

DKR HEALTHCARE PRIVATE LIMITED
82, CMH ROAD
INDIRA NAGAR II STAGE
BANGALORE - 560038

**AUDITED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE PERIOD ENDED 31 MARCH 2017**

DKR HEALTHCARE PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2017
(Rupees)

Particulars	Note No.	As at 31 March' 2017	As at 31 March' 2016	As at 31 March' 2015
ASSETS				
<u>Non- Current Assets</u>				
Property, plant and equipment	7	2,52,92,418	2,07,07,717	1,95,83,607
Capital work in progress	7	1,03,767		
Other financial assets	8	12,03,311	17,94,061	13,23,900
Total non-current Assets		2,65,99,496	2,25,01,778	2,09,07,507
<u>Current Assets</u>				
Inventories	9	14,90,656	12,09,562	11,29,273
Trade Receivables	10	10,21,347	4,20,945	-
Cash and cash equivalents	11	2,50,55,324	1,80,88,918	1,22,91,631
Other Current Assets	12	10,35,513	4,14,362	7,38,621
Total Current Assets		2,86,02,840	2,01,33,787	1,41,59,525
Total Assets		5,52,02,336	4,26,35,565	3,50,67,032
EQUITY AND LIABILITIES				
<u>Equity</u>				
Equity Share Capital	13	20,00,000	20,00,000	20,00,000
Other Equity	14	3,41,81,426	1,53,08,296	32,56,434
Total Equity attributable to owners of the Company		3,61,81,426	1,73,08,296	52,56,434
<u>Non- Current Liabilities</u>				
Provisions	15	1,02,359	66,690	60,268
Deferred tax Liabilities	16	15,38,000	15,60,000	13,47,663
Total Non- Current Liabilities		16,40,359	16,26,690	14,07,931
<u>Current Liabilities</u>				
Borrowings	17	25,19,624	84,80,000	84,80,000
Trade Payables	18	1,15,21,013	1,42,30,412	1,94,20,050
Other Current Liabilities	19	7,35,620	2,81,179	5,02,617
Provisions	20	26,04,294	7,08,988	-
Total Current Liabilities		1,73,80,551	2,37,00,579	2,84,02,667
Total Liabilities		1,90,20,910	2,53,27,269	2,98,10,598
Total Equity and Liabilities		5,52,02,336	4,26,35,565	3,50,67,032

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.



For Rangamani & Co
Chartered Accountants
(F No. 30525)

Ganesh Ramaswamy
Ganesh Ramaswamy
Partner (M No.27823)

Dr. A.S.Arvind, Director

A.S.Arvind

Dr.Kamini Rao, Director

Bengaluru
19.5.2017

Kamini Rao

DKR HEALTHCARE PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

Particulars	Note No.	(Rupees)	
		For the year ended 31 March' 2017	For the year ended 31 March 2016
I. Revenue from operations	21	8,58,27,379	7,49,84,197
II. Other Income	22	11,13,822	11,53,943
III. Total Revenue (I + II)		8,69,41,201	7,61,38,140
IV. Expenses			
Purchase of medicines and consumables	23	2,17,44,910	2,18,15,186
Changes in inventories	24	(2,81,094)	(80,289)
Employee benefit expenses	25	71,14,335	40,00,298
Depreciation and amortisation	7	26,11,901	22,79,795
Finance costs	26	11,13,532	9,16,169
Other expenses	27	2,74,56,563	2,89,42,782
Total Expenses		5,97,60,147	5,78,73,940
V. Profit before exceptional and extraordinary items and tax (III-IV)		2,71,81,054	1,82,64,199
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		2,71,81,054	1,82,64,199
VIII. Extraordinary items		-	-
IX. Profit before tax (VII-VIII)		2,71,81,054	1,82,64,199
X. Tax Expense			
(1) Current Tax		82,45,073	60,00,000
(2) Deferred Tax		(22,000)	2,12,337
XI. Profit (loss) for the period (IX-X)		1,89,57,981	1,20,51,862
Other Comprehensive Income			
Items that may be reclassified to profit or loss		-	-
Income tax on items reclassified to profit or loss		-	-
Items not reclassified to profit or loss		-	-
Income tax effect on re measurement of benefit plans		-	-
Income tax on items not reclassified to profit or loss		-	-
Total Other comprehensive Income		-	-
Total Comprehensive Income for the year		1,89,57,981	1,20,51,862
Earnings per share of Rs.10 each - Basic	44	94.79	60.26
Earnings per share of Rs.10 each - Diluted	44	94.79	60.26

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.



Bengaluru
19.5.2017

For Rangamani & Co
Chartered Accountants
(F No. 3052S)

Ganesh Ramaswamy
Partner (M No.27823)

Dr. A.S.Arvind, Director

Dr. Kamini Rao, Director

Bengaluru

19.5.2017

DKR HEALTHCARE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(Rupees)

Particulars	For the year ended 31 March' 2017	For the year ended 31 March 2016
Cash flow from operating activities	2,71,81,054	1,82,64,199
Profit before tax		
Add: Preliminary expenses amortized		
Add: Depreciation and amortization	26,11,901	22,79,795
Less: Interest income	(10,29,283)	(11,49,739)
Cash flow before working capital changes	2,87,63,672	1,93,94,255
Increase/(Decrease) in provisions	18,10,457	7,08,987
Increase/(Decrease) in non-current liabilities	35,669	6,422
Increase/(Decrease) in current liabilities	(22,54,959)	(54,11,075)
(Increase)/Decrease in loans and advances	5,90,750	(4,70,161)
(Increase)/Decrease in receivables	(6,00,402)	(4,20,945)
(Increase)/Decrease in other current assets	(6,21,151)	3,24,259
(Increase)/Decrease in inventory	(2,81,094)	(80,289)
Cash generated from operations	2,74,42,942	1,40,51,453
Income tax paid	(82,45,073)	(60,00,000)
Net cash from operating activities	1,91,97,869	80,51,453
Cash flow from investing activities		
Purchase of fixed assets	(73,00,369)	(34,03,905)
Increase in non-current assets	-	-
Interest received	10,29,283	11,49,739
Net cash used in investing activities	(62,71,086)	(22,54,166)
Cash flow from financing activities		
Increase in borrowings	(59,60,376)	-
Net cash used in financing activities	(59,60,376)	-
Components of cash and cash equivalents		
Net cash and cash equivalents	69,66,407	57,97,287
Add: Opening cash and cash equivalents	1,80,88,918	1,22,91,631
Closing cash and cash equivalents	2,50,55,325	1,80,88,918

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.



Bengaluru
19.5.2017

For Rangamani & Co
Chartered Accountants
(F No. 3052S)

Rangamani
Ganesh Ramaswamy
Partner (M No.27823)

Dr. A.S.Arvind, Director *A.S.Arvind*

Dr.Kamini Rao, Director *Kamini Rao*
Bengaluru
19.5.2017

DKR HEALTHCARE PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2017

Equity Shares of Rs.10 each issued and subscribed	No. of shares	Amount (Rs)
Balance as at April 1, 2015	2,00,000	20,00,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2016	2,00,000	20,00,000
Changes in equity share capital during the year	-	-
Balance as at March 31, 2017	2,00,000	20,00,000

	<u>Reserves and Surplus</u>		<u>Other Reserves</u>		<u>Total</u>
	<u>Security premium</u>	<u>Retained earnings</u>	<u>Share options outstanding account</u>	<u>Re measurement gain/(loss) on defined benefit plan</u>	
Balance as at April 1, 2015	-	32,56,434	-	-	32,56,434
Profit for the year	-	1,20,51,862	-	-	1,20,51,862
Other comprehensive income	-	-	-	-	-
Re-measurement gain(loss) on defined benefit	-	-	-	-	-
Total other comprehensive income for the year	-	1,20,51,862	-	-	1,20,51,862
Premium on shares issued during the year	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Deferred stock compensation scheme	-	-	-	-	-
Balance as 31 March 2016	-	1,53,08,296	-	-	1,53,08,296
Profit for the year	-	1,89,57,981	-	-	1,89,57,981
Other comprehensive income	-	-	-	-	-



Re-measurement gain(loss) on defined benefit	-	-	-	(84,851)	(84,851)
Total other comprehensive income for the year	-	1,89,57,981	-	-	1,89,57,981
Premium on shares issued during the year	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Deferred stock compensation scheme	-	-	-	-	-
Balance as 31 March 2017	-	3,42,66,277	-	-	3,41,81,426

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached.



Bengaluru
19.5.2017

For Rangamani & Co
Chartered Accountants
(F No. 3052S)

Ganesh Ramaswamy
Partner (M No.27823)

Dr. A.S.Arvind, Director

Dr.Kamini Rao, Director

Bengaluru

19.5.2017

Independent Auditor's Report
To the Members of DKR Healthcare Private Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of DKR Healthcare Private 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 financial performance including other comprehensive income, 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
- i. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations and therefore there is no impact on its financial position in its standalone Ind AS financial statements;
 - ii. The Company does not have any long term contracts including derivative contracts for which there are material foreseeable losses and therefore the company has not made any provision for the same.



- iii. there are no 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.

for **Rangamani & Co**
Chartered Accountants
Firm's registration number: 3052 S



Ganesh Ramaswamy
Partner

Membership number: 27823
Bengaluru

19.5.2017



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 Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we find that the Company does not own any immovable properties.
- (ii) Physical verification of inventory has been carried out by the management at regular intervals and in our opinion the procedures in connection with such physical verification are adequate in relation to the size of the Company. The Company maintains proper records of inventory. According to the information and explanations given to us and on the basis of our examination of the records of the Company, we find that no major discrepancies were found on such physical verifications of inventory.
- (iii) The Company has not granted any loans secured or unsecured, to companies, firms or other persons covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Hence the reporting requirements of paragraph 3(iii) are not applicable to the Company.
- (iv) The Company has not made any loans or investments that are covered by the provisions of section 185 and 186 of the Act. Hence the reporting requirements of paragraph 3(iv) are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues, including provident fund, income tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.




(b) According to the information and explanations given to us no disputed amounts payable in respect of outstanding statutory dues were in arrears as at 31st March, 2017.

- (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 not paid/provided for any managerial remuneration and therefore the provisions of section 197 read with Schedule V to the Act have been complied by the Company.
- (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 **Rangamani & Co**
Chartered Accountants

Firm's registration number: 3052 S


Ganesh Ramaswamy
Partner

Membership number: 27823

Bengaluru

19.5.2017



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 DKR Healthcare Private 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 **Rangamani & Co**
Chartered Accountants

Firm's registration number: 3052 S


Ganesh Ramaswamy
Partner

Membership number: 27823
Bengaluru

19.5.2017



Notes forming part of the standalone statements for the year ended March 31, 2017

1. **Corporate Information**

DKR Healthcare Private Limited (the Company) is engaged in running of fertility clinics and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The Company has its registered office at 82 CMH Road, Indira Nagar, Bengaluru - 560038.

2. **Significant accounting policies:**

a) **Statement of compliance**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Central Government in exercise of the powers conferred by Section 133 of the Companies Act, 2013.

These financial statements, for the year ended 31 March 2017, are the first the Company has prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015. Refer note 43 which explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year ended 31 March 2016. The date of transition to IndAS is April 1, 2015 as per the roadmap laid by MCA.

Ministry of Corporate Affairs vide Notification G.S.R 404(E) dated April 6, 2016 has issued Division II of Schedule III for financial statements drawn up in compliance of the Companies (Indian Accounting Standard) Rules, 2015.

Refer note 5 for the details of first-time adoption exemptions availed by the Company in accordance with the requirements of IndAS 101 and other standards wherever applicable.

b) **Basis of preparation of financial statements**

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another



valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IndAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IndAS 2.

In addition, for financial reporting purposes, fair value measurements are categorized 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.

c) Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

d) Cash and cash equivalents

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

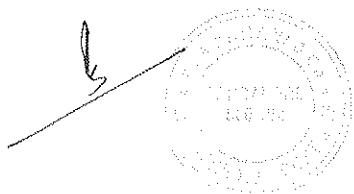
e) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

f) Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided as per the useful life prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements and assets acquired on finance lease are amortized over the period of the lease. Assets costing less than Rs.5,000/- are fully depreciated in the period of purchase. Depreciation on fixed assets added/disposed off during the period is provided on pro-rata basis. Intangible assets are amortized over their estimated useful life on straight line method as follows:

- (i) Computer software - 6 years.
- (ii) Software used in Plant & Machinery - 13 years (based on the useful life of the related Plant & Machinery, balance useful life 7 to 11 years).



g) Revenue recognition

Revenue from operations includes income from medical services and sale of pharmacy. Revenues from medical services are recognized as and when the services are rendered. As regards revenue from pharmacy the sales are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

h) Other income

Interest income is included in finance income in the statement of profit and loss. Interest on fixed deposit where the interest rate is fixed is recorded on time proportion basis.

i) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation / amortization and impairment losses, if any. The cost of Property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property, plant and equipment up to the date the asset is ready for its intended use. The Company has adopted the provisions of para 46 / 46A of AS 11, The Effects of Changes in Foreign Exchange Rates, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable Property, plant and equipment are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on Property, plant and equipment after its purchase / completion is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.

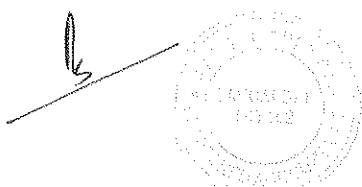
Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

j) Capital work in progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

k) Foreign currency transactions and translations

The functional currency of the company is the Indian rupee. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign



currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

l) Retirement and other employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absence.

Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plans

For defined benefit plans in the form of gratuity provision, the cost of providing benefits is determined, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Short-term employee benefits

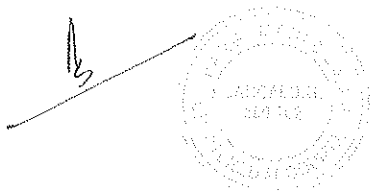
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees renders the service. These benefits include compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the balance sheet date.

m) Borrowings costs

Borrowing costs include interest, amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from



commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

n) **Leases**

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

o) **Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

p) **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.




Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

Current and deferred tax relating to items directly recognized in reserves are recognized in reserves and not in the Statement of Profit and Loss.

q) Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- i. an intangible asset that is not yet available for use; and
- ii. an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

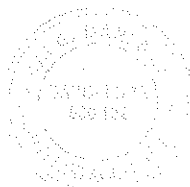
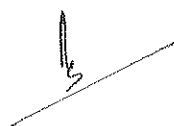
r) Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

s) 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 recognized at fair value on initial recognition, except for trade receivables which



are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

(i) *Financial assets carried at amortized cost*

A financial asset is subsequently measured at amortized 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 if it is held with in 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) *Financial liabilities*

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are approximated at fair value due to the short maturity of these instruments.

t) **Operating cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization 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.

3. **Critical accounting judgements, estimates and assumptions**

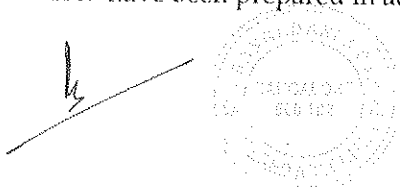
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expense, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

4. **Fair value measurement and valuation process**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes after determining the appropriate valuation techniques and inputs. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified external valuers to perform the valuation.

5. **First time adoption of IndAS**

These standalone financial statements of the Company for the year ended March31, 2017 have been prepared in accordance with Ind AS. For the purposes of transition to



IndAS, the Company has followed the guidance prescribed in Ind AS 101- First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes there to and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended March 31, 2017 and the comparative information.

6. Exemptions availed on first time adoption of IndAS 101

Ind-AS101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has accordingly applied the following exemptions:

(i) Past business combinations

Ind AS 103 Business Combinations has not been applied to acquisitions, which are considered businesses under Ind AS that occurred before 1 April 2015. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind AS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with respective Ind AS. However, the Company does not have any subsidiary.

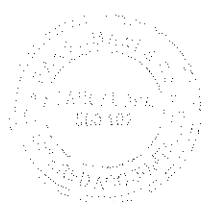
(ii) Deemed cost for property, plant and equipment

The company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

7. Property, plant and equipment

Particulars	Buildings	Office Equipme nt	Medical Equipment	Furniture & Fixtures	Computer Equipment	Total
<u>COST</u>						
1/4/2015	4620534	2370413	14555663	977437	1180875	23704922
Additions	137999	87748	3043792	94171	40196	3403905
31/3/2016	4758533	2458161	17599455	1071608	1221071	27108827
Additions	751866	140883	5929779	-	374074	7196602
31/3/2017	5510399	2599044	23529234	1071608	1595145	34305429
<u>ACCUMULATED DEPRECIATION</u>						
1/4/2015	195010	523981	2664025	189292	549007	4121315
For the year	237013	479722	1254282	111080	197698	2279795
31/3/2016	432023	1003703	3918307	300372	746705	6401110
For the year	256593	481477	1548585	107827	217450	2611901
31/3/2017	688616	1485151	5466892	408197	964156	9013011
<u>CARRYING AMOUNT</u>						
1/4/2015	4425524	1846432	11891638	788145	631868	19583607
31/3/2016	4326510	1454458	13681148	771236	474366	20707717
31/3/2017	4821783	1113893	18062342	663410	630989	25292418
<u>CAPITAL WORK IN PROGRESS</u>						
1/4/2015						-
31/3/2016						-
31/3/2017						1,03,767

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8. Other financial assets

The details of other financial assets are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non- current			
Security deposits	5,22,243	13,21,155	13,23,900
Interest accrued on long term deposit	6,81,068	4,72,906	-
Total	12,03,311	17,94,061	13,23,900

9. Inventories

The details of inventories are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Medicines	9,77,681	7,73,880	9,28,943
Others	5,12,975	4,35,682	2,00,330
Total	14,90,656	12,09,562	11,29,273

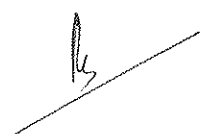
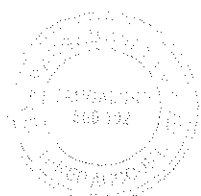
10. Trade receivables

The details of trade receivables are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Trade receivables	10,21,347	4,20,945	-
Total	10,21,347	4,20,945	-

Breakup of security details and more than 6 months overdue

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Trade receivables outstanding for a period exceeding six months			
Unsecured and considered good	-	-	-
Doubtful	1,43,985	-	-
Less: Allowance for doubtful debts	1,43,985	-	-
Table A	-	-	-
Other trade receivables			
Unsecured and considered good	10,21,347	4,20,945	-
Doubtful	-	-	-
Less: Allowance for doubtful debts	-	-	-
Table A	10,21,347	4,20,945	-
Unbilled Receivables			
Table C	-	-	-
A+ B+ C	10,21,347	4,20,945	-

Ageing of debts

Particulars	As	at	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2015	April 1, 2015	April 1, 2015
Within the credit period						
1-30 days past due	3,67,772	4,20,945				-
31-60 days past due	1,060	-				-
61-90 days past due	4,09,330	-				-
More than 90 days past due	2,43,185	-				-
Total	10,21,347	4,20,945				-

11. Cash and cash equivalents

The details of cash and cash equivalents are as follows:

Particulars	As	at	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2015	April 1, 2015	April 1, 2015
Cash on hand	32,021	19,306			32,770	
<u>Balance with banks</u>						
In current accounts	91,10,605	5,69,612			1,22,58,861	
In deposit accounts	1,55,00,000	1,75,00,000			-	
Credit card receivables	4,12,698	-			-	
Total	2,50,55,324	1,80,88,918			1,22,91,631	

12. Other assets

The details of other assets are as follows:

Particulars	As	at	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2015	April 1, 2015	April 1, 2015
Current						
Prepaid expenses	932,136	236,182			154,578	
Other advances	103,377	178,180			44,043	
Advance Income Tax					5,40,000	
Total	10,35,513	4,14,362			7,38,621	

13. Share capital:

a) The details of share capital are as follows:

Particulars

Authorized share capital:

2,00,000 equity shares of Rs.10 each

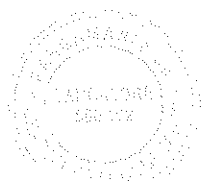
As	at	As	at	As	at
March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2015	April 1, 2015	April 1, 2015
20,00,000	20,00,000	20,00,000	20,00,000	20,00,000	20,00,000

Issued, subscribed and paid-up share capital:

2,00,000 equity shares of Rs.10 each

20,00,000	20,00,000	20,00,000	20,00,000	20,00,000	20,00,000
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The company has only issued equity shares. All equity shares are of face value Rs.10. The company does not have any preference shares.

b) Reconciliation of the shares outstanding at the beginning and end of the period:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
At the beginning of the period (no. of equity shares)	2,00,000	2,00,000	2,00,000
Issued during the period (no. of equity shares)	Nil	Nil	Nil
Outstanding at the end of the period (no. of equity shares)	2,00,000	2,00,000	2,00,000

c) Terms/ rights attached to equity shares:

The company has only one class of equity share having par value of Rs.10. Each holder of equity share is entitled to one vote per share. If the company declares dividend it would pay it in Indian rupees. However, during the reporting period the company did not declare any dividend. In the event of the liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all the company's obligations. The distribution would be in proportion to the number of equity shares held by the shareholders.

d) Shares held by holding company/ ultimate holding company and or their subsidiaries/ associates:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
BACC Health Care (P) Ltd	2,00,000	2,00,000	2,00,000

e) Details of shareholders holding more than 5% shares in the company:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
BACC Health Care (P) Ltd	2,00,000	2,00,000	2,00,000

f) The company has not reserved any shares for issue under options, contracts and commitments.

g) Details of following transactions in shares during the period of five years immediately preceding the reporting date:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Allotment of shares for a consideration other than cash	Nil	Nil	Nil
Issue of bonus shares	Nil	Nil	Nil
Shares bought back	Nil	Nil	Nil
Shares converted into equity shares	Nil	Nil	Nil
Calls unpaid on shares by directors and officers	Nil	Nil	Nil
Forfeited shares	Nil	Nil	Nil




14. Other equity:

The details of other equity are as follows:

<u>Particulars</u>	<u>Amount (Rs)</u>
Securities premium account	
As at April 1, 2015	-
Add: premium on issue of shares during the year	-
As at March 31, 2016	-
Add: premium on issue of shares during the year	-
As at March 31, 2017	-
Share options outstanding account	
As at April 1, 2015	-
Less: Transfer to securities premium account	-
As at March 31, 2016	-
Less: Transfer to securities premium account	-
As at March 31, 2017	-
<u>Profit and loss account</u>	
As at April 1, 2015	32,56,434
Add: Profit for the year	1,20,51,862
As at March 31, 2016	1,53,08,296
Add: Profit for the year	1,89,57,981
Less: Adjustment due to Ind-AS adoption	(84,851)
As at March 31, 2017	3,41,81,426

15. Long term provisions:

The details of long term provisions are as follows:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Gratuity payable	1,02,359	66,690	60,268
Total	1,02,359	66,690	60,268

16. Deferred tax liability:

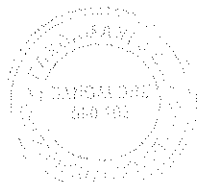
The details of deferred tax liabilities are as follows:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Brought forward from previous year	15,60,000	13,47,663	11,64,825
For the year	(22,000)	2,12,337	1,82,838
At the end of the year	15,38,000	15,60,000	13,47,663

17. Borrowings:

The details of borrowings are as follows:

Particulars	As at	As at	As at
	March 31, 2017	March 31, 2016	April 1, 2015
Current and Unsecured			
Sundry creditors - for capital goods	39,624		
Form Holding company- BACC Healthcare (P) Ltd	24,80,000	84,80,000	84,80,000
Total	25,19,624	84,80,000	84,80,000

18. Trade payables:

The details of trade payables are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Dues to micro and small enterprises	-	-	-
Dues to others	1,15,21,013	1,42,30,412	1,94,20,050
Total	1,15,21,013	1,42,30,412	1,94,20,050

19. Other current liabilities:

The details of other current liabilities are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Statutory remittances	2,76,436	1,79,079	1,64,381
Advance received from patients	4,59,184	-	2,46,062
Expenses payable	-	1,02,100	92,174
Total	7,35,620	2,81,179	5,02,617

20. Short term provisions:

The details of short term provisions are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Provision for gratuity	11,330	-	-
Provision for taxation	25,92,964	5,93,988	-
Provision for expenses	-	1,15,000	-
Total	26,04,294	7,08,988	-

21. Revenue:

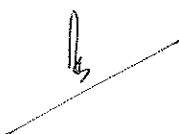
The details of revenue for the year are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Income from medical services	5,65,30,633	4,65,85,971
Income from pharmacy	2,92,96,746	2,83,98,226
Total	8,58,27,379	7,49,84,197

22. Other income:

The details of other income for the year are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Interest income from deposits with bank	10,10,393	11,49,739
Interest income on income tax refund	18,890	-
Other non-operating income	84,539	4,204
Total	11,13,822	11,53,943





23. Purchases:

The details of purchases of medicines and consumables for the year are as follows:

Particulars	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2016
Medicines	1,66,35,834		2,15,64,124	
Consumables	51,09,076		2,51,062	
Total	2,17,44,910		2,18,15,186	

24. (Increase)/ Decrease in stock in trade:

The details of opening and closing balances of stock in trade for the year are as follows:

Particulars	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2016
Inventories at the end of the year	(14,90,656)		(12,09,562)	
Inventories at the beginning of the year	12,09,562		11,29,273	
Total	(2,81,094)		(80,289)	

25. Employees benefit expenses:

The details of employees benefit expenses for the year are as follows:

Particulars	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2016
Salaries and wages	64,07,159		36,33,909	
Contribution to employee welfare funds/ schemes	4,21,543		2,90,084	
Gratuity expenses	1,62,095		6,422	
Staff welfare expenses	1,23,538		69,882	
Total	71,14,335		40,00,288	

26. Finance costs:

The details of finance costs incurred for the year are as follows:

Particulars	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2016
Bank charges	11,13,532		9,16,169	
Total	11,13,532		9,16,169	





27. Other expenses:

The details of other expenses for the year are as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
Medical consultancy charges	89,11,386	99,60,412
Legal and professional charges	36,94,004	1,32,567
Lab charges	65,97,274	1,09,99,416
Power, fuel and water	8,72,580	8,11,044
Rent including lease rentals	34,06,991	31,37,473
Repairs and maintenance - buildings	1,95,890	7,54,823
Repairs and maintenance - machinery	8,91,631	-
Repairs and maintenance - others	40,486	3,04,343
Insurance	1,45,650	93,847
Rates and taxes	20,439	6,86,767
Communication expenses	1,65,468	1,32,934
Travelling & conveyance	2,34,746	62,950
Printing & stationery	2,40,981	1,50,917
Housekeeping & security	13,12,136	12,86,158
Business promotion expenses	1,78,035	1,07,831
Payment to auditors	1,90,353	1,72,000
Provision for doubtful trade receivables/ advances	1,43,985	-
Miscellaneous expenses	2,14,528	1,49,300
Total	2,74,56,563	2,89,42,782

28. Employee benefit plans:

The details of defined contribution plans are as follows:

The Company has defined contribution plan in form of provident fund scheme and employees state insurance scheme for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The details of such contributions are given below:

Particulars	As at March 31, 2017	As at March 31, 2016
Contribution to employee welfare funds/ schemes	4,21,543	2,90,084

The details of defined benefit plans are as follows:

The company is under an obligation to pay gratuity to its employees. Suitable provision for such liability is made in the books of accounts every year based on actuarial valuation. However the Company has not planned for any funded plan to meet this liability. No other post-retirement benefits are provided to employees. The following table sets out the amount recognized in the financial statements on account of such gratuity liability:



Particulars	Defined benefit obligation for the year ended March 31, 2017	Defined benefit obligation for the year ended March 31, 2016
Balance as on 1 April	66,690	-
Current service cost	64,477	66,690
Interest income (expense)	5,068	-
Experience adjustments	(22,546)	-
Balance as on 31 March	1,13,689	66,690

The Principal assumptions used in determining gratuity benefit obligations are shown below:

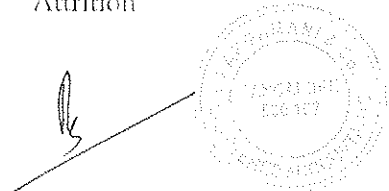
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Discount rate	6.20%	7.60%
Salary escalation	6.00%	6.00%
Attrition	33.33%	20.00%

Mortality Table

Age	Rate
15	0.000614%
20	0.000888%
25	0.000984%
30	0.001056%
35	0.001282%
40	0.001803%
45	0.002874%
50	0.004946%
55	0.007888%
60	0.011534%
65	0.017009%
70	0.025855%
75	0.039637%
80	0.060558%
85	0.091982%
90	0.138895%
95	0.208585%
100	1.000000%

A quantitative sensitivity analysis for significant assumptions is shown as below:

Assumptions	One percentage point increase 31 March' 2017	One percentage point decrease 31 March' 2017
Discount rate	(4,438)	4,738
Salary escalation	5,217	(4,964)
Attrition	(23,375)	28,567



29. Lease Arrangements:

(a) The operating lease commitments of the Company as a lessee.

Operating leases relate to leases of building rentals. The Company does not have an option to purchase these assets at the expiry of the lease periods. Total rental expense and future lease payments under operating lease for building space rentals are as follows:

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating lease of building- payments recognized as expenses	34,06,991	31,37,473

(b) The finance lease commitments of the Company as a lessee.

The company has not entered into leasing arrangement for building for a period ranging from 25 years to 30 years. As a result there is no classification under finance lease for the company.

30. Capital Management:

The capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders. The Company's objectives when managing capital is to safeguard its ability to continue as a going concern while maximizing the return to shareholders through the optimization of debt and equity balances.

Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Debt	25,19,624	84,80,000	84,80,000
Less: cash and cash equivalent	2,50,55,324	1,80,88,918	1,22,91,631
Net debt	(2,25,35,700)	(96,08,918)	(38,11,631)
Total Equity	3,61,81,426	1,73,08,296	52,56,434
Net debt to Equity Ratio	(62%)	(56%)	(73%)

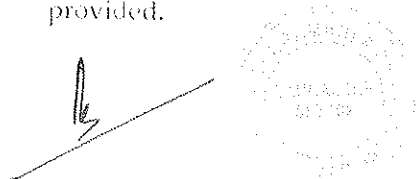
Debt is defined as long-term and short-term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration).

In order to achieve the overall objective, the company management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2017 and 31 March 2016.

31. Segment Reporting:

The Company's operations comprise only of one segment viz., setting up and managing fertility centers in India. Therefore there are no additional disclosures to be provided.



32. Estimated amount of contracts pending execution on capital account:

2016-17	2015-16
Nil	Nil

33. Managerial remuneration:

2016-17	2015-16
Nil	Nil

34. Auditor's remuneration:

2016-17	2015-16
1,90,353	1,72,000

For audit

35. Taxes on Income

The company has taxable income under the Income Tax Act, 1961 and accordingly a provision for Rs.82,45,073 has been made in the accounts. Deferred income taxes are recognized for the timing differences between the taxable income and the accounted income. The Company has recognized deferred tax asset of Rs. 22,000 for the current year. The total net deferred tax account shows a liability of Rs.15,38,000 at the end of the current year.

36. Raw material consumption:

2016-17	2015-16
Nil	Nil

37. Value of imports on CIF basis


2016-17	2015-16
Nil	Nil

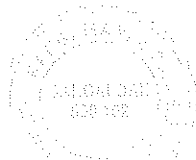
38. Value of FOB value of exports

2016-17	2015-16
Nil	Nil

39. The amount remitted during the year on account of dividend

2016-17	2015-16
Nil	Nil





40. Related party transactions

Details of transactions with related parties of the company are reported below

a). Nature of relationship and related parties:

	<u>Nature of Relationship</u>	<u>Name of Related Party</u>
A)	Holding Company	BACC Health Care (P) Ltd

b) Transactions with related parties during the year and balance outstanding at the end of the year:

1. TRANSACTIONS DURING THE YEAR (Amount in Rupees)

Nature of Transaction	Related Party	2016-17	2015-16
Reimbursement of expenses	BACC Health Care (P) Ltd	1,01,47,872	1,17,50,172
Repayment of unsecured loan	BACC Health Care (P) Ltd	60,00,000	-

2. BALANCE AT THE PERIOD END (Amount in Rupees)


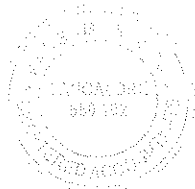
Nature of Transaction	Related Party	2016-17	2015-16	2014-15
Amount payable	BACC Health Care (P) Ltd	65,57,458	1,70,04,515	1,40,21,364

Note: No amount pertaining to related parties have been written off or written back during the period

41. Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2017, March 31, 2016 and April 1, 2015 is as follows:

Particulars	Carrying Value			Fair Value		
	31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
Financial Assets						
Trade Receivables	1021347	420945	-	1021347	420945	-
Cash and Cash equivalents	25055324	18088918	12291631	25055324	18088918	12291631
Other financial assets	1203311	1794061	1323900	1203311	1794061	1323900
Total Assets	27279982	20303924	13615531	27279982	20303924	13615531
Financial Liabilities						
Borrowing	2519624	8480000	8480000	2519624	8480000	8480000
Trade Payables	11521013	14230412	19420050	11521013	14230412	19420050
Other Liabilities	14040637	22710412	27900050	14040637	22710412	27900050

The management of the Company assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

- 1) Long-term receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- 2) The fair value of the quoted investments is based on price quotations at reporting date. However the Company had no quoted investments as on the three reporting dates. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

42. Financial Risk Management Objectives and Policies

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the company. The company's principal financial assets include advances, trade receivable, cash and cash equivalent and term deposits with the bank that derive directly from operations.

The company is exposed to Market Risk, Credit Risk and Liquidity Risk. The senior management of the company oversees the management of these risks. It is the Company's policy that no trading in derivative for speculative purpose may be undertaken. The policies for managing each of the risks are summarized below:-

Market Risk

Market risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes on market price. Financial instrument affected by market risk include loan and borrowings and deposits.

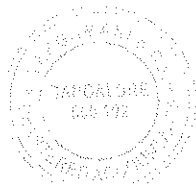
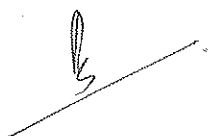
Credit Risk

The company is exposed to the credit risk from its operating activities (Trade Receivables, Trade Payables and Other payables) and from its financing activities, including deposits with banks.

Credit risk is managed by the senior management of the company.

Trade Receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position,



past experience and other factors. Services to customers without medical aid insurance are settled in cash. The receivables are mainly unsecured, the company does not hold any collateral or a guarantee as security. The provision details of the trade receivable is provided in Note 10 of Financial Statement.

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	31 March 2017	31 March 2016	1 April 2015
Sell-paid private patients amounts due for more than 365 days.	100%	100%	100%
Corporates and Insurance companies due for more than 365 days.	100%	100%	100%

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year under review that has not been provided for.

Financial Instrument and cash deposit

Credit risk from balances with the bank is managed by the company based on the group policy and is managed by the Company's Treasury Team. Investment of surplus fund is made only with appropriate approvals of counterparties.

Liquidity Risk

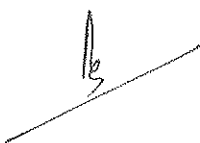
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company has policies and processes in place to manage all the above mentioned risks and the same is overseen by senior management.

43. First time IndAS adoption reconciliation

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

- a) equity as at April 1, 2015;
- b) equity as at March 31, 2016; and
- c) total comprehensive income for the year ended March 31, 2016.




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

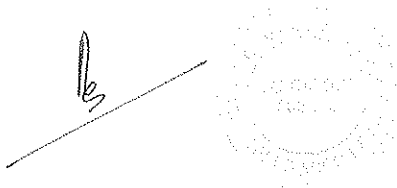
Particulars	As at March 31, 2016	As at April 1, 2015
Total shareholders fund under previous GAPP	3,61,81,426	1,73,08,296
Effect of amortized cost of interest free liabilities	-	-
Provision for expected credit loss on trade receivables.	-	-
Effect of change in lease classification of land	-	-
Effect of amortized cost of security deposits	-	-
Indirect expenses capitalized under previous GAPP reversed	-	-
MTM valuations of mutual fund investments	-	-
Deferred tax adjustments on the above	-	-
Total equity under IndAS	3,61,81,426	1,73,08,296

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

Particulars	For the year ended March 31, 2016
Profit for the year under the previous GAPP	1,20,51,862
Effect of amortized cost of interest free liabilities	-
Provision for expected credit loss on trade receivables.	-
Effect of change in lease classification of land	-
Effect of amortized cost of security deposits	-
Indirect expenses capitalized under previous GAPP reversed	84,851
MTM valuations of mutual fund investments	-
Deferred tax adjustments on the above	-
Total effect of transition to IndAS	-
Profit for the year under Ind AS	1,21,36,713
Other comprehensive income for the year (net of tax)	-
Total comprehensive income under IndAS	1,21,36,713

44. Earnings per share

Particulars	As at March 31, 2017	As at March 31, 2016
Net profit for the year attributable to equity shareholders	1,89,57,981	1,20,51,862
Weighted average number of equity shares	2,00,000	2,00,000
Par value per share	10	10
Basic earnings per share	94.79	60.26
Diluted earnings per share	94.79	602.6



45. Contingent liabilities and commitments (to the extent not provided for):

Particulars	As	at	As	at
	March 31, 2017	March 31, 2016	March 31, 2016	March 31, 2016
(a) Contingent liability: Claims on Central Excise and Service tax matters under appeal		Nil		Nil
(b) Contingent liability: Claims on VAT which are under appeal.		Nil		Nil
(c) Contingent liability: Bonus to employees pursuant to retrospective amendment to the Payment of Bonus Act, 1972		Nil		Nil
(d) Contingent liability: Corporate guarantee given on behalf of subsidiaries and other parties		Nil		Nil
(e) Estimated amount of contracts remaining to be executed on capital account (Net of advances and deposits)		Nil		Nil

46. Micro and small Enterprises:

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date, computed on unit wise basis. The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

47. Regrouping:

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

48. Transactions in Specified Bank Notes:

The following are the transaction done by the Company during the period 8th November' 2016 to 30th December' 2016 on specified bank notes.

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand on 8/11/2016	83,000	446	83,446
(+) Permitted Receipts	2,59,500	3,88,317	6,47,817
(-) Permitted payments	-	-	-
(-) Amounts deposited in banks	3,42,500	1,88,200	5,30,700
Closing cash in hand on 30/12/2016	-	2,00,563	2,00,563

As per our report of even date attached.

For Rangamani & Co
Chartered Accountants
(F No. 3052S)

Dr. A.S.Arvind, Director



Bengaluru
19.5.2017

Ganesh Ramaswamy
Partner (M No.27823)

Dr.Kamini Rao, Director

Bengaluru
19.5.2017