

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**BALANCE SHEET as at March 31, 2018**

(INR in Lakhs)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	5,213.55	5,578.08
(b) Capital work-in-progress		72.16	63.04
(c) Intangible assets	3	182.49	240.43
(d) Financial assets			
(i) Other financial assets	4	80.28	75.96
(e) Deferred tax assets (Net)	5	645.39	468.73
(f) Non-current tax assets	6	1,442.52	1,385.24
(g) Other non-current assets	7	8.30	148.65
<b>Total non-current assets</b>		<b>7,644.69</b>	<b>7,960.13</b>
<b>Current assets</b>			
(a) Inventories	8	75.29	72.29
(b) Financial assets			
(i) Trade receivables	9	1,110.25	1,448.88
(ii) Cash and cash equivalents	10	165.91	146.26
(iii) Bank balances other than (ii) above	10	3.31	2.00
(iv) Other financial assets	4	158.56	149.25
(c) Other current assets	7	130.16	113.33
<b>Total current assets</b>		<b>1,643.48</b>	<b>1,932.01</b>
<b>Total assets</b>		<b>9,288.17</b>	<b>9,892.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	11	400.00	400.00
(b) Other equity	12	2,692.04	2,795.07
<b>Total equity</b>		<b>3,092.04</b>	<b>3,195.07</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,166.67	2,400.00
(ii) Other financial liabilities	14	20.25	15.73
(b) Provisions	15	7.60	70.06
(c) Other non-current liabilities	18	4.07	3.10
<b>Total non-current liabilities</b>		<b>1,198.59</b>	<b>2,488.89</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16	-	177.05
(ii) Trade payables	17	3,207.89	2,000.36
(iii) Other financial liabilities	14	1,310.09	1,608.93
(b) Provisions	15	157.86	87.71
(c) Other current liabilities	18	321.70	334.13
<b>Total current liabilities</b>		<b>4,997.54</b>	<b>4,208.18</b>
<b>Total liabilities</b>		<b>6,196.13</b>	<b>6,697.07</b>
<b>Total equity and liabilities</b>		<b>9,288.17</b>	<b>9,892.14</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants



**MANOJ H. DAMA**  
Partner

Place : Mumbai  
Date : September 24, 2018



For and on behalf of the Board of Directors  
**HIRANANDANI HEALTHCARE PRIVATE LIMITED**



**JASBIR SINGH GREWAL**  
Director  
DIN 01113910



**MANU KAPILA**  
Director  
DIN 03403696

Place : Gurugram  
Date : September 24, 2018

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
<b>I</b> Revenue from operations	19	11,610.57	13,386.51
<b>II</b> Other income	20	101.66	39.15
<b>III Total Income (I+II)</b>		<b>11,712.23</b>	<b>13,425.66</b>
<b>IV Expenses</b>			
Purchases of medical consumable and drugs		1,636.10	1,785.52
Changes in inventories of medical consumable and drugs	21	(3.00)	6.66
Employee benefits expense	22	1,708.18	1,686.05
Finance costs	23	358.91	577.64
Depreciation and amortisation expense	24	587.17	570.26
Other expenses	25	7,674.18	7,733.81
<b>Total Expenses</b>		<b>11,961.54</b>	<b>12,359.94</b>
<b>V Profit/ (Loss) Before tax (III-IV)</b>		<b>(249.31)</b>	<b>1,065.72</b>
<b>VI Tax expense</b>			
(1)Current tax	26	-	-
(2)Deferred tax	26	(138.98)	364.95
		(138.98)	364.95
<b>VII Profit/ (Loss) for the year (V-VI)</b>		<b>(110.33)</b>	<b>700.77</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss:			
Remeasurement of Defined Benefit Plans		11.17	(17.58)
Income tax relating to items that will not be reclassified to profit or loss	26	(3.87)	6.08
<b>VIII Total other comprehensive income</b>		<b>7.30</b>	<b>(11.50)</b>
<b>IX Total comprehensive income/ (loss) for the year (VII+VIII)</b>		<b>(103.03)</b>	<b>689.27</b>
Earnings per equity share:			
(1)Basic (in INR.)	28	(2.76)	17.52
(2)Diluted (in INR.)	28	(2.76)	17.52

See accompanying notes forming part of the financial statements.

In terms of our report attached.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants



**MANOJ H. DAMA**  
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Place : Mumbai  
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**For and on behalf of the Board of Directors**  
**HIRANANDANI HEALTHCARE PRIVATE LIMITED**



**JASBIR SINGH GREWAL**  
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**MANU KAPILA**  
Director  
DIN 03403696

Place : Gurugram  
Date: September 24, 2018

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018**

<b>Particulars</b>	<b>(INR in Lakhs)</b>
<b>a. Equity share capital</b>	
<b>Balance at April 1, 2016</b>	400.00
Changes in equity share capital during the year	-
<b>Balance at March 31, 2017</b>	400.00
Changes in equity share capital during the year	-
<b>Balance at March 31, 2018</b>	400.00

<b>b. Other equity</b>	<b>Reserves and surplus</b>		<b>(INR in Lakhs)</b>
	<b>Securities premium reserve</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Particulars</b>			
<b>Balance at April 1, 2016</b>	2,545.04	(439.24)	2,105.80
Profit for the year	-	700.77	700.77
Other comprehensive income for the year, net of income tax	-	(11.50)	(11.50)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>689.27</b>	<b>689.27</b>
<b>Balance at March 31, 2017</b>	<b>2,545.04</b>	<b>250.03</b>	<b>2,795.07</b>
Profit/ (Loss) for the year	-	(110.33)	(110.33)
Other comprehensive income for the year, net of income tax	-	7.30	7.30
<b>Total comprehensive income/ (loss) for the year</b>	<b>-</b>	<b>(103.03)</b>	<b>(103.03)</b>
<b>Balance at March 31, 2018</b>	<b>2,545.04</b>	<b>147.00</b>	<b>2,692.04</b>

See accompanying notes forming part of the financial statements.

In terms of our report attached.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants



**MANOJ H. DAMA**  
Partner

Place : Mumbai  
Date : September 24, 2018

For and on behalf of the Board of Directors of  
**HIRANANDANI HEALTHCARE PRIVATE LIMITED**



**JASBIR SINGH GREWAL**  
Director  
DIN 01113910

Place : Gurugram  
Date: September 24, 2018



**MANU KAPILA**  
Director  
DIN 03403696



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>Cash flows from operating activities</b>		
Profit/ (Loss) for the year	(249.31)	1,065.72
<i>Adjustments for:</i>		
Finance costs recognised in Statement of Profit and Loss	358.91	577.64
Interest income recognised in Statement of Profit and Loss	(2.21)	(7.81)
(Gain) / Loss on disposal of property, plant and equipment and other adjustments (net)	(5.76)	7.32
Sundry balances written back (net)	(11.83)	-
Provision for Doubtful Debts on Trade Receivables	473.93	72.76
Depreciation and amortisation expense	587.17	570.26
<b>Operating Profit before working capital changes</b>	<b>1,150.90</b>	<b>2,285.89</b>
<b>Movements in working capital:</b>		
(Increase)/decrease in trade and other receivables	(135.30)	(179.84)
(Increase)/decrease in inventories	(3.00)	6.66
(Increase)/decrease in other assets	(24.83)	161.38
Increase/ (Decrease) in trade payables	1,207.53	729.61
Increase/ (Decrease) in provisions	18.86	35.00
Increase/ (Decrease) in other liabilities	(37.71)	(304.80)
<b>Cash generated from operations</b>	<b>2,176.45</b>	<b>2,733.90</b>
Income taxes paid	98.83	553.79
<b>Net cash generated by operating activities</b>	<b>2,077.62</b>	<b>2,180.11</b>
<b>Cash flows from investing activities</b>		
Interest received	1.79	7.81
Loans given	(145.00)	-
Repayment received of loans given	145.00	-
Maturity Proceeds from Fixed Deposits placed with Banks (net)	(5.31)	2.00
Payments against purchase of property, plant and equipment and intangible assets	(95.72)	(359.31)
<b>Net cash used in investing activities</b>	<b>(99.24)</b>	<b>(349.50)</b>
<b>Cash flows from financing activities</b>		
Proceeds from long term borrowings	-	2,500.00
Repayment of long term borrowings	(1,300.00)	(1,133.34)
Proceeds from/ (Repayment of) current borrowings (net)	(177.05)	(2,397.03)
Interest paid	(481.68)	(829.25)
<b>Net cash used in financing activities</b>	<b>(1,958.73)</b>	<b>(1,859.62)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>19.65</b>	<b>(29.01)</b>
Cash and cash equivalents at the beginning of the year	146.26	175.27
<b>Cash and cash equivalents at the end of the year (See Note 10)</b>	<b>165.91</b>	<b>146.26</b>

**Reconciliation of Cash and Cash Equivalents with the Balance Sheet :**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash and Cash Equivalents as per Balance Sheet (Refer Note 10)	169.22	148.26
Less: Fixed Deposits with Original Maturity of more than 3 months (Refer Note 10)	(3.31)	(2.00)
<b>Cash and Cash equivalents at the end of the year</b>	<b>165.91</b>	<b>146.26</b>

Notes:

- Cash Flow Statement has been prepared under "Indirect Method" as set out in Ind AS-7 on Statement of Cash Flows.
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities

See accompanying notes forming part of the financial statements.

In terms of our report attached.

**For DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants



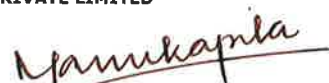
**MANOJ H. DAMA**  
Partner

Place : Mumbai  
Date : September 24, 2018

**For and on behalf of the Board of Directors of**  
**HIRANANDANI HEALTHCARE PRIVATE LIMITED**

  
**JASBIR SINGH GREWAL**  
Director  
DIN 01113910

Place : Gurugram  
Date : September 24, 2018

  
**MANU KAPILA**  
Director  
DIN 03403696



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

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**1) General Information**

Hiranandani Healthcare Private Limited ('HHPL' or the 'Company') was incorporated in the year 2005 to set up, manage and operate a multi-specialty hospital at Vashi, Navi Mumbai and commenced its commercial operations with effect from 30 December 2008.

**2) Significant accounting policies**

**2.1 Statement of Compliance**

The financial statements of the Company has been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015.

**2.2 Basis of preparation and presentation**

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.

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.

**2.3 Use of Estimates**

The preparation of the financial statements requires the Management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize.

**2.4 Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for trade allowances for deduction, rebates and other similar allowances.

Revenue from Services

Revenue from Services (in-patient and out-patient) is recognized as and when the services are rendered. Income from medical services is recognized as per the terms of the respective agreements with the hospitals/corporates.



## **2.5 Other Income**

### 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 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.

## **2.6 Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases.

### **Where the Company is the lessee:**

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term or where rentals are structured solely to increase in line with expected general inflation, such increases are recognised in the year in which they accrue.

### **Where the Company is the lessor:**

Rental income from operating lease is 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, such increases are recognised in the year in which they accrue.

## **2.7 Foreign currency Transactions and Translations**

### Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

### Subsequent Recognition

As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of the accounting period. Exchange differences on restatement / settlement of all monetary items are recognised in the Statement of Profit and Loss.

## **2.8 Borrowing Costs**

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.

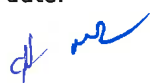
All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

## **2.9 Employee benefits**

### i) 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 benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date.



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 the Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and 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 categorized 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 defined benefit costs in the Statement of Profit and 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.

A liability for a termination benefit is recognised at the earlier of when the company can no longer withdraw the offer of the termination benefit and when the company recognises any related restructuring costs.

ii) Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries 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.

Compensated absences-Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and liability is determined using 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. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately recognised and are not deferred. The company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

iii) Contributions to provident fund

The Company makes contributions to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident funds scheme as an expenditure, when an employee renders the related service.

## **2.10 Taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income directly or in equity. In this case, the current and deferred tax is also recognised in other comprehensive income directly or in equity.

### **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

### **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.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that 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 reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## **2.11 Property, plant and equipment (PPE)**

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an asset includes the purchase cost including import duties and non-refundable taxes, borrowing costs if capitalization criteria are met and any directly attributable costs of bringing an asset to the location and condition of its intended use.

Subsequent expenditure related to an item of PPE is added to its carrying value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement/ derecognition of, and gains or losses arising from disposal of assets are measured and are recognised in the Statement of Profit and Loss.

Assets which are not ready for their intended use are shown as capital work -in-progress.

Depreciation on property, plant and equipment has been provided on the straight-line method as per useful life prescribed in Schedule II to the Companies Act, 2013 except for assets which are depreciated over an estimated useful life mentioned below:

<b>Nature of Assets</b>	<b>Estimated useful life</b>
Furniture & Fittings	7-10 years
Plant and Equipment	11-22 years
Medical Equipment	12-15 years
Electricals, Central Air Conditioner System and Fire-Safety Systems	15 years

The above mentioned estimated useful lives are based on technical advice, taking into account nature of the asset, estimated usage of the asset, operating conditions of the asset, past history of



replacement, anticipated technological changes, manufacturer's warranties and maintenance support etc.

The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Depreciation on leasehold improvements is provided over the period of lease or over the useful lives of the respective assets, whichever is shorter.

### **2.12 Intangible Assets**

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful life of 6 years. The useful life and the amortisation method is reviewed at the end of each reporting period, with the effect of any changes in the estimate being accounted for on a prospective basis.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

### **2.13 Impairment of Property, plant and equipment and Intangible assets**

Assessment is done at the end of each reporting period as to whether there is any indication that an asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at end of each reporting period as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

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 such 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 the Statement of Profit and Loss.

### **2.14 Inventories**

Inventories of medical consumables and drugs are valued at lower of cost or net realisable value. Cost is determined on weighted average basis. Net realizable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

### **2.15 Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted to represent present value of the obligation.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



### **2.16 Segment Reporting**

As the Company's business activity primarily falls within a single business of healthcare services and a single geographical segment, there are no additional disclosures to be provided in terms of Ind AS 108 on 'Operating Segments'.

### **2.17 Cash and cash equivalents (for the purpose of Cash Flow Statement)**

Cash and cash equivalents in Cash Flow Statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

### **2.18 Operating cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **2.19 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the year. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### **2.20 Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **2.21 Financial Instruments**

#### **Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to or deducted from the fair value on initial recognition. Transaction costs that are 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.

#### **Subsequent measurement**

##### **(i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

##### **(ii) Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income (FVTOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Impairment of financial assets**

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets that are debt instruments, and are measured at amortised cost.
- (b) Financial assets that are debt instruments and are measured as at FVTOCI.
- (c) Trade receivables or any contractual right to receive cash or another financial asset.

**(v) Financial liabilities**

Financial liabilities that are not held for trading and are not designated as at fair value through profit and loss (FVTPL) are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**(vi) Derecognition of financial assets and financial liabilities**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(vii) Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument 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.

**2.22 Recent Accounting Pronouncements**

**Appendix B to Ind AS 21, foreign currency transactions and advance consideration**

On March 28, 2018, Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Amendment Rules 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from April 1, 2018.

The Management of the Company does not expect that the adoption of the above amendment to the above standard will have an impact on the financial statements of the Company.

**Ind AS 115, Revenue from Contracts with Customers**

On March 28, 2018, MCA has notified the Ind AS 115, Revenue from Contracts with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

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The standard permits two possible methods of transition:-

- Retrospective approach- Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

**Amendments to Ind AS 12 - Recognition of Deferred tax assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not expected to have material effect on Company's financial statements.



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)										
Note 3: Property, plant and equipment										
Particulars	Buildings	Leasehold improvements	Plant and equipment	Medical equipment	Furniture and fittings	Computers	Office equipment	Vehicles	Total	
<b>Cost or deemed cost</b>										
<b>Gross Block</b>										
As at April 1, 2016	371.65	3,522.56	627.99	1,435.50	149.43	41.67	48.84	22.62	6,220.26	
Additions	-	27.25	32.18	241.59	15.72	28.99	13.81	-	359.54	
Disposals	-	-	(0.06)	(0.70)	(8.37)	(6.70)	(1.73)	-	(17.56)	
<b>As at March 31, 2017</b>	<b>371.65</b>	<b>3,549.81</b>	<b>660.11</b>	<b>1,676.39</b>	<b>156.78</b>	<b>63.96</b>	<b>60.92</b>	<b>22.62</b>	<b>6,562.24</b>	
Additions	-	10.72	-	107.72	20.47	16.75	3.29	-	158.95	
Other Adjustment	-	-	-	-	7.10	-	-	-	7.10	
Disposals	-	-	-	(2.53)	-	-	(0.18)	-	(2.71)	
<b>As at March 31, 2018</b>	<b>371.65</b>	<b>3,560.53</b>	<b>660.11</b>	<b>1,781.58</b>	<b>184.35</b>	<b>80.71</b>	<b>64.03</b>	<b>22.62</b>	<b>6,725.58</b>	
<b>Accumulated Depreciation</b>										
As at April 1, 2016	7.13	192.92	66.26	161.96	31.18	11.27	13.02	1.58	485.32	
Depreciation Expense	7.12	194.09	63.15	181.97	29.11	17.27	13.69	2.90	509.30	
Eliminated on disposal	-	-	(0.06)	(0.70)	(1.27)	(6.70)	(1.73)	-	(10.46)	
<b>As at March 31, 2017</b>	<b>14.25</b>	<b>387.01</b>	<b>129.35</b>	<b>343.23</b>	<b>59.02</b>	<b>21.84</b>	<b>24.98</b>	<b>4.48</b>	<b>984.16</b>	
Depreciation Expense	7.12	194.57	63.37	196.29	31.08	21.19	12.71	2.90	529.23	
Eliminated on disposal	-	-	-	(1.18)	-	-	(0.18)	-	(1.36)	
<b>As at March 31, 2018</b>	<b>21.37</b>	<b>581.58</b>	<b>192.72</b>	<b>538.34</b>	<b>90.10</b>	<b>43.03</b>	<b>37.51</b>	<b>7.38</b>	<b>1,512.03</b>	
<b>Net Block (As at March 31, 2017)</b>	<b>357.40</b>	<b>3,162.80</b>	<b>530.76</b>	<b>1,333.16</b>	<b>97.76</b>	<b>42.12</b>	<b>35.94</b>	<b>18.14</b>	<b>5,578.08</b>	
<b>Net Block (As at March 31, 2018)</b>	<b>350.28</b>	<b>2,978.95</b>	<b>467.39</b>	<b>1,243.24</b>	<b>94.25</b>	<b>37.68</b>	<b>26.52</b>	<b>15.24</b>	<b>5,213.55</b>	

Note : The above assets include certain fixed assets leased out pursuant to operating lease agreement [Refer note 31(b)]



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**Note 3 : Intangible assets**

(INR in Lakhs)

Particulars	Computer Software	Total
<b>Gross Block</b>		
As at April 1, 2016	327.16	327.16
Additions	15.15	15.15
As at March 31, 2017	342.31	342.31
Additions	-	-
As at March 31, 2018	342.31	342.31
<b>Amortization and impairment</b>		
As at April 1, 2016	40.91	40.91
Amortisation expense	60.97	60.97
As at March 31, 2017	101.88	101.88
Amortisation Expense	57.94	57.94
As at March 31, 2018	159.82	159.82
<b>Net Block (As at March 31, 2017)</b>	<b>240.43</b>	<b>240.43</b>
<b>Net Block (As at March 31, 2018)</b>	<b>182.49</b>	<b>182.49</b>



HIRANANDANI HEALTHCARE PRIVATE LIMITED  
 NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(INR in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>4. Other financial assets</b>		
<b>Non current</b>		
<b>Unsecured, considered good</b>		
Security deposits	76.23	75.96
Deposits with maturity of more than 12 months (Refer Note 10.1)	4.00	-
Interest accrued but not due on deposits	0.05	-
	<b>80.28</b>	<b>75.96</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Security deposits	0.92	-
Interest accrued but not due on deposits	0.16	0.58
Staff Advance	3.52	-
Receivable from Related Party (Refer Note 32)	17.54	-
Accrued operating income	136.42	148.67
	<b>158.56</b>	<b>149.25</b>
<b>5. Deferred tax balances (Net)</b>		
<b>Deferred Tax assets</b>		
On carry forward business losses and unabsorbed depreciation	349.94	425.74
On provision for doubtful debt and advances	278.44	96.16
On gratuity and compensated absences	57.26	54.60
MAT Credit	643.81	602.26
	<b>1,329.45</b>	<b>1,178.76</b>
<b>Deferred Tax Liabilities</b>		
On Property, Plant and Equipment	684.06	710.03
	<b>684.06</b>	<b>710.03</b>
<b>Net Deferred Tax Assets</b>	<b>645.39</b>	<b>468.73</b>

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**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

	(INR in Lakhs)		
Movement of Deferred Tax assets and liabilities (2017-18):	As at March 31, 2017	Recognised in Profit or Loss	As at March 31, 2018
<b>Deferred tax liability in relation to:</b>			
Property, plant and equipment	710.03	(25.97)	684.06
<b>TOTAL</b>	<b>710.03</b>	<b>(25.97)</b>	<b>684.06</b>
<b>Deferred tax assets in relation to:</b>			
Carry forward business losses and unabsorbed depreciation	425.74	(75.80)	349.94
MAT Credit	602.26	41.55	643.81
Provision for doubtful debt and advances	96.16	182.28	278.44
Gratuity and Compensated Absences	54.60	2.66	57.26
<b>TOTAL</b>	<b>1,178.76</b>	<b>150.69</b>	<b>1,329.45</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>468.73</b>	<b>176.66</b>	<b>645.39</b>

	As at March 31, 2016	Recognised in Profit or Loss	As at March 31, 2017
<b>Deferred tax liability in relation to:</b>			
Property, plant and equipment	667.83	42.20	710.03
<b>TOTAL</b>	<b>667.83</b>	<b>42.20</b>	<b>710.03</b>
<b>Deferred tax assets in relation to:</b>			
Carry forward business losses and unabsorbed depreciation	786.15	(360.41)	425.74
MAT Credit	286.41	315.85	602.26
Provision for doubtful debt and advances	72.89	23.27	96.16
Gratuity and Compensated Absences	34.13	20.47	54.60
<b>TOTAL</b>	<b>1,179.58</b>	<b>(0.82)</b>	<b>1,178.76</b>
<b>Net deferred tax assets / (liability)</b>	<b>511.75</b>	<b>(43.02)</b>	<b>468.73</b>

5.1 The above includes MAT Credit Entitlement for Current Year of Rs.41.55 Lakhs (PY Rs.315.85 Lakhs).



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>6. Non-Current tax assets</b>		
Advance income tax (net of provision for taxation)	1,442.52	1,385.24
	<b>1,442.52</b>	<b>1,385.24</b>
<b>7. Other assets</b>		
<b>Non-current</b>		
<b>Unsecured, considered good</b>		
Capital Advances	5.67	144.81
Prepaid rent	2.63	1.83
Balances with customs, excise and other authorities	-	2.01
	<b>8.30</b>	<b>148.65</b>
<b>Current</b>		
<b>Unsecured, considered good</b>		
Central Credit Note Receivable	0.43	19.62
Advance to Vendors	88.57	19.48
Prepaid Expenses	41.08	61.42
Prepaid rent	0.08	-
Export benefit receivable	-	9.03
Others (Employee and other Advances)	-	3.78
	<b>130.16</b>	<b>113.33</b>
<b>8. Inventories</b>		
Medical consumables and drugs	75.29	72.29
	<b>75.29</b>	<b>72.29</b>



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	As at	
	March 31, 2018	March 31, 2017
<b>9. Trade receivables</b>		
<b>Current</b>		
Unsecured, considered good	1,110.25	1,448.88
Doubtful	804.57	277.86
<b>Total</b>	<b>1,914.82</b>	<b>1,726.74</b>
Allowance for doubtful debts (expected credit loss allowance)	(804.57)	(277.86)
	<b>1,110.25</b>	<b>1,448.88</b>

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.1,914.82 lakhs and Rs.1,726.74 lakhs as of March 31, 2018 and March 31, 2017 respectively.

Trade receivables are unsecured and are derived from revenue earned from providing healthcare and other ancillary services. No interest is charged on the outstanding balance, regardless of the age of the balance. There are customers who represent more than 5% of total balance of trade receivables. The risk of non-payment from these customers is considered low as these balances relate to Government bodies / Government enterprises for which the default risk is considered low by the management.

**Ageing**

0 - 1 year  
 1 - 2 year  
 2 - 3 year  
 More than 3 years

**Expected credit loss (%)**

0% - 50%  
 15% - 100%  
 40% - 100%  
 70% - 100%

Age of receivables	As at	
	March 31, 2018	March 31, 2017
0 - 1 year	1,310.74	1,340.98
1 - 2 year	233.94	186.09
2 - 3 year	172.17	87.99
More than 3 years	197.97	111.68
	<b>1,914.82</b>	<b>1,726.74</b>

**Movement in expected credit loss allowance**

	As at	
	March 31, 2018	March 31, 2017
Balance at the Beginning of the year	277.86	224.65
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	526.71	53.21
<b>Balance at the End of the year</b>	<b>804.57</b>	<b>277.86</b>

The Company has recorded an allowance of Rs.804.57 lakhs (Previous Year: Rs.277.86 lakhs) towards trade receivables. The Management believes that there is no further provision required in excess of the allowance for doubtful debts.

**10. Cash and cash equivalents**

Balances with Banks		
- on current accounts	147.89	138.70
Cheques, drafts on hand	1.30	-
Cash on hand	16.72	7.56
<b>Cash and Cash Equivalents as per Statement of Cash Flow</b>	<b>165.91</b>	<b>146.26</b>

**Bank balances other than above**

Other bank balances		
- in Deposits with original maturity of more than 3 months (Refer Note 10.1)	3.31	2.00
	<b>3.31</b>	<b>2.00</b>

<b>Total Cash and cash equivalents</b>	<b>169.22</b>	<b>148.26</b>
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10.1 Fixed Deposits are provided as security against guarantees

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR In Lakhs)

Particulars	As at	
	March 31, 2018	March 31, 2017
<b>11 (i) Share capital</b>		
<b>Authorised Shares</b>		
4,800,000 (March 31, 2017: 4,800,000) Equity shares of Rupees 10 each	480.00	480.00
200,000 (March 31, 2017: 200,000) Zero Percent Redeemable Preference Shares of Rupees 10 each	20.00	20.00
<b>Total authorised share capital</b>	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
40,00,000 (March 31, 2017: 40,00,000) Equity shares of Rupees 10 each	400.00	400.00
<b>Total issued, subscribed and fully paid up share capital</b>	<b>400.00</b>	<b>400.00</b>

**Notes :**

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Equity Shares**

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Number	Amount	Number	Amount
At the beginning of the year	40,00,000	400.00	40,00,000	400.00
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>40,00,000</b>	<b>400.00</b>	<b>40,00,000</b>	<b>400.00</b>

**(b) Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

**(c) Shares held by the holding/ ultimate holding company and/ or their subsidiaries**

**Equity Shares**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	Number	Amount	Number	Amount
Fortis Healthcare Limited (FHL) (Parent) alongwith nominees	40,00,000	400.00	34,00,000	340.00
Fortis Healthcare Holdings Private Limited (Parent of FHL) alongwith nominees	-	-	6,00,000	60.00

**(d) Details of shareholders holding more than 5% shares in the Company**

**Equity Shares**

Name of Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Healthcare Limited (FHL) (Parent) alongwith nominees	40,00,000	100.00%	34,00,000	85.00%
Fortis Healthcare Holdings Private Limited (Parent of FHL) alongwith nominees	-	-	6,00,000	15.00%

As per records of the Company, including its register of share holders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**(INR in Lakhs)**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>12 Other Equity</b>		
<b>(A) Securities premium reserve</b>		
Balance at beginning of the year	2,545.04	2,545.04
<b>Balance at end of the year</b>	<b>2,545.04</b>	<b>2,545.04</b>
<b>(B) Retained earnings</b>		
Balance at beginning of the year	250.03	(439.24)
Profit/(Loss) for the year	(110.33)	700.77
Other Comprehensive Income arising from remeasurement of defined benefit obligation, net of income tax	7.30	(11.50)
<b>Balance at the end of the year</b>	<b>147.00</b>	<b>250.03</b>
<b>Total (A+B)</b>	<b>2,692.04</b>	<b>2,795.07</b>

**Nature of Reserves:**

**(a) Securities premium reserve**

Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Companies Act, 2013.



**HIRANANDANI HEALTHCARE PRIVATE LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****(INR in Lakhs)**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>13. Non Current Borrowings</b>		
<b>Secured - at amortised cost</b>		
Term loan from bank - HDFC Bank	1,166.67	2,400.00
	<b>1,166.67</b>	<b>2,400.00</b>

**Explanatory notes for Non Current Borrowings (including Current Maturities of Long Term Debt):**

a) Indian rupee loan (sanction amount of loan is Rs. 4000.00 lakhs) from bank carries interest of base rate plus 165 basis points. The loan is repayable in monthly installments of INR 66.66 lakhs by February 2019. The loan is secured by exclusive charge of current assets, movable fixed assets and equitable mortgage of 9 residential flats in Neel Sidhi Towers. Further the loan has been guaranteed by a corporate guarantee by Fortis Healthcare Limited, Parent.

b) Indian rupee loan (sanction amount of loan is Rs. 2500.00 lakhs) from bank carries interest of Marginal Cost of Lending Rate (MCLR) plus 75 basis points. The loan is repayable in monthly installments of INR 41.66 lakhs by July 2021. The loan is secured by exclusive charge of current assets, movable fixed assets and equitable mortgage of 9 residential flats in Neel Sidhi Towers. Further the loan has been guaranteed by a corporate guarantee by Fortis Healthcare Limited, Parent.

**14. Other financial liabilities****Non current**

Security Deposits	20.25	15.73
	<b>20.25</b>	<b>15.73</b>

**Current**

Current maturities of long term debt (Refer Note 13)	1,233.33	1,300.00
Security deposits	3.40	12.00
Interest accrued but not due on borrowings	19.75	144.58
Capital creditors	5.20	83.83
Payable to Related Party (Refer Note 32)	48.41	66.25
Other Liabilities	-	2.27
	<b>1,310.09</b>	<b>1,608.93</b>

**15. Provisions****Non current**

Provision for gratuity (Refer Note 27)	7.60	70.06
	<b>7.60</b>	<b>70.06</b>

**Current**

Provision for gratuity (Refer Note 27)	84.65	14.58
Provision for compensated absences	73.21	73.13
	<b>157.86</b>	<b>87.71</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017
<b>16. Current Borrowings</b>		
<b>Secured - at amortised cost</b>		
Bank overdrafts - repayable on demand [Refer Note (i) below]	-	173.05
	<u>-</u>	<u>173.05</u>
<b>Unsecured - at amortised cost</b>		
Loan from Related Party [Refer Note (ii) below]	-	4.00
	<u>-</u>	<u>4.00</u>
	<u>-</u>	<u>177.05</u>
<p>(i) The bank overdraft was secured by exclusive charge of current assets, movable fixed assets and equitable mortgage of 9 residential flats in Neel Sidhi Towers. Further, the bank overdraft was guaranteed by a corporate guarantee by Fortis Healthcare Limited, Parent.</p> <p>(ii) Loan from related party carried interest @ 11.75% p.a. and was repayable on demand. The same has been repaid during the current year.</p>		
<b>17. Trade Payables</b>		
Total outstanding dues of micro enterprises and small enterprises. (Refer Note 33)	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,207.89	2,000.36
	<u>3,207.89</u>	<u>2,000.36</u>
<b>18. Other liabilities</b>		
<b>Non current</b>		
Rent received in advance	4.07	3.10
	<u>4.07</u>	<u>3.10</u>
<b>Current</b>		
Advance from patients/ customers (net of patient receivables)	199.30	240.00
Statutory dues payable	122.31	94.13
Rent received in advance	0.09	-
	<u>321.70</u>	<u>334.13</u>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED****NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018****(INR in Lakhs)**

<b>Particulars</b>	<b>Year ended March 31, 2018</b>	<b>Year ended March 31, 2017</b>
<b>19. Revenue from operations</b>		
<b>(a) Sale of services</b>		
Operating Income - In Patient Department	12,342.01	13,686.02
Operating Income - Out Patient Department	1,642.34	1,903.43
Income from medical services	-	22.65
	<b>13,984.35</b>	<b>15,612.10</b>
Less: Discounts	2,402.36	2,265.05
	<b>11,581.99</b>	<b>13,347.05</b>
<b>(b) Other operating revenues</b>		
Royalty Income from Pharmacy	26.04	37.84
Sponsorship income	1.21	-
Other Operating Revenue	1.33	1.62
	<b>28.58</b>	<b>39.46</b>
<b>Total revenues from operations (a+b)</b>	<b>11,610.57</b>	<b>13,386.51</b>
<b>20. Other Income</b>		
Interest on bank deposits	0.39	2.85
Income from rent	48.96	31.34
Interest on Income Tax Refund	32.90	-
Interest on others	-	4.14
Interest on unsecured loan to Related Party (Refer Note 32)	1.03	-
Interest on financial assets carried at amortised cost	0.79	0.82
Gain on sale of property, plant and equipment and other adjustments (net)	5.76	-
Sundry balances written back (net)	11.83	-
<b>Total Other Income</b>	<b>101.66</b>	<b>39.15</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>21. Changes in inventories of medical consumables and drugs</b>		
Inventory at the beginning of the year	72.29	78.95
Inventory at the end of the year	75.29	72.29
<b>Decrease /(Increase) in Inventories</b>	<b>(3.00)</b>	<b>6.66</b>
<b>22. Employee benefits expense</b>		
Salaries, wages and bonus	1,542.83	1,527.72
Gratuity expense (Refer Note 27)	30.14	20.75
Compensated Absences	27.08	31.10
Contribution to provident and other funds (Refer Note 27)	85.57	80.81
Staff welfare expenses	21.50	21.97
Recruitment and trainings	1.06	3.70
	<b>1,708.18</b>	<b>1,686.05</b>
<b>23. Finance costs</b>		
Interest expense		
- on term loans	292.09	402.27
- on unsecured loan from Related Parties (Refer Note 32)	6.99	117.88
- on financial liabilities carried at amortised cost	2.06	1.90
Bank and other finance charges	57.77	55.59
	<b>358.91</b>	<b>577.64</b>
<b>24. Depreciation and amortisation expense</b>		
Depreciation of property, plant and equipments	529.23	509.30
Amortisation of intangible assets	57.94	60.96
	<b>587.17</b>	<b>570.26</b>



**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>25. Other expenses</b>		
Contractual manpower	293.57	314.77
Power, fuel and water	298.92	305.26
Housekeeping expenses including consumables	169.52	160.23
Patient food and beverages	128.91	128.04
Pathology laboratory expenses	439.21	474.85
Radiology expenses	625.01	662.06
Consultation fees to doctors	3,495.07	3,969.03
Professional charges to doctors	575.41	471.05
Repairs and maintenance -		
- Building	2.54	10.87
- Plant and machinery	234.80	247.52
- Others	58.92	62.62
Rent-		
- Hospital building	72.09	70.74
- Equipments	13.54	32.28
- Others	21.23	33.17
Legal and professional fees	271.61	284.78
Remuneration to auditors (Refer Note 25.1)	12.94	13.06
Travel and conveyance	15.13	14.75
Rates and taxes	56.42	58.88
Printing and stationary	61.38	57.04
Communication expenses	23.02	33.24
Insurance	68.50	50.21
Marketing and business promotion	247.14	186.10
Loss on sale of property, plant and equipment (net)	-	7.32
Bad debts written off	10.17	70.00
Less: Provision held	(10.17)	(70.00)
Provision for doubtful receivables	473.93	72.76
Contribution to corporate social responsibility (CSR) (Refer Note 25.2)	4.71	-
Miscellaneous expenses	10.66	13.18
	<b>7,674.18</b>	<b>7,733.81</b>

**25.1 Remuneration to auditors (inclusive of service tax/ goods and services tax)**

For audit	9.26	9.03
For tax audit	0.89	0.86
For other services	2.66	2.59
For reimbursement of expenses	0.13	0.58
	<b>12.94</b>	<b>13.06</b>

**25.2 Corporate social responsibility (CSR)**

CSR amount required to be spent as per Section 135 of the Companies Act, 2013 ('the Act') read with Schedule VII thereof by the Company during the year is Rs.32.57 lakhs (previous year Rs.31.20 lakhs), being 2% of the average net profits for the three immediately preceding financial years (calculated in accordance with the provisions of Section 198 of the Act)

Amount spent during the year on:	Year ended March 31, 2018	Year ended March 31, 2017
(i) Construction/Acquisition of any asset	-	-
(ii) On purposes other than (i) above	4.71	-
	<b>4.71</b>	<b>-</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

(INR in Lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
<b>26. Income tax recognised in Statement of Profit and Loss</b>		
<b>Current tax</b>		
In respect of the current year	41.55	315.85
Less: MAT Credit Entitlement	<u>(41.55)</u>	<u>(315.85)</u>
	-	-
<b>Deferred tax</b>		
In respect of the current year recognised in Profit and Loss	(138.98)	364.95
In respect of the current year recognised in Other Comprehensive Income	<u>3.87</u>	<u>(6.08)</u>
<b>Total</b>	<b><u>(135.11)</u></b>	<b><u>358.87</u></b>

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

Profit / (loss) before tax from continuing operations	(249.31)	1,065.72
Enacted income tax rate	34.944%	34.608%
Computed Tax Charge	(87.12)	368.82
Adjustment of carry forward losses	(75.80)	(360.41)
Effect of expenses that are not deductible	20.36	356.54
Effect of change in future enacted tax rate from 34.608% to 34.944%	3.58	-
<b>Income tax expense recognised in profit or loss</b>	<b><u>(138.98)</u></b>	<b><u>364.95</u></b>

The tax rate used for the 2017-2018 and 2016-2017 reconciliations above is the corporate tax rate of 34.944% and 34.608% payable by corporate entities in India on taxable profits.

27 Employee Benefit Plans:

(a) **Defined Contribution Plans**

The Company's defined contribution plans are provident fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952).

**Contribution to Defined Contribution Plans, recognised as expense in Note 22 - 'Employee benefits expense' for the year, is as under :**

	March 31, 2018	March 31, 2017
Employer's Contribution to Provident Fund	85.57	80.81

(b) **Defined Benefit Plan**

The Company provides long-term benefits in the nature of Gratuity to its employees. Under the Gratuity Plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service. Vesting occurs upon completion of 5 years of service. The scheme is unfunded.

(i) **Reconciliation of opening and closing balances of Defined Benefit Obligation**

	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Defined Benefit obligation at beginning of the year	84.64	58.32
Current Service Cost	24.42	16.22
Interest Cost	5.72	4.53
Actuarial (Gain)/Loss	(11.17)	7.39
Benefits Paid	(11.36)	(1.82)
<b>Defined Benefit obligation at year end</b>	<b>92.25</b>	<b>84.64</b>

(ii) **Expenses recognised during the year**

	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Current Service Cost	24.42	16.22
Interest Cost	5.72	4.53
<b>Cost</b>	<b>30.14</b>	<b>20.75</b>

(iii) **Reconciliation of Fair Value of Assets & Obligations**

	Gratuity (Unfunded)	
	March 31, 2018	March 31, 2017
Present value of defined benefit obligation	92.25	84.64
Fair Value of plan assets	-	-
<b>Amount recognised as Liability</b>	<b>92.25</b>	<b>84.64</b>

*Handwritten initials/signature in blue ink.*

(iv) Actuarial Assumptions

		Gratuity (Unfunded)	
Discount Rate (p.a.)		7.50%	7.25%
Rate of escalation in salary (p.a.)		7.50% - 8.00%	7.50% - 8.00%
Mortality table referred		Indian Assured Lives Mortality (2006-08) Ult	Indian Assured Lives Mortality (2006-08) Ult
<b>Withdrawal Rate</b>		<b>March 31, 2018</b>	<b>March 31, 2017</b>
Management	Ages From 21 - 30	10.00%	10.00%
	Ages From 31 - 40	5.00%	5.00%
	Ages From 41 - 50	3.00%	3.00%
	Ages From 51 - 57	2.00%	2.00%
Nurses	Ages From 21 - 30	30.00%	30.00%
	Ages From 31 - 34	25.00%	25.00%
	Ages From 35 - 44	20.00%	20.00%
	Ages From 45 - 50	15.00%	15.00%
	Ages From 51 - 54	10.00%	10.00%
Others	Ages From 55 - 57	5.00%	5.00%
	Ages From 21 - 30	20.00%	20.00%
	Ages From 31 - 34	15.00%	15.00%
	Ages From 35 - 44	10.00%	10.00%
	Ages From 45 - 50	3.00%	3.00%
	Ages From 51 - 54	2.00%	2.00%
	Ages From 55 - 57	1.00%	1.00%

The discount rates reflect the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(v) Sensitivity Analysis:

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	March 31, 2018		March 31, 2017	
	Defined benefit obligation Increase in assumption	Defined benefit obligation Decrease in assumption	Defined benefit obligation Increase in assumption	Defined benefit obligation Decrease in assumption
Discount rate (0.5% movement)	(3.89)	4.19	(3.36)	3.65
Future salary appreciation (1% movement)	8.61	(7.53)	6.00	(6.49)
Attrition rate (5% movement)	(4.40)	4.51	(3.96)	4.75

(vi) Description of Plan Characteristics and Associated Risks

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

**Interest rate risk :** The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary Inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation.

**Demographic risk :** This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

28 Earnings per share

Earnings per share (EPS) (Nominal Value of Shares - INR 10/- each)	Denomination	Year ended	Year ended
		March 31, 2018	March 31, 2017
Profit/ (Loss) as per statement of profit and loss	(INR in Lakhs)	(110.33)	700.77
Weighted average number of equity shares	Numbers	40,00,000	40,00,000
Basic EPS	Rupees	(2.76)	17.52
Diluted EPS	Rupees	(2.76)	17.52

29 (a) Contingent liabilities (not provided for) in respect of:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Income tax demand *	984.56	984.56
Demand in relation to property tax	335.89	264.32

\* The income tax authorities have adjusted refund assessed for earlier years aggregating Rs. 117.22 lakhs against the demand for A.Y. 2012-13. The expected outflow will be determined at the time of final outcome in respect of the above matters. No amount is expected to be reimbursed.

(b) Navi Mumbai Municipal Corporation ('NMMC') terminated the Hospital lease agreement with the Company vide order dated January 18, 2017 ('Termination Order') for certain alleged contravention of the Hospital lease agreement. NMMC granted a period of one month to the Company to hand over the possession of the hospital to NMMC and also directed the Company not to admit any new patients. The Company filed a Writ Petition before the Hon'ble Supreme Court of India challenging the Termination Order. The Writ Petition has been tagged with Special Leave Petition also filed by the Company inter alia challenging the actions of State Government, City Industrial Development Corporation and NMMC which led to the passing of the said Termination Order. The Hon'ble Supreme Court of India in the hearing held on January 30, 2017 ordered "Status Quo". Special Leave Petition has been admitted on January 22, 2018 and "Status Quo" has been continuing. Based on external legal counsel's opinion, management is confident that the Company is in compliance of conditions of the Hospital lease agreement and accordingly considers that no adjustment is required to the Ind AS Financial Statements.

30 Capital Commitment and Other Commitments:

a) Capital Commitments

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Capital Advances)	10.08	51.20

b) Other Commitment

The Company has entered into a long term lease agreement on 20th January 2006 with Navi Mumbai Municipal Corporation (NMMC) for a period of 25 years, to be renewed thereafter for 27 years on the same terms and conditions subject to satisfactory performance. As per terms of the aforesaid agreement, the Company is required to provide free treatment to 10% of the total beds (i.e. 15 patients at any given point of time) limited to 800 patients in a year referred by NMMC Hospital [also see Note 29(b)].

31 Leases

(a) Assets taken on Operating Lease:

Hospital premises, nurses' accommodation premises and equipments are obtained on operating lease or leave and license agreements. There are no restrictions imposed by lease arrangements and the rent is not determined based on any contingency. The agreements are generally cancellable in nature other than the one for hospital premises at Navi Mumbai which is non-cancellable and having escalation clause [also see Note 29(b)]. The total lease payments in respect of such leases recognized in the Statement of Profit and Loss for the year are Rs.106.86 lakhs (Previous Year - Rs.136.19 lakhs).

The total future minimum lease payments under the non-cancellable operating lease are as under:

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
Minimum lease payments:		
Not later than one year	73.54	72.09
Later than one year but not later than five years	309.15	303.28
More than five years	688.97	761.58

(b) Assets given on Operating Lease

The Company has leased out certain capital assets on operating lease or leave and license agreements. There are no restrictions imposed by lease arrangements and the rent is not determined based on any contingency. All these leases are cancellable in nature. The total lease income received / receivable in respect of the above leases recognized in the Statement of Profit and Loss for the year are Rs.48.96 lakhs (Previous Year - Rs.31.34 lakhs).

The details of the capital assets given on operating lease are as under:

Particulars	As at March 31, 2018				As at March 31, 2017			
	Cost/Deemed Cost	Depreciation for the year	Accumulated Depreciation	Net Block	Cost/Deemed Cost	Depreciation for the year	Accumulated Depreciation	Net Block
Buildings	330.34	6.33	12.69	311.36	289.04	5.54	5.54	277.96
Total	330.34	6.33	12.69	311.36	289.04	5.54	5.54	277.96

*Handwritten initials/signatures in blue ink.*

HIRANANDANI HEALTHCARE PRIVATE LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

32. Related party disclosures

Particulars	Names of Related Parties and related party relationship	
	Parent	Subsidiaries
Ultimate Parent	RHC Holdings Private Limited (Parent of Fortis Healthcare Holdings Private Limited (upto February 16, 2018))	
Parent	Fortis Healthcare Limited ("FHC") and Fortis Healthcare Holdings Private Limited (Parent of Fortis Healthcare Holdings Private Limited (upto February 16, 2018))	
fellow Subsidiaries (parties with whom transactions have taken place)	Fortis Hospitals Limited ("FHS") SRL Limited RWL Healthworld Limited	
Enterprises significantly influenced by key management personnel ("KMP") or their relatives (with whom transactions have been taken place)	Fortis Charitable Foundation (upto February 16, 2018) (refer note 32.1 below) Healthfore Technologies Limited (upto February 16, 2018) (refer note 32.1 below)	
Key Management Personnel ("KMP")	Jasbir Singh Grewal - Director Manu Kapila - Director Narayani Shivkumar - Director Meghna Gare - Director	

(INR in Lakhs)

Particulars	Fortis Healthcare Limited		Fortis Hospitals Limited		SRL Limited		RWL Healthworld Limited		Fortis Charitable Foundation		Healthfore Technologies Limited		Key Management Personnel (KMP)		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
<b>Revenue from operations</b>	-	-	0.05	1.27	-	-	-	-	-	-	-	-	-	-	0.05	1.27
Royalty Income from Pharmacy	-	-	-	-	-	-	26.04	37.84	-	-	-	-	-	-	26.04	37.84
<b>Other Income</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	1.03	-	-	-	-	-	-	-	-	-	-	-	1.03	-
<b>Expenses</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	6.15	117.88	-	-	-	-	-	-	-	-	-	-	-	-	6.99	117.88
Pathology expenses	-	-	-	-	258.36	221.96	-	-	-	-	-	-	0.84	-	258.36	221.96
Pathology management fees payable	-	-	-	-	23.45	22.98	-	-	-	-	-	-	-	-	23.45	22.98
Radiology expenses	-	-	-	-	623.69	662.06	-	-	-	-	-	-	-	-	623.69	662.06
Consumption and payroll expenses	-	-	-	-	157.36	218.51	-	-	-	-	-	-	-	-	157.36	218.51
Contribution to Corporate social responsibility (CSR)	-	-	-	-	-	-	-	-	4.71	-	-	-	-	-	4.71	-
Professional Fees (Repair & Maintenance -IT)	-	-	-	-	-	-	-	-	-	4.71	2.18	1.92	-	-	2.18	1.92
<b>Reimbursement of Expenses</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure incurred on behalf of the Company	2.22	61.70	3.28	19.44	-	-	-	-	-	-	-	-	-	-	5.50	81.14
Expenditure incurred by the Company on behalf of	26.79	5.62	-	0.73	90.73	84.30	-	-	0.21	-	-	-	-	-	117.52	96.86
<b>Collection by Company on behalf of</b>	-	-	-	-	-	-	-	-	-	5.05	4.40	-	-	-	5.05	4.40
Capital Work in Progress (CWIP)	-	-	-	-	-	-	-	-	-	-	24.20	-	-	-	12.00	24.20
Loans Taken by Company	113.66	374.92	-	-	-	-	-	-	-	-	-	-	117.00	-	230.66	374.92
Loans Given by Company	-	-	145.00	-	-	-	-	-	-	-	-	-	-	-	145.00	-
Loans Repaid by Company	117.66	2,945.00	-	-	-	-	-	-	-	-	-	-	117.00	-	236.66	2,945.00
Loans Repaid to Company	-	-	145.00	-	-	-	-	-	-	-	-	-	-	-	145.00	-

HIRANMANT HEALTHCARE PRIVATE LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(INR In Lakhs)

Particulars	Fortis Healthcare Limited		Fortis Hospitals Limited		SRL Limited		RWL Healthworld Limited		Fortis Charitable Foundation		Healthfore Technologies Limited		Key Management Personnel (KMP)		Total	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Trade Receivables	-	-	1.32	1.27	-	-	63.42	44.01	-	-	-	-	-	-	64.74	45.28
Trade Payables	-	-	-	-	1,517.64	630.71	-	-	-	0.72	-	-	-	-	1,517.64	632.10
Other financial liabilities (current) (including interest accrued but not due on borrowings)	-	179.90	48.41	45.13	-	-	-	-	-	-	-	-	-	-	48.41	225.03
Other financial assets (current)	17.54	-	-	-	-	-	-	-	-	-	-	-	-	-	17.54	-
Short term borrowings	-	4.00	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00

32.1 Transactions with these parties have been shown for the full year due to practical difficulties in ascertaining the transactions for part of the year. The closing balances have not been reported as the relationship ceased to exist as at the balance sheet date.

**33 Details of dues to Micro and Small Enterprises as per MSMED Act, 2006**

Based on information available with the Company, the balance due to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is Rupees Nil (Previous year Rupees Nil) and no interest during the year has been paid or payable under the terms of MSMED Act, 2006. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**34 Financial Instruments**

**34.1 Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Company consists of debt (borrowings as detailed in notes 13,14 and 16) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's Board of Directors review the capital structure of the Company on need basis. As part of this review, the Board of Directors consider the cost of capital and the risks associated with each class of capital. The gearing ratio as at March 31, 2018 is 72.15 % (See below).

**Gearing ratio**

The gearing ratio at end of the reporting period was as follows.

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>Debt</b>		
Long Term Borrowings (Including Current Maturity of Long Term Debts)	2,400.00	3,700.00
Short Term Borrowings	-	177.05
Less:- Cash and Bank Balances	(169.22)	(148.26)
<b>Total debt (A)</b>	<b>2,230.78</b>	<b>3,728.79</b>
<b>Equity</b>		
Equity Share Capital	400.00	400.00
Other Equity	2,692.04	2,795.07
<b>Total equity (B)</b>	<b>3,092.04</b>	<b>3,195.07</b>
<b>Net Debt to Equity Ratio (A/B)</b>	<b>72.15%</b>	<b>116.70%</b>

**34.2 Categories of financial instruments**

Financial assets	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>Measured at Amortised Cost</b>		
Trade receivables	1,110.25	1,448.88
Cash and cash equivalents (including other bank balances) - Current	169.22	148.26
Other financial assets - Current	158.56	149.25
Other financial assets - Non-Current	80.28	75.96
<b>Total</b>	<b>1,518.31</b>	<b>1,822.35</b>

Financial liabilities	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>Measured at Amortised Cost</b>		
Borrowings (including Current Maturity of Long Term Borrowings)	2,400.00	3,877.05
Trade Payables	3,207.89	2,000.36
Other financial liabilities - Current (excluding Current Maturity of Long Term Borrowings)	76.76	308.93
Other financial liabilities - Non-Current	20.25	15.73
<b>Total</b>	<b>5,704.90</b>	<b>6,202.07</b>

*Handwritten signatures in blue ink.*



**34.3 Financial risk management objectives**

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic market risk (interest rate risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Company through internal risk reports which analyse exposure by magnitude of risk. The Company has limited exposure from the international market as the Company's operations are in India. The Company has no exposure towards foreign currency risk as it earns all of its revenue from domestic patients only. Capital expenditure includes very few capital goods purchased in foreign currency through overseas vendors during the year. The Company has not taken any derivative contracts during the year to hedge the exposure.

**(a) Market Risk**

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

**Interest rate risk management**

The Company is exposed to interest rate risk because the Company borrows funds at floating interest rates.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

**Interest rate sensitivity analysis**

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Particulars	(INR in Lakhs)	
	Interest impact (pre tax)	
	Year ended March 31, 2018	Year ended March 31, 2017
<b>If increase by 50 basis point</b>		
Impact on profit or loss for the year	(12.00)	(16.09)
Impact on total equity as at the end of the reporting period	(12.00)	(16.09)
<b>If decrease by 50 basis point</b>		
Impact on profit or loss for the year	12.00	16.09
Impact on total equity as at the end of the reporting period	12.00	16.09

**(b) Credit risk management**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors. Refer Note 9 of the Financial Statements.

**(c) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. 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.

**Liquidity 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	(INR in Lakhs)			
	Within 1 year	1-5 year	Total	Carrying amount
<b>As at March 31, 2018</b>				
Borrowings	1,233.33	1,166.67	2,400.00	2,400.00
<b>Other Financial Liabilities</b>				
Trade payables	3,207.89	-	3,207.89	3,207.89
Security deposits	3.40	20.25	23.65	23.65
Interest accrued but not due on Borrowings	19.75	-	19.75	19.75
Capital creditors	5.20	-	5.20	5.20
Payable to Related Party	48.41	-	48.41	48.41
Other Liabilities	-	-	-	-
<b>Total</b>	<b>4,517.98</b>	<b>1,186.92</b>	<b>5,704.90</b>	<b>5,704.90</b>
<b>As at March 31, 2017</b>				
Borrowings	1,477.05	2,400.00	3,877.05	3,877.05
<b>Other Financial Liabilities</b>				
Trade payables	2,000.36	-	2,000.36	2,000.36
Security deposits	12.00	15.73	27.73	27.73
Interest accrued but not due on Borrowings	144.58	-	144.58	144.58
Capital creditors	83.83	-	83.83	83.83
Payable to Related Party	66.25	-	66.25	66.25
Other Liabilities	2.27	-	2.27	2.27
<b>Total</b>	<b>3,786.34</b>	<b>2,415.73</b>	<b>6,202.07</b>	<b>6,202.07</b>

**HIRANANDANI HEALTHCARE PRIVATE LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018**

**34.4 Fair value measurement**

Particulars	(INR in Lakhs)	
	As at March 31, 2018	As at March 31, 2017
<b>i) Financial Assets - Non current</b>		
Other Financial assets	80.28	75.96
<b>ii) Financial assets - Current</b>		
Trade receivables	1,110.25	1,448.88
Cash and cash equivalents (including other bank balances)	169.22	148.26
Other financial assets	158.56	149.25
<b>TOTAL</b>	<b>1,518.31</b>	<b>1,822.35</b>
<b>iii) Financial liabilities - Non current</b>		
Borrowings	1,166.67	2,400.00
Other Financial liabilities	20.25	15.73
<b>iv) Financial liabilities - Current</b>		
Borrowings	1,233.33	1,477.05
Trade payables	3,207.89	2,000.36
Other Financial liabilities	76.76	308.93
<b>TOTAL</b>	<b>5,704.90</b>	<b>6,202.07</b>

The fair values of financial assets and financial liabilities approximates their carrying amounts in the financial statements

**35** Previous years' figures have been regrouped/ reclassified, where necessary, to confirm to this years' classification

**36** The financial statements were approved for issue by the Board of Directors on September 24, 2018

For and on behalf of the Board of Directors  
 HIRANANDANI HEALTHCARE PRIVATE LIMITED

  
**JASBIR SINGH GREWAL**  
 Director  
 DIN 01113910

  
**MANU KAPILA**  
 Director  
 DIN 03403696

Place : Gurugram  
 Date: September 24, 2018