



**INDEPENDENT AUDITOR'S REPORT**  
**To the Members of SAMUDRA HEALTHCARE ENTERPRISE LIMITED**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **Samudra Healthcare Enterprises Limited** ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

**Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, 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 read with relevant rules issued thereunder.

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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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 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 standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 financial position of the Company as at 31 March, 2017, and its loss, its cash flows and the changes in equity for the year ended on that date.


### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;
  - (e) On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 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**"; and
- (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 standalone Ind AS financial statements -Refer Note 5.1.1 to the standalone Ind AS financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - to the standalone Ind AS financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
  - iv. The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 5.1.8 to the standalone Ind AS financial statements.

**For Karra & Co.**  
**Chartered Accountants**

  
**V. Venkateswara Rao**  
**Partner**  
**Membership number: 22370**



**Place: Hyderabad**  
**Date: 19<sup>th</sup> May 2017**



## Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(b) The fixed Assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical assets have been noticed. In our opinion, the frequency of verification is reasonable.  
  
(c) According to the information and explanation given to us and on the basis of examination of the records of the company, the title deeds of immovable property are held in the name of the company.
- ii. The Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- iii. The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of Companies Act 2013.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act, with respect to investments made.
- v. According to the information and explanation given to us, the Company has not accepted any deposits from the public under the provisions of sections 73 to 76 of the Companies Act, 2013 and the rules framed there under and the directives issued by the Reserve Bank of India are not applicable.
- vi. The maintenance of cost records has not been specified by Central Government hence this clause is not applicable.



- vii. (a) According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues applicable to the Company including provident fund, employees' state insurance, income-tax, cess and other statutory dues with the appropriate authorities during the financial year ended 31<sup>st</sup> March 2017. There are no undisputed amounts payable in respect of income tax, cess and other statutory dues which are outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.
- (b) There are no dues in respect of income tax, cess and other statutory dues that have not been deposited with the appropriate authorities on account of any dispute. The company has received a demand notice from Service tax Authorities for Rs.95,17,693 (for the year 2011-12) on which an Appeal is made in CESTAT Bangalore.
- viii. The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.



- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For Karra & Co.**  
**Chartered Accountants**

**V. Venkateswara Rao**  
**Partner**

**Membership number: 22370**



**Place: Hyderabad**  
**Date: 19<sup>th</sup> May 2017**



## **Annexure- B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of Infosys Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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

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





### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 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 Institute of Chartered Accountants of India.

**For Karra & Co.**  
**Chartered Accountants**

  
**V. Venkateswara Rao**  
**Partner**

**Membership number: 22370**



**Place: Hyderabad**  
**Date: 19<sup>th</sup> May 2017**



		Amount in Rs.		Amount in Rs.	
		Note No.	31st March 2017	31st March 2016	01st April 2015
I.	ASSETS				
1	Non Current Assets				
	(a) Property, Plant & Equipment	8	1881,01,706	1342,40,462	1393,04,281
	(b) Capital work-in-progress	9	293,78,980		
	(e) Other Intangible asset	10	-	9,452	39,452
	(f) Intangible assets under Development				
	(g) Biological Assets other than bearer plants				
	(h) Financial Assets				
	(i) Investments				
	(ii) Trade receivables	14	302,43,212	189,30,087	321,18,572
	(iii) Loans				
	(iv) Others-Security deposit	11	14,98,281	14,98,281	14,99,281
	(i) Deferred Tax Asset(net)				
	(j) Other Non current Assets	16	85,00,350	104,43,428	167,51,404
2	Current Assets				
	(a) Inventories	13	39,58,149	129,17,518	165,91,788
	(b) Financial Assets				
	(i) Investments				
	(ii) Trade receivables	14	392,07,022	796,21,096	429,66,062
	(iii) Cash and Cash Equivalents	15	334,14,342	150,16,173	276,96,003
	(iv) Bank balances other than (iii) above	15			
	(v) Loans				
	(vi) Others- advance to suppliers	12	124,71,629	216,77,638	141,51,916
	(c) Current Tax assets(net)				
	(d) Other Current Assets	16	117,91,816	340,45,033	347,77,867
	<b>TOTAL ASSETS</b>		<b>3585,65,485</b>	<b>3283,99,167</b>	<b>3258,96,625</b>
II.	EQUITY AND LIABILITIES				
	Equity				
1	(a) Equity share capital	3	1250,00,000	1250,00,000	1250,00,000
2	(b) Other Equity	4	352,67,487	680,17,361	655,28,768
	LIABILITIES				
1	Non current Liabilities				
	(a) Financial Liabilities				
	(i) Borrowings				
	(ii) Trade payables				
	(iii) Other financial liabilities				
	(b) Provisions	5	29,00,276	29,63,979	30,14,696
	(c) Deferred tax liabilities(net)		86,44,564	94,08,513	155,55,585
	(d) Retirement benefit obligation				
	(d) Other non current liabilities	17	296,45,268		
2	Current liabilities				
	(a) Financial liabilities				
	(i) Borrowings				
	(ii) Trade Payables		1455,65,055	1151,70,000	1081,93,623
	(iii) Other financial liabilities	6	20,69,358	37,052	44,290
	(b) Provisions	7	94,73,477	78,02,261	85,59,663
	(c) Current tax liabilities(net)		-	-	-
	(d) Other current liabilities		-	-	-
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3585,65,485</b>	<b>3283,99,167</b>	<b>3258,96,625</b>
General Information		1			
Summary of Significant Accounting Policies		2			

Notes form an integral part of Balance sheet

for M/s. Karra and Co.,  
Chartered Accountants  
Firm Reg No : 0017495

V. Venkateswara Rao  
Partner  
Membership No: 22370



For and on behalf of the Board of

*[Signature]*  
Director

*[Signature]*  
Director

Place : Hyderabad

Date: 19<sup>th</sup> May 2017

**SAMUDRA HEALTHCARE ENTERPRISES LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2017**

Amount in Rs

Particulars		Note No	31st March 2017	31st March 2016
I.	Revenue from operations	18	Ind AS 3001,07,663	3414,99,017
II.	Other income	19	90,47,821	44,94,900
III.	<b>Total Revenue (I + II)</b>		<b>3091,55,484</b>	<b>3459,93,916</b>
IV.	<b>Expenses:</b>			
	Cost of materials consumed		1013,99,627	1322,17,954
	Employee benefits expense	20	1266,22,166	1209,95,495
	Finance costs		41,161	3,69,813
	Depreciation and amortization expense	8	197,75,267	178,89,320
	Other expenses	21	937,02,148	763,22,755
	<b>Total expenses</b>		<b>3415,40,369</b>	<b>3477,95,337</b>
V.	<b>Profit before tax (III - IV)</b>		<b>(323,84,884)</b>	<b>(18,01,421)</b>
VI.	<b>Tax expense:</b>			
	(1) Current tax		-	-
	(2) Deferred tax		(4,15,108)	(55,73,241)
VII.	<b>Profit (Loss) for the Year (V - VI)</b>		<b>(319,69,777)</b>	<b>37,71,820</b>
	<b>Other Comprehensive Income</b>			
	Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods			
	Remeasurement - Gains/ (loss) on defined benefit plans		(11,28,940)	(18,57,057)
	Income Tax Effect		3,48,842	5,73,831
	Total		(7,80,098)	(12,83,226)
	<b>Total Comprehensive Income for the Year</b>		<b>(327,49,874)</b>	<b>24,88,593</b>
VIII.	<b>Earnings per equity share:</b>			
	(1) Basic		(2.62)	0.02

The notes referred to above form an integral part of the financial statements

This is the Profit and loss account referred to in our report of even date

As per our report annexed  
for M/s. Karra and Co.,  
Chartered Accountants  
Firm Reg No : 001749S

V.Venkateswara Rao  
Partner

Membership No: 22370  
Place: Hyderabad  
Date: 19<sup>th</sup> May 2017



For and on behalf of the Board

Director

Director



As AT 01.04.2016			
	ind As tr reserve	37095940	
	deferred tax asset		
	to Trade receivables		8549303
	allowance for dd		28546637

As At 31.03.2016			
31.03.2016	Revenue from Operations	1984849	
	To Trade Receivables		1984849.3
31.03.2016	Trade receivables	8549303	
	Deferred Tax Asset		
	To Revenue from operations		8549303.1
	To Deffered Tax Expense		
31.03.2016	Allowance for Doubtful debts (Under ECL)	28546637	
	To Provision For Doubtful Debts		284546637
	To Deferred Tax Asset		
	(being Revrsal of transition entry)		
31.03.2016	Provision For Doubtful Debts	37688953	
	Deferred Tax Asset		
	To Allowance for Doubtful debts (Under ECL)		37688953

31.03.20017	Provision for Doubtful debts	11674591	
	IP OP Disallowance	33500536	
	To Allowance for Doubtful debts		45175127
	(being the provision in current year )		
31.03.2017	Sundry debtors	1348160	
	To ip op disallowance		1348160
	(disallowance booked w/b)		



**SAMUDRA HEALTHCARE ENTERPRISES LIMITED**  
**Statement of Changes in Equity as on March 31, 2017**  
(Amounts in INR millions unless otherwise stated)

**a. Equity share capital**

Amount
1250,00,000
1250,00,000
-
1250,00,000

**Balance at April 1, 2015**

Changes in equity share capital during the year

**Balance at March 31, 2016**

Changes in equity share capital during the year

(a) Issue of equity shares under employee share option plan XXX

**Balance at March 31, 2017**

**c. Other Equity**

	Equity component of compound financial instruments	Securities premium reserve	General reserve	Reserves and Surplus	Retained earnings	Sub-total carried forward
				Foreign currency monetary items	Share Option s	
				Outstanding		
				translating		
				on		
				reserve		
				nt		
<b>Balance at April 1, 2015</b>	-	1133,79,140	-	-	(14,94,640)	747,88,560
Additions/(deductions) during the year	-	-	-	-	52,88,024	52,88,024
Profit for the year	-	-	-	-	(145,47,816)	(145,47,816)
Depreciation reserve	-	-	-	-	-	-
Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	1133,79,140	-	-	(92,59,792)	655,28,768
Profit for the year	-	-	-	-	24,88,593	24,88,593
<b>Balance at March 31, 2016</b>	-	1133,79,140	-	-	(370,95,940)	680,17,361
Profit for the year	-	-	-	-	(327,49,874)	(327,49,874)
<b>Total comprehensive income for the year</b>	-	1133,79,140	-	-	(370,95,940)	352,67,487
Payment of dividends (Rs X per share)	-	-	-	-	-	-
Additional non-controlling interests arising on the acquisition of XYZ Limited (note XXX)	-	-	-	-	-	-





Additional non-controlling interests relating to outstanding share-based  
 payment transactions of XYZ Limited (note XXX)  
 Disposal of partial interest in ABC Limited (Note XXX)  
 Recognition of share-based payments  
 Issue of equity shares for consulting services (note XXX)  
 Issue of convertible notes (equity portion) (note XXX)  
 Share issue costs  
 Buy-back of equity shares  
 Share buy-back costs  
 Transfer to retained earnings  
 Income tax relating to transactions with owners  
**Balance at March 31, 2017**

-	1133,79,140	-	-	-	(370,95,940)	(395,21,073)	352,67,487
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**Samudra Healthcare Enterprises Limited, Kakinada**

**Cash Flow Statement for the ended 31.03.2017**

Particulars	2016-17		2015-16	
	Rs	Rs	Rs	Rs
<b>A Cash Flow from Operating Activities:</b>				
Net profit / (Loss) before tax and extraordinary items		(331,64,982)		(30,84,647)
Adjustment for:				
Depreciation	197,75,267		178,89,320	
From Reserves & Surplus Account			-	
Interest received	(11,47,188)		(10,55,950)	
Preliminary Expenses written off			-	
Finance Expense	41,161		3,69,813	
DTL Reversal / Charged	4,15,108	190,84,347	55,73,245	227,76,428
Operating profit / (loss) before working capital changes		(140,80,635)		196,91,781
Adjustment for:				
Decrease / Increase in Inventories	89,59,369		36,74,270	
decrease/Increase in Sundry Debtors	291,00,949		(234,66,549)	
Decrease / Increase in Other Current Assets	643,15,928		(66,38,221)	
Increase in Loans & Advances	-		-	
Increase in Sundry Creditors	303,95,055		69,76,377	
Increase in Provisions (MAT)			-	
Increase in Provisions	16,07,513	1343,78,815	8,08,119	(202,62,242)
Cash generated from / (used in) operating activities		<b>1202,98,180</b>		<b>(5,70,461)</b>
<b>Net cash generated from / (used in) operating activities</b>		<b>1202,98,180</b>		<b>(5,70,461)</b>
<b>B Cash flow from Investing Activities:</b>				
Additions to Fixed Assets		(1030,06,039)		(127,95,501)
Sale proceeds of asset				-
Converted to stock				-
<b>Net Cash from / (used in) Investing activities</b>		<b>(1030,06,039)</b>		<b>(127,95,501)</b>
<b>C Cash Flow from Financing Activities</b>				
Share Application Money			-	
Finance Expense	(41,161)		(3,69,813)	
Interest	11,47,188	11,06,027	10,55,950	6,86,137
<b>Net Cash Flow from Financing Activities</b>		<b>11,06,027</b>		<b>6,86,137</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>183,98,168</b>		<b>(126,79,826)</b>
Cash on hand	3,95,839		6,03,305	
Bank bal. with schedule bank Current A/c	105,74,097		148,39,858	
Deposit with Schedule bank	40,46,242	150,16,178	122,52,840	276,96,003
<b>Closing Cash and Bank balances</b>				
Cash on hand	3,54,108		3,95,839	
Bank bal. with schedule bank Current A/c	58,05,213		105,74,097	
Deposit with Schedule bank	272,55,021	334,14,346	40,46,237	150,16,177
		<b>183,98,168</b>		<b>(126,79,826)</b>

The notes referred to above form an integral part of the financial statements  
This is the Cash flow statement referred to in our report of even date

As per our report annexed  
for M/s Karra and Co.,  
Chartered Accountants  
Firm Reg No: 001749S

V.Venkateswara Rao  
Partner  
Membership No: 22370



For and on behalf of the Board

*[Signature]*  
Director

*[Signature]*  
Director

Place: Hyderabad  
Date: 19<sup>th</sup> May 2017



**Note 4**

	Amount in Rs	Amount in Rs	Amount in Rs
Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Reserves &amp; Surplus</b>			
<b>Securities Premium Account</b>			
Opening Balance	1133,79,140	1133,79,140	1133,79,140
Add : Securities premium credited on Share issue			
Less : Premium Utilised for various reasons			
Premium on Redemption of Debentures			
For Issuing Bonus Shares			
Closing Balance	1133,79,140	1133,79,140	1133,79,140
<b>Surplus</b>			
Opening balance	(453,61,779)	(478,50,372)	(14,94,640)
(+) Net Profit/(Net Loss) For the current year	(327,49,874)	24,88,593	52,88,024
(+) Depreciation as per sch.2		-	142,34,756
(+) Transfer from Reserves			
(-) Proposed Dividends			
(-) Interim Dividends			
(-) Transfer to Reserves		-	3,13,060
(-) Transfer to Debenture Redemption Reserve			
(+/-) Ind As Transition Reserve			(370,95,940)
Closing Balance	(781,11,653)	(453,61,779)	(478,50,372)
<b>Total</b>	<b>352,67,487</b>	<b>680,17,361</b>	<b>655,28,768</b>

**Note 5**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Long Term Provisions</b>			
<b>(a) Provision for employee benefits</b>			
Gratuity (unfunded)	11,31,372	14,78,468	14,67,688
Leave Encashment (unfunded)	17,68,904	14,85,511	15,47,008
<b>Total</b>	<b>29,00,276</b>	<b>29,63,979</b>	<b>30,14,696</b>

**Note 6**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Other Current Liabilities</b>			
<b>(A) Other payables</b>			
Other IP Advances	8,08,479		
Luxury Tax	11,300	9,700	5,300
Professional Tax	30,100	7,800	8,950
Tax Deducted at Source	11,99,308	19,552	30,040
Tax collected at Source	20,171		
<b>Total</b>	<b>20,69,358</b>	<b>37,052</b>	<b>44,290</b>

**Note 7**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Short Term Provisions</b>			
<b>(a) Provision for employee benefits</b>			
Short Term Expenses / Consumables	66,000	2,560	4,16,000
Bonus	34,41,416	26,81,485	25,27,000
Provident Fund	3,73,464	4,04,450	3,82,925
Mat 2013-14	-	-	9,84,984
Gratuity (unfunded)	55,44,937	46,72,701	42,06,813
Leave Encashment (unfunded)	47,660	41,065	41,941
<b>Total</b>	<b>94,73,477</b>	<b>78,02,261</b>	<b>85,59,663</b>



Note 8

Amount in Rs

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at April 1, 2016	Additions/ (Disposals)	Deletions	Asset Reserves	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation charge for the year	On disposals/tr ansfer
<b>Property, Plant &amp; Equipment</b>								
<b>Tangible Assets</b>								
Land	81,38,266				81,38,266			
Buildings	577,24,138				577,24,138			
<b>Plant and Equipment</b>								
Medical Equipment	2067,68,254	713,77,379			2781,45,633	1301,81,925	179,34,745	
Air Conditioning Plant & Air Conditioners								
Computers	40,65,725	1,49,350			42,15,075	38,11,531	1,57,880	
Furniture and Fixtures	10,31,988	3,16,750			13,48,738	6,86,209	70,930	
Vehicles	43,43,833	11,45,268			54,89,101	36,21,262	3,08,197	
Office equipment	37,20,892	3,37,901			40,58,793	29,29,145	2,71,032	
<b>Others</b>								
Electrical Installations & Generators	7,00,553	3,00,411			10,00,964	2,38,901	80,068	
<b>Total</b>	<b>2864,93,649</b>	<b>736,27,059</b>			<b>3601,20,708</b>	<b>1522,53,187</b>	<b>197,65,815</b>	

Note 9

Amount in Rs

Fixed Assets	Balance as at April 1, 2016	Additions/ (Disposals)	Deletions	Asset Reserves	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation charge for the year	On disposals/tr ansfer
<b>Capital work in Progress</b>								
		293,78,980			293,78,980			
<b>Total</b>		<b>293,78,980</b>			<b>293,78,980</b>			

Note 10

Amount in Rs

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at April 1, 2016	Additions/ (Disposals)	Deletions	Asset Reserves	Balance as at March 31, 2017	Balance as at April 1, 2016	Depreciation charge for the year	On disposals/tr ansfer
<b>Intangible Assets</b>								
Computer Software	1,50,000				1,50,000	1,40,548	9,452	
<b>Total</b>	<b>1,50,000</b>				<b>1,50,000</b>	<b>1,40,548</b>	<b>9,452</b>	





**SAMUDRA HEALTHCARE ENTERPRISES LIMITED**

**Note 11**

Particulars	Amount in Rs		Amount in Rs		Amount in Rs	
	31st March 2017		31st March 2016		01st April 2015	
Others-Security deposit						
<b>a. Security Deposits</b>						
Unsecured, considered good		14,98,281		14,98,281		14,99,281
<b>Total</b>		<b>14,98,281</b>		<b>14,98,281</b>		<b>14,99,281</b>

**Note 12**

Particulars	31st March 2017		31st March 2016		01st April 2015	
Others- advance to suppliers						
Advance to Suppliers	94,74,321		192,14,282		109,87,121	
Prepaid Expenses	11,28,453		15,00,900		13,46,873	
Other Advances	18,06,073		9,01,931		17,25,093	
Loans and advance to employees	62,782	124,71,629	60,525	216,77,638	92,829	141,51,916
		124,71,629		216,77,638		141,51,916.00
<b>Total</b>		<b>124,71,629</b>		<b>216,77,638</b>		<b>141,51,916</b>

Directors \*

Firm in which director is a partner \*

Private Company in which director is a member



**SAMUDRA HEALTHCARE ENTERPRISES LIMITED**
**Note 13**

	Amount in Rs	Amount in Rs	Amount in Rs
Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Inventories</b>			
a. Medicines (Valued at FIFO )	39,58,149	48,88,315	50,54,482
b. Surgical Instruments	-	80,29,203	115,37,306
<b>Total</b>	<b>39,58,149</b>	<b>129,17,518</b>	<b>165,91,788</b>

**Note 14**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Trade Receivables</b>			
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Secured, considered good			
Unsecured, considered good	26,58,119	441,43,958	187,03,171
Unsecured, considered doubtful			
	26,58,119	441,43,958	187,03,171
	26,58,119	441,43,958	187,03,171
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good			
Unsecured, considered good	1505,47,915	940,81,027	934,77,404
Unsecured, considered doubtful			
	1505,47,915	940,81,027	934,77,404
<b>Total</b>	<b>1532,06,034</b>	<b>1382,24,985</b>	<b>1121,80,575</b>
ipop disallowance			(85,49,303)
Ind As addition	(19,84,849)	(19,84,849)	
ip op disallowance in books w/b	13,48,160		
Total Debtors	1525,69,345	1362,40,136	1036,31,272
Allowance for DD		(376,88,953)	(285,46,637)
Opening	(376,88,953)		
Current	(451,73,562)		
Less: ECL			
Opening			
Current			
<b>Total</b>	<b>697,06,830</b>	<b>985,51,183</b>	<b>750,84,635</b>
<b>Trade Recievables</b>			
Current Trade Receivables	392,07,022	796,21,096.00	429,66,062
Non-Current Trade Receivables (Net of Disallowance)	302,43,212	189,30,087.00	321,18,572
<b>Total</b>	<b>694,50,233.55</b>	<b>985,51,183.00</b>	<b>750,84,634.00</b>

**Note 15**

Particulars	31st March 2017	31st March 2016	01st April 2015
a. Balances with banks*	58,05,213	105,74,097	148,39,858
Bank accounts with more than 12 months maturity	272,55,021	38,46,237	118,52,840
Bank accounts with less than 12 months maturity	3,54,108	2,00,000	4,00,000
b. Cash on hand*		3,95,839	6,03,305
<b>Total</b>	<b>334,14,342</b>	<b>150,16,173</b>	<b>276,96,003</b>



**Note 16**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Short Term Loans and Advances</b>			
Other Loans and advances			
Advance Income Tax and TDS (net of Provision for taxation)	85,00,350	104,43,428	167,51,404
	<b>85,00,350</b>	<b>104,43,428</b>	<b>167,51,404</b>
TDs receivable	110,97,508	333,50,725	327,69,899
Service Tax	6,94,308	6,94,308	20,07,968
	<b>117,91,815.66</b>	<b>340,45,032.88</b>	<b>347,77,867.00</b>
<b>Total</b>	<b>405,84,331</b>	<b>889,76,921</b>	<b>1030,58,542</b>

**Note 17**

Particulars	31st March 2017	31st March 2016	01st April 2015
<b>Other non current liabilities</b>			
AHEL Chennai	285,00,000.00	-	-
AHEL Hyderabad	11,45,268.00	-	-
	<b>296,45,268</b>	-	-



For Balance Sheet items

Note No.23

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

Particulars	As at 31/03/2016			As at 01/04/2015		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
<b>Non-current assets</b>						
Property, Plant and Equipment	134240462	-	134240462	1393,04,281		1393,04,281
Capital work-in-progress	9,452	-	9,452	39,452		39,452
Investment Property		-				
Financial Assets		-				
(i) Other financial assets		14,98,281	14,98,281		14,99,281	14,99,281
Other non-current assets	572,20,952	(278,47,437)	293,73,515	504,29,064	(15,59,088)	488,69,976
<b>Total Non - Current Assets</b>	<b>1914,70,866</b>	<b>(263,49,156)</b>	<b>1651,21,710</b>	<b>1897,72,797</b>	<b>(59,807)</b>	<b>1897,12,990</b>
<b>Current assets</b>						
Financial assets						
(i) Cash and cash equivalents	150,16,173	-	150,16,173	276,96,003	-	276,96,003
(vii) Other financial assets	1382,24,985	(240,08,733)	1142,16,252	1121,80,575	(550,62,597)	571,17,978
Other current assets	233,60,944	106,84,089	340,45,033	333,43,190	180,26,465	513,69,655
<b>Total current assets</b>	<b>1766,02,103</b>	<b>(133,24,644)</b>	<b>1632,77,458</b>	<b>1732,19,768</b>	<b>(370,36,132)</b>	<b>1361,83,636</b>
<b>Total assets</b>	<b>3680,72,969</b>	<b>(396,73,801)</b>	<b>3283,99,168</b>	<b>3629,92,565</b>	<b>(370,95,939)</b>	<b>3258,96,625</b>
<b>Equity</b>						
Equity Share capital	1250,00,000	-	1250,00,000	1250,00,000	-	1250,00,000
9% non-cumulative non-redeemable preference shares						
Other equity	1071,17,333	(390,99,971)	680,17,361	1026,24,708	(370,95,940)	655,28,768
<b>Total Equity</b>	<b>2321,17,333</b>	<b>(390,99,971)</b>	<b>1930,17,361</b>	<b>2276,24,708</b>	<b>(370,95,940)</b>	<b>1905,28,768</b>





<b>Non-current liabilities</b>							
(a) Financial Liabilities							
(i) Borrowings							
(ii) Other financial liabilities	29,63,979	-	29,63,979		39,99,680	(9,84,984)	30,14,696
(b) Deferred tax liabilities (Net)	99,82,344	(5,73,831)	94,08,513		155,55,585	-	155,55,585
<b>Total Non - Current Liabilities</b>	<b>129,46,323</b>	<b>(5,73,831)</b>	<b>123,72,492</b>		<b>195,55,265</b>	<b>(9,84,984)</b>	<b>185,70,281</b>
<b>Current liabilities</b>							
Financial Liabilities							
(i) Borrowings							
(ii) Trade payables		1151,70,000	1151,70,000			1081,93,623	1081,93,623
(iii) Other financial liabilities		37,052	37,052			44,290	44,290
Provisions	73,97,811	4,04,450	78,02,261		71,91,754	13,67,909	85,59,663
Current Tax Liabilities (Net)							
Other current liabilities	1156,11,502	(1156,11,502)			1086,20,838	(1086,20,838)	
<b>Total Current Liabilities</b>	<b>1230,09,313</b>	<b>-</b>	<b>1230,09,313</b>		<b>1158,12,592</b>	<b>9,84,984</b>	<b>1167,97,576</b>
<b>Total Liabilities</b>	<b>1359,55,636</b>	<b>(5,73,831)</b>	<b>1353,81,805</b>		<b>1353,67,857</b>	<b>-</b>	<b>1353,67,857</b>
<b>Total Equity and Liabilities</b>	<b>3680,72,969</b>	<b>(396,73,802)</b>	<b>3283,99,167</b>		<b>3629,92,565</b>	<b>(370,95,940)</b>	<b>3258,96,625</b>



# SAMUDRA HEALTHCARE ENTERPRISES LIMITED

## Note 18

	Amount in Rs	Amount in Rs
Particulars	31st March 2017	31st March 2016
<b>Revenue from operations</b>		
IP Collection	2654,75,969	2835,28,282
OP Collection	728,04,321	717,48,277
Add Back:disallowances and discounts		85,49,303
	<b>3382,80,290</b>	<b>3638,25,862</b>
Less: Consultancy Charges	258,01,719	203,41,996
Less: Ip op Disallowance	116,74,591	19,84,849
Less: Commission on Credit card /debit cardpayments	6,96,317	
<b>Total</b>	<b>3001,07,663</b>	<b>3414,99,017</b>

## Note 19

Particulars	31st March 2017	31st March 2016
<b>Other Income</b>		
Interest Income	11,47,188	10,55,950
<b>Other non-operating income</b>		
<b>Rental Income</b>	3,60,000	-
Commision on Pharmacy Sales	16,67,492	18,83,215
Discounts From Creditors	3,01,511	53,973
Income From Insurence Claims	1,71,129	2,03,079
Income From Sponcership	75,400	75,000
Income From Staff Notice Period	96,356	76,513
Interest from IT Refund - FY 2013-14	13,69,195	9,82,665
Interest from IT Refund - FY 2012-13	27,26,800	-
Income from Electricity Charges	1,32,750	1,64,505
profit/loss on sale of Asset	10,00,000	-
<b>Total</b>	<b>90,47,821</b>	<b>44,94,900</b>

## Note 20

Particulars	31st March 2017	31st March 2016
<b>Employee Benefits Expenses</b>		
Salaries and wages	1149,07,452	1101,83,191
Contribution to provident and other funds	24,12,419	25,00,583
Staff welfare expenses	45,16,243	52,43,816
Gratuity	6,98,647	6,69,078
Bonus ( Bonus + Ex Gratia)	40,87,405	23,98,827
<b>Total</b>	<b>1266,22,166</b>	<b>1209,95,495</b>





Particulars	31st March 2017	31st March 2016
<b>Other Expenses</b>		
Power, fuel & Water Charges	106,67,631	100,66,600
House Keeping Expenses	101,07,489	104,32,304
Rent	19,79,742	20,21,640
Repairs to Machinery	131,66,179	125,23,443
Repairs to Vehicles	25,40,342	23,82,197
Office Maintenance & Others	8,61,680	5,53,922
Interest on Service Tax Late Payment		58,072
PF Early Years Penal Charges		3,896
Insurance	21,60,647	38,68,850
Rates and Taxes	6,86,570	10,39,307
Printing & Stationery	25,14,176	27,13,466
Postage & Telegram	79,916	83,653
Advertisement, Publicity & Marketing	46,40,547	40,40,271
Travelling & Conveyance	15,67,290	12,41,122
Security Charges	45,16,807	44,23,062
Legal & Professional Fees	12,01,750	11,98,891
Other Outsourcing Charges	1,68,000	-
Telephone Expenses	11,79,179	12,43,239
Bad Debts w/o	-	81,37,835
Audit Fees	2,59,625	2,29,000
Laundry charges	7,82,862	9,19,669
FBT Demand Adjusted	5,52,745	-
others	5,70,000	
Provision for doubtful debts	334,98,971	91,42,316
<b>Total</b>	<b>937,02,148</b>	<b>763,22,755</b>

## Note 22

Particulars	31st March 2017	31st March 2016
<b>Payment to the Auditors as</b>		
a. auditor	2,31,000.00	2,00,375.00
b. For taxation matters	28,625.00	28,625.00
<b>Total</b>	<b>2,59,625.00</b>	<b>2,29,000.00</b>



For P & L items

Particulars	31 March, 2016		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations	2619,04,126	795,94,891	3414,99,017
Other Income	44,94,900	-	44,94,900
<b>Total Income (A)</b>	<b>2663,99,025</b>	<b>795,94,891</b>	<b>3459,93,916</b>
<b>Expenses</b>			
Finance costs	3,69,813	-	3,69,813
Depreciation and amortisation expense	178,89,320	-	178,89,320
Other expenses	2492,20,508	803,15,696	3295,36,204
<b>Total expenses (B)</b>	<b>2674,79,641</b>	<b>803,15,696</b>	<b>3477,95,337</b>
<b>Profit/(loss) before tax (A+B)</b>	<b>(10,80,616)</b>	<b>(7,20,805)</b>	<b>(18,01,421)</b>
Tax expense			
(1) Current tax			
(2) Deferred tax	(55,73,241)	-	(55,73,241)
<b>Profit for the period from continuing operations</b>	<b>44,92,625</b>	<b>(7,20,805)</b>	<b>37,71,820</b>
Profit from discontinued operations before tax	-		
<b>Profit from discontinued operations (after tax)</b>	<b>-</b>		
<b>Profit for the period</b>	<b>44,92,625</b>	<b>(7,20,805)</b>	<b>37,71,820</b>
<b>Other Comprehensive Income</b>			
A Items that will not be reclassified to profit or loss			
B Items that will be reclassified to profit or loss	-	(18,57,057)	(18,57,057)
Tax on above	-	5,73,831	5,73,831
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>(12,83,226)</b>	<b>(12,83,226)</b>
<b>Total comprehensive income for the period</b>	<b>44,92,625</b>	<b>(20,04,031)</b>	<b>24,88,593</b>

