriate financial returns. The capital structure of the Company consists of equity and net debt detailed in notes 14, 15, 16 and 18..

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to incur new debt or issue new shares. Management reviews the Company's capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The following table describes the Company's gearing ratio which is one of the key metrics used internally for capital management. The Company is not subject to any externally imposed capital requirements.

Gearing ratio	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
The gearing ratio at end of the reporting period was as follows			
Debt	1,129.19	1,252.26	1,291.37
Cash and bank balances	43.62	73.92	68.65
Net Debt	1,085.57	1,178.34	1,222.72
Total Equity	569.50	488.13	420.83

Net debt to equity ratio	1.91	2.41	2.91
Debt is defined as long-term and short-term borrowings including finance lease obligations			

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other	Total
Closing cash in hand as on 8-11-2016	0.84	0.15	0.99
(+) Receipt of SBN's after 8-11-2016	6.53	-	6.53
(+) Permitted receipts	-	18.50	18.50
(-) Permitted payments		0.93	0.93
(-) Deposit of SBN's in Banks	7.37	-	7.37
(-) Amount deposited in Banks		16.21	16.21
Closing cash in hand as on 30-12-2016	-	15.05	15.05

33.2 Categories of financial instruments

Financial assets	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Measured at amortised cost			
(a) Cash and bank balances	43.62	73.92	68.65
(b) Other financial assets at amortised cost	398.02	400.99	307.41
	441.64	474.91	376.06

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such financial assets.

Particulars	Weighted average effective interest rate(%)	Less than 1 month	1-3 months	3 months to 1 year	1 Year to 5 years	> 5 years
March 31, 2017						
Non-interest bearing	108.41	120.31	128.23	84.69	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
	108.41	120.31	128.23	84.69	-	-
March 31, 2016						
Non-interest bearing	139.25	121.05	130.86	83.75	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
	139.25	121.05	130.86	83.75	-	-
April 1, 2015						
Non-interest bearing	120.52	100.93	99.69	54.92	-	-
Variable interest rate instruments	-	-	-	-	-	-
Fixed interest rate instruments	-	-	-	-	-	-
	120.52	100.93	99.69	54.92	-	-

33.3 Financial risk management objectives

Risk management strategies, policies and limits ensure risks and exposures are aligned to Company's business strategy and risk tolerance. The Company's Board of Directors are responsible for providing risk management oversight. The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of this risk framework in relation to the risks faced by the Company. Internal audit personnel assist the Audit Committee in its oversight role by monitoring and evaluating the effectiveness of the organization's risk management system

33.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

33.4.1 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. However these are not considered significant by the management

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

	Liabilities as at			Assets as at		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015
Trade Receivables	-	-	-	45.83	48.30	28.64
Import Payables	-	-	40.94	-	-	-

Foreign currency sensitivity analysis

The Company is primarily exposed to the currency fluctuations in USD. The trade receivables comprise of dues from Republic of Tanzania and Consulate general of UAE. Import payables represent dues outstanding towards procurement of medical equipment during 2012-13

The following table details the Company's sensitivity to a 10% increase and decrease in the Rs. against US Dollars. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Changes in assumptions	Currency USD impact		
	31-Mar-17	31-Mar-16	01-Apr-15
Impact on profit and loss for the year	10% increase	4.58	4.83
Impact on total equity as at the end of the reporting period		4.58	4.83
Impact on profit and loss for the year	10% decrease	4.58	4.83
Impact on total equity as at the end of the reporting period		4.58	4.83

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

33.4.2 Interest rate risk

Interest rate risk arises from borrowings. Debts at variable rates exposes the company to cash flow risk. In the opinion of the management, interest rate risk during the year under report was not substantial enough to require intervention or hedging through derivatives or other financial instruments.

33.5 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is considered low.

Before accepting any new credit customer, the company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed annually. The outstanding with the debtors are reviewed periodically.

Further, the Company is not significantly exposed to geographical distribution risk.

33.6 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note 33.6.2 below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

33.6.1

Liquidity and interest risk tables

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Weighted average effective interest rate(%)	Less than 1 month	1-3 months	3 months to 1 year	1 Year to 5 years	> 5 years
March 31, 2017						
Finance lease liability (Fixed interest rate instruments)	12%	1.11	2.25	10.71	40.59	-
Variable interest rate borrowings	9.85% to 11.75%	187.74	45.29	105.84	694.42	41.23
Trade payables (Non-interest bearing)		49.08	98.78	116.72	48.15	223.76
		237.93	146.32	233.27	783.16	264.99
March 31, 2016						
Finance lease liability (Fixed interest rate instruments)	12%	0.84	1.71	8.74	54.66	-
Variable interest rate borrowings	9.85% to 11.75%	142.85	36.23	85.95	720.99	200.30
Trade payables (Non-interest bearing)		48.29	83.75	136.07	69.24	239.80
		191.97	121.68	230.76	844.88	440.10
April 1, 2015						
Finance lease liability (Fixed interest rate instruments)	12%	0.63	1.27	6.57	65.95	-
Variable interest rate borrowings	9.85% to 11.75%	209.18	33.39	78.63	612.18	283.57
Trade payables (Non-interest bearing)		47.30	56.42	152.56	117.90	251.43
		257.11	91.09	237.76	796.03	535.00

The carrying amounts of the above are as follows:

	31-Mar-17	31-Mar-16	01-Apr-15
Finance lease liability	54.66	65.95	74.42
Variable interest rate borrowings	1,074.53	1,186.31	1,216.95
Trade payables	536.49	577.14	625.61
	1,665.68	1,829.40	1,916.98

For the purposes of the above table, foreign currency liabilities have been computed applying spot rates on the Balance Sheet date

33.6.2 Financing facilities

The Company has access to financing facilities as described below. The Company expects to meet its other obligations from operating cash flows and proceeds of maturing financial assets.

Particulars	As at 31-Mar-17	As at 31-Mar-16	As at 01-Apr-15
Secured bank overdraft facility:			
- amount used	150.95	115.12	184.19
- amount unused	39.05	74.88	5.81
	190.00	190.00	190.00
Secured bank loan facilities with various maturity dates through to 07-Mar-24 and which may be extended by mutual agreement			
- amount used	1,329.84	1,329.84	1,152.94
- amount unused	-	-	26.90
	1,329.84	1,329.84	1,179.84

33.7 Offsetting Arrangements

The company is not setting off financial instruments in accordance with INDAS 32 and does not have relevant offsetting arrangements.

33.8 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the company's financial statements approximate their fair values.

Particulars	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Financial assets at amortised cost:						
Investments	0.50	0.50	0.50	0.50	-	-
Trade receivables	374.40	374.40	377.44	377.44	284.28	284.28
Cash and cash equivalents	43.62	43.62	73.92	73.92	68.65	68.65
Other financial assets	23.12	23.12	23.05	23.05	23.13	23.13
	441.64	441.64	474.91	474.91	376.06	376.06
Financial liabilities						
Financial liabilities held at amortised cost:						
Borrowings	1,074.53	1,074.53	1,186.31	1,186.31	1,216.95	1,216.95
Finance lease obligations	54.66	54.66	65.95	65.95	74.42	74.42
Trade payables	536.47	536.47	577.14	577.14	625.61	625.61
Other financial liabilities	8.07	8.07	10.22	10.22	9.01	9.01
	1,673.73	1,673.73	1,839.62	1,839.62	1,925.99	1,925.99

Particulars	31-Mar-17			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost:				
Investments	-	-	0.50	0.50
Trade receivables	-	-	374.40	374.40
Cash and cash equivalents	-	-	43.62	43.62
Other financial assets	-	-	23.12	23.12
Total	-	-	441.64	441.64
Financial liabilities				
Borrowings	-	-	1,074.53	1,074.53
Finance lease obligations	-	-	54.66	54.66
Trade payables	-	-	536.47	536.47
Other financial liabilities	-	-	8.07	8.07
Total	-	-	1,673.73	1,673.73

Particulars	31-Mar-16			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost:				
Investments	-	-	0.50	0.50
Trade receivables	-	-	377.44	377.44
Cash and cash equivalents	-	-	73.92	73.92
Other financial assets	-	-	23.05	23.05
Total	-	-	474.91	474.91
Financial liabilities				
Borrowings	-	-	1,186.31	1,186.31
Finance lease obligations	-	-	65.95	65.95
Trade payables	-	-	577.14	577.14
Other financial liabilities	-	-	10.22	10.22
Total	-	-	1,839.62	1,839.62

Particulars	01-Apr-15			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at amortised cost:				
Investments	-	-	-	-
Trade receivables	-	-	284.28	284.28
Cash and cash equivalents	-	-	68.65	68.65
Other financial assets	-	-	23.13	23.13
Total	-	-	376.06	376.06
Financial liabilities				
Borrowings	-	-	1,216.95	1,216.95
Finance lease obligations	-	-	74.42	74.42
Trade payables	-	-	625.61	625.61
Other financial liabilities	-	-	9.01	9.01
Total	-	-	1,925.99	1,925.99

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation technique used to determine fair value

The management believes that the amortised cost approximates the fair values.

34 Related party transactions

The Company is controlled by the following entity:

Name		Place of incorporation		Ownership interest	
			31-Mar-17	31-Mar-16	01-Apr-15
Apollo Hospitals Enterprise Limited	Ultimate holding company	India	90.00%	90.00%	90.00%
Apollo Hospitals International	Fellow Subsidiary	India	-	-	-
Apollo Sugar Clinic Ltd	Fellow Subsidiary	India	-	-	-
Alliance Dental care Limited	Fellow Subsidiary	India	-	-	-
Apollo Health and Lifestyle Limited	Fellow Subsidiary	India	-	-	-
Apollo Bangalore Cradle Limited	Fellow Subsidiary	India	-	-	-
Apollo Sindoori Hotels Limited	Fellow Subsidiary	India	-	-	-

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

Faber Sindoori Management Services Private Limited	India	-	-	-
Lifetime Wellness RX International Ltd	India	-	-	-
Apollo Gleneagles	India	-	-	-
Indraprastha Medical corporation	India	-	-	-
Matrix Agro Pvt Ltd	India	-	-	-
Apollo family benevolent fund trust	India	-	-	-
Apollo Munich Insurance Co Limited	India	-	-	-
Family health plan Limited	India	-	-	-
Others (entities where key management personnel are able to exercise significant influence)				

Imperial Hospital & Research Centre Limited
Notes to the financial statements for the year ended March 31, 2017
(Amounts in INR millions unless otherwise stated)

34.1 Key management personnel and Compensation

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars		Year ended 31-Mar-17	Year ended 31-Mar-16
Mrs. Sangita Reddy	Managing director	-	-
Mr. Ramsekhar Reddy	Chief financial officer	2.46	1.93
Mr. Anil Prasad Sahoo	Company Secretary	0.59	0.53
		3.05	2.46

34.2 Transactions with related parties

		Transactions		Closing balance	
		For the year ended 31-Mar-17	For the year ended 31-Mar-16	As at 31-Mar-17	As at 31-Mar-16
Apollo Hospitals Enterprise Limited (AHEL)					
Deputation Staff Charges Paid	12.04	4.55			
Laboratory Income Received	(7.98)	(6.49)			
Reimbursement of expenses paid	16.35	14.91			
Reimbursement of Expenses Received	(29.09)	(13.80)			
Interest on Term Loan	-	0.97			
Purchases of Medicines for the IP/OP Services	16.91	17.24			
Repayment of term loans availed	-	41.15			
Collections made and remitted on behalf of AHEL	12.17	7.78			
Collections made on behalf of imperial hospitals and remittances	(6.71)	(11.53)			
Apollo Hospitals International Limited (AHIL)					
Reimbursement of expenses paid	-	(0.04)			
Apollo Sugar Clinic Ltd (ASCL)					
Out Patient Service Amount paid	9.30	8.23			
Doctors Payment Reimbursement received	(2.92)	(1.98)			
Rent Received	(1.37)	(1.37)			
Lab / Radiology Revenue received	(2.91)	(2.90)			
Alliance Dental care Limited (ADCL)					
OP Service Amount paid	17.82	18.94			
Reimbursement of Expenses Received	(0.03)	(0.00)			
Apollo Health and Lifestyle Limited (AHLL)					
OP Service Amount Received	(0.14)	(0.13)			
Collection received on behalf of AHLL*	(1.06)	(1.10)			
Payment of collections made on behalf of AHLL*	1.06	1.10			
Apollo Sindoori Hotels Limited (ASHL)					
Accommodation charges paid	-	4.24			
Food & Beverage Comprehensive Contract Amount Paid	48.92	52.58			
Food & Beverage charges collected on behalf of ASHL	(17.01)	(11.80)			
Payment of food & Beverage charges collected on behalf of ASHL	17.01	11.80			
Rent Paid	3.19	3.42			
Reimbursement of expenses paid	1.70	0.32			
Reimbursement of Expenses Received	(1.15)	(0.55)			
Faber Sindoori Management Services Private Limited (FSMSPL)					
Housekeeping Comprehensive Contract Amount Paid	40.33	39.29			
Reimbursement of expenses paid	6.87	6.51			
Lifetime Wellness RX International Ltd					
Advertisement charges paid	0.88	0.71			
Counselling charges paid	0.56	0.93			
Reimbursement of Expenses Received	-	(0.01)			
Apollo Gleneagles Hospitals Limited (AGHL)					
	-	-			
			(2.01)		(2.01)
Indraprastha Medical corporation Limited (IMCL)					
Reimbursement of Expenses Received	(0.08)	-			
			(1.59)		(1.66)
Matrix Agro Pvt Ltd					
Power charges paid	25.12	7.69			
			(0.93)		(2.68)
Apollo Munich Insurance Co Limited					
In Patient Service Income	(19.44)	(15.41)			
Out Patient Service Income	(1.81)	(0.43)			
			2.08		1.30
Family health plan TPA Limited					
In Patient Service Income	(102.65)	(71.36)			
Out Patient Service Income	(7.36)	(7.24)			
			9.27		7.86
Apollo Bangalore Cradle Limited (ABCL)					
Out Patient Service Income	(0.59)	(0.11)			
			0.78		0.05
Apollo family benevolent fund trust					
Company's Contribution to the trust fund	0.77	0.72			
Employee contribution collected and remitted to the trust*	9.04	7.09			

Amounts in positive balance is the amount paid / expenses incurred and negative amount is the amount received / income earned. Similarly the amounts in brackets represent amounts payable

* This has not been included as income/expense of the Company

35 Operating lease arrangements

35.1 The Group as lessee

Leasing arrangement

Operating leases relate to leases of land with lease terms of between 5-10 yrs . All operating lease contracts over 5 years contain clauses for 5-yearly market rental review .The company does not have an option to purchase the leased land at the expiry of the lease periods.

Payments recognised as an expense

Particulars

Minimum lease payments

	Year ended 31-Mar-17	Year ended 31-Mar-16
	21.75	22.78

There are no non cancellable operating lease commitments for the Company

36 Commitments

Particulars

Estimated amount of contracts remaining to be executed on capital account and not provided for

	31-Mar-17	31-Mar-16	01-Apr-15
	16.20	-	5.01

37 Contingent liabilities

Particulars

- (a) Claims against the company not acknowledged as debt
- (b) Other money for which the company is contingently liable
 - Income Tax (Refer note 37.2) 1.43 1.43 1.43
 - Service tax (Refer note 37.1) 1.88 1.88 1.88
 - Bank guarantees-EPCG 37.34 24.01 26.91
 - Bank Guarantees-Others 3.90 2.51 1.20
 - Letter of credit 15.88 - 5.01
 - Customs Duty (Refer note 37.3 and 37.4) 0.34 3.42 -

37.1 For Financial year 2006 – 2007 to 2010-2011, the service tax department has raised a demand of Rs. 1.88 which is disputed and the company has deposited a sum of Rs. 1.88 under protest against this demand. The company has filed an appeal against the said demand before CESTAT-Bengaluru, and the liability has been considered contingent until the conclusion of the appeal.

37.2 For Assessment year 2007-2008, the income tax department has raised a demand of Rs.1.43 which is disputed and appealed against by the Company. The company has deposited a sum of Rs.1.43 under protest against this demand, pending disposal of its appeal. The liability will be considered contingent until the conclusion of the appeal.

37.3 Additional Commissioner of Customs has issued a demand cum show cause notice for non-fulfilment of export obligation under EPCG License no 0730004459. Total demand raised in the said Show cause notice is Rs. 3.08 plus interest. Redemption certificate for this license also has been received in the month of April 2016 and submitted to concerned authority for Cancellation of Bank Guarantee. During the FY16-17, the demand cum show cause notice has been withdrawn and the bank guarantee has been cancelled with the Jammu & Kashmir bank.

37.4 Additional Commissioner of Customs has issued a demand cum show cause notice for non-fulfilment of export obligation under EPCG License no 0730005797. Total demand raised in the said Show cause notice is Rs. 0.34. Redemption certificate for this license also has been received in the month of April 2016 and submitted to concerned authority for Cancellation of Bank Guarantee. During the FY16-17, the redemption letter has been received from Office of the JDGFT, Koramangala, Bengaluru and has been submitted to the Customs Authorities to withdraw the showcause notice. The company has complied with the rules and are in followup with Customs Authorities to issue the cancellation of Bank Guarantee

38 Dues to Micro, Small and Medium-Scale Enterprises

The Company is under process of compiling the information of creditors covered under the MSMED Act 2006.

39 Approval of financial statements

The financial statements were approved for issue by the board of directors on 25th May 2017

40 First-time Ind AS adoption reconciliations

40.1 Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2016 and April 1, 2015

Particulars	FS Caption Link	March 31, 2016			April 1, 2015		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS	Previous GAAP	Effect of transition to Ind AS	As per Ind AS
Non-current assets							
Property, Plant and Equipment	PPE	1,678.32	18.88	1,697.20	1,739.24	24.57	1,763.81
Capital work-in-progress	CWIP	3.73	-	3.73	1.61	-	1.61
Other Intangible assets	Intangibles	-	-	-	0.21	-	0.21
Financial Assets			-	-	-	-	-
Other investments	Investments	0.50	-	0.50	-	-	-
Other financial assets	Other financial assets-	22.47	(1.18)	21.29	22.71	(1.19)	21.52
Deferred tax assets (net)	Deferred tax assets (n)	45.14	36.23	81.37	94.04	28.86	122.90
Total Non - Current Assets		1,750.16	53.93	1,804.09	1,857.81	52.24	1,910.05
Current assets							
Inventories	Inventories	54.55	(23.01)	31.54	54.83	(24.57)	30.26
Financial assets			-	-	-	-	-
Trade receivables	Trade receivables-C	451.78	(74.34)	377.44	367.82	(83.54)	284.28
Cash and cash equivalents	Cash and cash equiva	70.06	3.86	73.92	64.74	3.91	68.65
Other financial assets	Other financial assets-	14.89	(13.13)	1.76	7.12	(5.51)	1.61
Current Tax Assets (Net)	Current Tax Assets (N)	96.84	-	96.84	94.30	-	94.30
Other assets	Other assets-C	17.41	13.37	30.78	20.16	(0.23)	19.93
Total current assets		705.53	(93.25)	612.28	608.97	(109.94)	499.03
Total assets		2,455.69	(39.32)	2,416.37	2,466.78	(57.70)	2,409.08
Equity							
Equity Share capital	Equity Share capital	299.45	-	299.45	299.45	-	299.45
Other equity	Other equity	231.10	(42.42)	188.68	169.41	(48.03)	121.38
Total Equity		530.55	(42.42)	488.13	468.86	(48.03)	420.83
Non-current liabilities							
925 Financial Liabilities							
3.561 Borrowings	Borrowings-NC	924.99	50.96	975.95	897.48	64.22	961.70
921.4 Provisions	Provisions-NC	19.86	(3.27)	16.59	14.56	(2.54)	12.02
54.6 Other liabilities	Other liabilities-NC	55.36	(55.36)	-	66.65	(66.65)	-
976 Total Non - Current Liabilities		1,000.21	(7.67)	992.54	978.69	(4.97)	973.72
Current liabilities							
Financial Liabilities							
Borrowings	Borrowings-C	115.12	149.90	265.02	184.19	137.01	321.20
Trade payables	Trade payables-C	579.73	(2.59)	577.14	593.16	32.45	625.61
Other financial liabilities	Other financial liabilities	218.12	(196.61)	21.51	236.68	(219.20)	17.48
Provisions	Provisions-C	11.95	8.90	20.85	5.19	1.47	6.66
Current Tax Liabilities (Net)	Current Tax Liabilities	-	-	-	-	-	-
Other liabilities	Other liabilities-C	-	51.17	51.17	-	43.57	43.57
Total Current Liabilities		924.92	10.77	935.69	1,019.22	(4.70)	1,014.52
Total Liabilities		1,925.14	3.10	1,928.24	1,997.92	(9.67)	1,988.25
Total Equity and Liabilities		2,455.69	(39.32)	2,416.37	2,466.78	(57.70)	2,409.08

40.2 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

Particulars

Total equity (shareholders' funds) under previous GAAP

Notes	31-Mar-16	01-Apr-15
	530.55	468.86
40.7 (a)	2.77	1.81
40.7 (c)	(37.03)	(43.64)
40.7 (c)	(3.65)	(6.20)
40.4	(4.50)	-
Total adjustment to equity	(42.41)	(48.03)
Total Equity under Ind AS	488.13	420.83

Total adjustment to equity

Total Equity under Ind AS

40.3 Effect of Ind AS adoption on the statement of profit and loss for the year ended March 31, 2016

Particulars	Note Ref	Previous	31-Mar-16	Ind AS
		GAAP	Effect of transition to Ind AS	
Revenue from Operations	Revenue from Operations	1,826.74	152.56	1,979.30
Other Income	Other Income	13.19	(4.23)	8.96
Total Income (A)		1,839.93	148.33	1,988.26
Expenses				
Cost of materials consumed	Cost of materials consumed	477.90	36.98	514.88
Changes in stock of finished goods, work-in-progress and stock-in-trade	Change in inventories	(0.85)	(0.42)	(1.27)
Employee benefit expense	Employee benefit expense	314.10	(0.06)	314.04
Finance costs	Finance costs	149.11	(0.97)	148.14
Depreciation and amortisation ex	Depreciation and amortisation expense	123.36	9.00	132.36
Other expenses	Other expenses	645.40	102.56	747.96
Total expenses		1,709.02	147.09	1,856.11
Profit/(loss) before tax		130.91	1.24	132.15
Tax expense				
(1) Current tax	Current tax	20.33	-	20.33
(2) Deferred tax	Deferred tax	48.91	(6.36)	42.55
Profit for the year		61.67	7.60	69.27
Other Comprehensive Income				
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plan	Employee benefit expense-OCI	-	2.99	2.99
Income tax relating to items that will not be reclassified to profit	Deferred tax-OCI	-	(1.02)	(1.02)
Total comprehensive income for the year		61.67	5.63	67.30

40.4 Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	Notes	31-Mar-16
Profit as per previous GAAP		61.67
Adjustments:		
Finance Interest expense on application of EIR method on borrowings	40.7(a)	0.98
Accelerated depreciation on certain surgical instruments	40.7(b)	(2.40)
Provision on expected disallowances	40.7(c)	2.55
Provision on application of Expected credit losses model	40.7(c)	6.61
Long term foreign currency monetary items	40.7(d)	(1.82)
Depreciation impact on the above	40.7(d)	0.09
Incremental liabilities on account of changes in actuarial assumptions in Remeasurement of defined benefit obligation recognised in other comprehensive income	40.7(e)	1.03
Incremental liabilities on account of changes in actuarial assumptions in Recognition of deferred taxes using balance sheet method under Ind AS	40.7(e)	2.99
Total effect of transition to Ind AS		7.60
Profit for the year as per Ind AS		69.27
Other comprehensive for the year (net of tax)		(1.97)
Total comprehensive income under Ind AS		67.30

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts

40.5 Effect of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016

Particulars	As at 31 March 2016 (End of last period presented under previous. GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	193.85	(3.28)	190.57
Net cash flows from investing activities	(66.11)	(4.12)	(70.23)
Net cash flows from financing activities	(121.60)	6.53	(115.07)
Net increase (decrease) in cash and cash equivalents	6.14	(0.87)	5.27
Cash and cash equivalents at the beginning of the period	61.54	7.11	68.65
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	-	-
Cash and cash equivalents at the end of the period	67.69	6.23	73.92

40.6 Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purpose of statement of cash flows under Ind AS

Particulars	31-Mar-16
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	70.07
Cash and cash equivalents not considered under previous GAAP	3.85
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	73.92

40.7 Notes to First time adoption

(a) Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

(b) Depreciation on surgical instruments

As part of the Ind AS transition, the Company has carried out a comprehensive analysis of its surgical instruments and has decided to provide an additional depreciation of Rs.2.4. Consequently the profits reported under Ind AS for the year ended 31 March 2016 has been decreased by the said amount.

(c) Trade receivables

As per Ind AS 109, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts. As a result, the allowance for doubtful debts are provided.

Revenue from fees charged for inpatient and outpatient hospital/clinical services rendered to insured and corporate patients are subject to approvals for the insurance companies and corporates. Accordingly, the Company estimates the amounts likely to be disallowed by such companies based on past trends to determine the fair value of consideration receivable in accordance with Ind AS 18. Consequently, the management has estimated this provision and are provided

(d) Long-term foreign currency monetary items

Under previous GAAP, paragraph 46/46A of AS 11 The Effects of Changes in Foreign Exchange Rates, provided an alternative accounting treatment to companies with respect to exchange differences arising on restatement of long term foreign currency monetary items. Exchange differences on account of depreciable assets could be added/deducted from the cost of the depreciable asset, which would then be depreciated over the balance life of the asset. In other cases, the exchange difference could be accumulated in a foreign currency monetary item translation difference account, and amortised over the balance period of such long term asset/ liability. Ind AS 101 includes an optional exemption that allows a first-time adopter to continue the above accounting treatment in respect of the long-term foreign currency monetary items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. The exemption under Ind AS 101 will not be available for long-term foreign currency monetary items recognised after this date.

(e) Remeasurements of post-employment benefit obligations

Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses forming part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of profit or loss. During the year 2015-16, the company has revisited some of its key actuarial assumptions and has made changes to such inputs. Consequently, the liabilities determined under Ind AS 19 using the projected unit credit method for defined benefit obligations are accounted

(f) Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to the above Ind AS transition adjustments.

(g) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans. The concept of other comprehensive income did not exist under previous GAAP