

Independent Auditor's report

To the Members of Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Report on the Audit of the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of Dr. Ramesh Cardiac and Multi speciality Hospital Private Limited (“the Company”), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (collectively referred to as ‘Ind As financial statements’).

Management's Responsibility for the Ind AS Financial Statements

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

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

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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

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

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Independent Auditor's report (continued)

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

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 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, of the state of affairs of the Company as at 31 March 2018, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Independent Auditor's report (continued)

- e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 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 with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 2.23 to the Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made since they do not pertain to the financial year ended 31 March 2018. However amounts as appearing in the audited Ind AS financial statements for the period ended 31 March 2017 have been disclosed.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024

M. Rajani Chandar

Partner

Membership No.: 216195

Place: Hyderabad

Date: 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Annexure A to the Independent Auditor's Report on Ind AS financial statements

With reference to Annexure A referred to in the Independent Auditor's Report of even date to the members of Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited ('the Company') on the Ind AS financial statements for the year ended 31 March 2018, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of, immovable properties (Buildings on leasehold land and leasehold land), as disclosed in Note 2.1 to the Ind AS financial statements, the lease agreements are held in the name of the Company.
- ii. The inventory has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('Act'). Therefore, the provisions of clause 3(iii) of the said Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Thus, provisions of clause 3(iii) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from public within the meaning of Section 73, 74, 75 and 76 of the Act and Rules framed thereunder. Accordingly, provisions of the clause 3(v) of the order are not applicable to the company.
- vi. Pursuant to the rules by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited**Annexure A to the Independent Auditor's Report on Ind AS financial statements (continued)**

- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees state insurance, Income Tax, Goods and Services tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Cess.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues in respect of Provident fund, Employee's State Insurance, Goods and Services tax, Sales tax, Service tax, Duty of customs, Duty of excise, Value added tax, Goods and Service tax and other material statutory dues which have not been deposited with appropriate authorities on account of any dispute, except the following:

Name of the Statute	Nature of the Dues	Amount (Rs. In lakhs)*	Amount paid # (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	5.02	-	AY 2013-14	Commissioner (Appeals)
Income Tax Act, 1961	Income tax	26.51	-	AY 2015-16	Commissioner (Appeals)

- viii. According to the records of the company examined by us and information and explanation provided to us, the Company does not have any loans or borrowings from Government nor has it issued any debentures as at the balance sheet date.
- ix. The Company has not raised any monies by way of initial public offer or further public offer (including debt instrument). According to the information and explanations given to us, the Company has applied the term loans for the purpose for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Thus, provisions of clause 3(xii) of the said Order are not applicable to the Company.
- 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 the provisions of Sections

177 and 188 of the Act. The details of such related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

- xiv. According to the information and explanations given 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. Thus, provisions of clause 3(xiv) of the said Order are not applicable to the Company.
- 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 any non-cash transactions with directors or persons connected with him as contemplated under the provisions of sec 192 of the Act. Thus, provisions of clause 3(xv) of the said Order are not applicable to the Company.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Annexure A to the Independent Auditor's Report on Ind AS financial statements(continued)

- xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Thus, provisions of clause 3(xvi) of the said Order are not applicable to Company.

for B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 116231W/W-100024

M. Rajani Chandar
Partner
Membership No.: 216195

Place: Hyderabad
Date: 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Annexure-B to the Independent Auditor's Report on the Ind AS Financial Statements

The Annexure B referred to in paragraph 2 (f) of our Report of even date to the Members of Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited on the Ind AS financial statements for the year ended 31 March 2018

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 with reference to financial statements of Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited ('the Company') as of 31 March 2018 in conjunction with our audit of the 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 Act.

Auditor's Responsibility

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

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

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Annexure-B to the Independent Auditor's Report on the Ind AS financial statements (continued)

Meaning of Internal Financial Controls with respect to financial statements

A company's internal financial control with respect to financial statements 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 with respect to financial statements includes those policies and procedures that:

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

Inherent Limitations of Internal Financial Controls with respect to financial statements

Because of the inherent limitations of internal financial controls with respect to financial statements, 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 with respect to financial statements to future periods are subject to the risk that the internal financial control with respect to financial statements 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 with respect to financial statements and such internal financial controls with respect to financial statements were operating effectively as at 31 March 2018, based on the internal control with respect to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

for B S R & Co. LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024

M. Rajani Chandar

Partner

Membership No.: 216195

Place: Hyderabad

Date: 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Balance sheet as at 31 March 2018
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	Notes	As at 31 March 2018	As at 31 March 2017
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	11,127.83	11,202.88
Intangible assets	2.2	29.02	37.94
Financial assets			
Investments	2.3	25.50	-
Other financial assets	2.4	176.32	153.59
Deferred tax assets (net)	2.5	429.25	229.03
Other tax assets	2.5	998.62	971.55
Other non-current assets	2.6	106.12	104.01
Total non-current assets		12,892.66	12,699.00
Current assets			
Inventories	2.7	505.59	384.31
Financial assets			
Investments	2.3	2,468.67	2,156.06
Trade receivables	2.8	2,422.31	1,611.98
Cash and cash equivalents	2.9(a)	112.62	49.00
Bank balances other than cash and cash equivalents	2.9(b)	4.50	253.50
Other financial assets	2.4	209.01	223.88
Other current assets	2.6	191.07	135.74
Total current assets		5,913.77	4,814.47
TOTAL ASSETS		18,806.43	17,513.47
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	2.10	1,078.58	1,078.58
Other equity			
Security premium reserve		7,454.54	7,454.54
Retained earnings		2,828.71	1,759.40
Other comprehensive income		(66.28)	(34.16)
Equity attributable to owners of the Company		11,295.54	10,258.35
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2.11	3,995.37	4,592.91
Provisions	2.12	106.57	17.55
Total non-current liabilities		4,101.94	4,610.46
Current liabilities			
Financial liabilities			
Borrowings	2.11	114.01	68.29
Trade payables	2.13	1,557.39	1,252.39
Other financial liabilities	2.14	1,374.24	1,054.24
Provisions	2.12	26.26	26.70
Other current liabilities	2.15	337.05	243.03
Total current liabilities		3,408.95	2,644.65
TOTAL LIABILITIES		18,806.43	17,513.46

Significant accounting policies and notes to the IND AS Financial Statements 1&2
The notes referred to above form an integral part of the IND AS Financial Statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

for and behalf of the Board of Directors of
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
CIN: U73100AP1995PRC020491

M Rajani Chandar
Partner
Membership No. 216195

Dr. P. Ramesh Babu
Managing Director
DIN: 01879436

Mr. M.S.Rama Mohan Rao
Chairman and Director
DIN: 02356742

CA.P. Ravi Kiran
CFO & Whole-Time Director
DIN: 05116806

S. Nagendra Kumar
Company Secretary
Membership No. A33490

Place: Hyderabad
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Statement of profit and loss for the year ended 31 March 2018
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
Income			
Revenue from operations	2.16	19,106.70	15,388.04
Other income	2.17	201.00	116.77
Total income		19,307.70	15,504.81
Expenses			
Purchase of medicines and consumables	2.18 (a)	4,561.77	3,600.89
Change in inventories	2.18 (b)	(121.28)	(116.31)
Employee benefits expense	2.19	5,479.05	4,584.43
Finance costs	2.20	501.78	629.06
Depreciation and amortisation expense	2.21	1,063.90	1,051.26
Other expenses	2.22	6,687.58	5,479.35
Total expenses		18,172.80	15,228.68
Profit before tax		1,134.90	276.13
Tax expense	2.5		
Current tax		242.06	75.31
Taxes for the earlier period		11.54	-
Deferred tax (including MAT credit entitlement)		(188.01)	(75.31)
Profit for the year		1,069.31	276.13
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement losses on defined benefit plans		44.33	25.97
Income tax effect of re-measurement of defined benefit plans		(12.21)	(8.59)
Net other comprehensive income not to be reclassified subsequently to the statement of profit and loss		32.12	17.38
<i>Items that will be reclassified to the statement profit and loss</i>			
Total comprehensive income for the year		1,037.19	258.75
Earnings per share (Face value of share Rs 10)			
Basic	2.24	9.91	2.61
Diluted	2.24	9.91	2.61
Significant accounting policies and notes to the IND AS Financial Statements	1&2		

The notes referred to above form an integral part of the IND AS Financial Statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

for and behalf of the Board of Directors of
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
CIN: U73100AP1995PRC020491

M Rajani Chandar
Partner
Membership No. 216195

Dr. P. Ramesh Babu
Managing Director
DIN: 01879436

Mr. M.S.Rama Mohan Rao
Chairman and Director
DIN: 02356742

CA.P. Ravi Kiran
CFO & Whole-Time Director
DIN: 05116806

S. Nagendra Kumar
Company Secretary
Membership No. A33490

Place: Hyderabad
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Cash Flow Statement for the year ended 31 March 2018
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
A. Cash flow from operating activities		
Profit before tax	1,134.90	276.13
Adjustments for operating activities:		
Depreciation and amortisation	1,063.90	1,051.26
Provision for doubtful debts	34.39	61.26
Bad debts written off	21.10	6.11
Finance cost	501.78	629.06
Unwinding of discount on margin money deposit	(4.91)	-
Financial assets at FVTPL - net change in fair value	(56.05)	(40.25)
Interest income	(42.98)	(33.35)
Gain on sale of current investments	(79.61)	(22.87)
Liabilities no longer required written back	(4.72)	-
(Profit) / loss on sale of fixed assets	(3.85)	(1.98)
Gain on chit	-	(9.25)
Operating profit before working capital changes	2,563.95	1,916.12
Adjustments for (increase) / decrease in		
Inventories	(121.28)	(116.31)
Trade receivables	(865.82)	(460.20)
Other financial assets	2.14	(54.21)
Other current assets	(55.33)	(31.42)
Other non-current assets (net)	(0.37)	(18.70)
Adjustments for Increase / (decrease) in		
Trade payables	309.74	(176.93)
Other financial liabilities	85.53	192.42
Provisions	44.25	19.95
Other current liabilities	94.02	62.86
Cash generated from operations	2,056.83	1,333.59
Income taxes paid {Net}	(280.67)	(375.62)
Net cash flow from / (used in) operating activities (A)	1,776.16	957.97
B. Cash flow from investing activities		
Investment in subsidiaries (Aster Ramesh Duhita LLP)	(25.50)	-
Purchase of tangible and intangible fixed assets	(981.48)	(414.38)
Proceeds from sale of fixed assets	13.31	17.51
Sale proceeds / (purchases) of investments	(176.95)	(1,998.03)
Redemption / (investment) of fixed deposits	244.00	(151.00)
Interest income	42.89	46.26
Gain on chit	-	9.25
Net cash flow from / (used in) investing activities (B)	(883.73)	(2,490.40)
C. Cash flow from financing activities		
Proceeds from issue of equity shares	-	4,833.12
Proceeds from issue / (redemption) of preference shares	-	(60.00)
Proceeds from / (repayment) of term loan (Net)	(370.77)	(2,167.67)
Finance cost	(503.74)	(663.24)
Net cash flow from / (used in) financing activities (C)	(874.51)	1,942.21
Net increase / (decrease) in cash and cash equivalents (A+B+C)	17.92	409.79
Cash and cash equivalents at the beginning of the year	(19.29)	(449.70)
Cash and cash equivalents at the end of the year (Refer note: 2.9)	(1.38)	(19.29)
Cash and cash equivalents		
Cash on hand	28.19	27.52
Bank balances		
- in current accounts	84.43	21.48
	112.62	49.00
Bank Overdraft used for Cash Management Purposes	(114.01)	(68.29)
Cash and Cash Equivalents	(1.38)	(19.29)

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

for and behalf of the Board of Directors of
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
CIN: U73100AP1995PRC020491

M Rajani Chandar
Partner
Membership No. 216195

Dr. P. Ramesh Babu
Managing Director
DIN: 01879436

Mr.M.S.Rama Mohan Rao
Chairman and Director
DIN: 02356742

CA.P. Ravi Kiran
CFO & Whole-Time Director
DIN: 05116806

S. Nagendra Kumar
Company Secretary
Membership No. A33490

Place: Hyderabad
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Statement of Changes in Equity
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

A. Equity share capital

	Note	Equity Shares	Amount
Balance as at 1st April 2016		9,307,692	930.77
Changes in equity share capital during 2016-17	2.10	1,478,133	147.81
Balance as at 31 March 2017		10,785,825	1,078.58
Changes in equity share capital during 2017-18	2.10	-	-
As at 31 March 2018		10,785,825	1,078.58

B. Other equity

Particulars	Other equity			Total attributable to owner of the Company
	Reserves and surplus		Items of other comprehensive statement	
	Securities premium	Retained earnings	Re-measurement of net defined benefit plans	
Balance as at 1 April 2016	2,769.23	1,483.27	(16.78)	4,235.72
Profit for the year	-	276.13	-	276.13
Other Comprehensive Income/ (loss) (net of tax)	-	-	(17.38)	(17.38)
Total comprehensive income/ (loss) for the year	-	276.13	(17.38)	258.75
Premium on issue of equity shares	4,685.31	-	-	4,685.31
Balance as at 31 March 2017	7,454.54	1,759.40	(34.16)	9,179.78
Profit for the year	-	1,069.31	-	1,069.31
Other comprehensive income/ (loss) (net of tax)	-	-	(32.12)	(32.12)
Total comprehensive income for the year	-	1,069.31	(32.12)	1,037.19
Balance as at 31 March 2018	7,454.54	2,828.71	(66.28)	10,216.96

The notes referred above form an integral part of the IND AS Financial Statements

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 116231W/W-100024

for and behalf of the Board of Directors of
Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
CIN: U73100AP1995PRC020491

M Rajani Chandar
Partner
Membership No. 216195

Dr. P. Ramesh Babu
Managing Director
DIN: 01879436

Mr. M.S.Rama Mohan Rao
Chairman and Director
DIN: 02356742

CA.P. Ravi Kiran
CFO & Whole-Time Director
DIN: 05116806

S.Nagendra Kumar
Company Secretary
Membership No. A33490

Place: Hyderabad
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Place: Vijayawada
Date : 15 May 2018

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.1 Property, plant and equipment

A. Reconciliation of carrying amount

Particulars	Buildings	Leasehold improvements	Medical and surgical equipment	Electrical installations & equipments	Office equipments	Computers	Furniture and fixtures	Vehicles	Total
Gross carrying amount									
Balance at 1 April 2016	5,741.44	66.72	4,179.78	983.72	816.84	64.72	412.54	279.26	12,545.02
Additions	31.62	-	173.66	36.59	8.50	46.74	25.84	9.99	332.94
Disposals	-	-	(114.76)	(3.95)	-	(4.00)	(0.87)	(30.13)	(153.71)
Balance at 31 March 2017	5,773.06	66.72	4,238.68	1,016.36	825.34	107.46	437.51	259.12	12,724.25
Balance at 1 April 2017	5,773.06	66.72	4,238.68	1,016.36	825.34	107.46	437.51	259.12	12,724.25
Additions	16.56	-	769.61	68.28	6.15	42.93	50.56	26.63	980.72
Disposals	-	-	(24.47)	(5.35)	-	(0.30)	-	(0.60)	(30.72)
Balance at 31 March 2018	5,789.62	66.72	4,983.82	1,079.29	831.49	150.09	488.07	285.15	13,674.25
Accumulated depreciation									
Balance at 1 April 2016	214.96	4.11	42.85	89.07	169.05	22.90	46.23	37.53	626.70
Depreciation for the year	222.62	0.48	375.58	127.82	170.80	32.89	60.17	42.84	1,033.20
Disposals	-	-	(101.12)	(3.47)	-	(4.00)	(0.87)	(29.07)	(138.53)
Balance at 31 March 2017	437.58	4.59	317.31	213.42	339.85	51.79	105.53	51.30	1,521.37
Balance at 1 April 2017	437.58	4.59	317.31	213.42	339.85	51.79	105.53	51.30	1,521.37
Depreciation for the year	223.66	-	410.44	118.39	164.23	38.33	50.36	40.90	1,046.31
Disposals	-	-	(17.98)	(2.65)	-	(0.30)	-	(0.33)	(21.26)
Balance at 31 March 2018	661.24	4.59	709.77	329.16	504.08	89.82	155.89	91.87	2,546.42

Carrying amounts - net									
As at 31 March 2017	5,335.48	62.13	3,921.37	802.94	485.49	55.67	331.98	207.82	11,202.88
As at 31 March 2018	5,128.38	62.13	4,274.05	750.13	327.41	60.27	332.18	193.28	11,127.83

B. Security details

a) For details of tangible assets hypotheciated against loans availed by the Company, refer note 2.11

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.2 Intangibles assets

Reconciliation of the carrying amount

	Software	Total
Gross carrying value		
Balance at 1 April 2016	60.05	60.05
Additions	13.28	13.28
Disposals	(13.14)	(13.14)
Balance at 31 March 2017	60.19	60.19
Balance at 1 April 2017	60.19	60.19
Additions	8.65	8.65
Disposals	-	-
Balance at 31 March 2018	68.84	68.84
Accumulated Amortisation		
Balance at 1 April 2016	16.99	16.99
Amortisation for the year	18.06	18.06
Disposals	(12.80)	(12.80)
Balance at 31 March 2017	22.25	22.25
Balance at 1 April 2017	22.25	22.25
Amortisation for the year	17.57	17.57
Disposals	-	-
Balance at 31 March 2018	39.82	39.82

Carrying amounts - net		
As at 31 March 2017	37.94	37.94
As at 31 March 2018	29.02	29.02

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	As at 31 March 2018	As at 31 March 2017
2.3 Investments		
Non-current		
<i>In subsidiary company at cost</i>		
Unquoted equity investments (refer Note i)	25.50	-
	25.50	-
Note:		
i) On March 25, 2018, the Company entered into an agreement with Dr.N.Sashidhar to establish and register a limited liability partnership under the Limited Liability Partnership Act, 2008 in the name of "Aster Ramesh Duhita LLP" with an initial capital contribution to be made upto Rs.100 lakhs in the ratio of 51:49 respectively. A contribution of Rs.25.50 lakhs and Rs.25 lakhs was made by the Company and Dr.N.Sashidhar as at 31 March 2018.		
ii) Though Aster Ramesh Duhita LLP is a subsidiary of the Company, pursuant to provision of Rule 6 (iii) of the Companies (Accounts) Rules 2014 there was a special resolution passed by the Company on 30 March 2018, by which the Company was exempted from preparing the consolidation of financial statements in respect of the only subsidiary, Aster Ramesh Duhita LLP with the financial statements of the Company, since the Holding Company, Aster DM Healthcare Ltd, India, consolidates the financials of Aster Ramesh Duhita LLP with its financial statements for the year ended 31 March 2018.		
Current		
<i>Investment in Mutual Funds - Quoted investments (non- trade at fair value through profit or loss)</i>		
HDFC Mutual Fund - Short Term Plan	-	603.25
Reliance Liquid Fund - Direct Growth	1,163.51	50.21
Reliance Liquid Fund - Treasury Plan	-	461.08
Reliance Regular Saving Fund - Debt Plan	547.21	512.15
Reliance Short Term Fund	-	529.37
Reliance Liquid Fund 2273	40.16	-
Reliance Liquid Fund - 426138960126	275.72	-
Reliance Liquid Fund New 426138962251	251.95	-
Reliance Money Manager Fu 60126	140.08	-
Reliance Regular Savings Fund - Balanced Plan	50.04	-
Total investments	2,468.67	2,156.06
Aggregate book value of quoted investments	2,400.47	2,115.80
Aggregate market value of quoted investments	2,468.67	2,156.06
Aggregate amount of impairment in the value of investments	-	-
The Company's exposure to credit risks is disclosed in Note 2.37		
2.4 Other financial assets		
Non-current		
<i>Unsecured, considered good</i>		
(a) Security deposits		
- to related parties (refer note: 2.35)	58.26	60.68
- to parties other than related parties	109.76	89.85
	168.02	150.53
(b) Bank deposits		
Bank deposits due to mature after 12 months from reporting date (refer note (i) below)	8.00	3.00
Interest accrued but not due on deposits maturing after 12 months from reporting date	0.30	0.06
	8.30	3.06
Total non-current financial assets	176.32	153.59
Current		
<i>To parties other than related parties, unsecured, considered good</i>		
Unbilled revenue	159.08	155.23
Staff advances	44.44	63.01
Other advances recoverable in cash or kind	0.07	0.07
Interest accrued on fixed deposits	5.42	5.57
	209.01	223.88
Total other financial assets	385.33	377.47
Note:		
i) Includes margin money deposits of Rs 8 lakhs (PY: Rs 2 lakhs) against Bank guarantees issued by banks, which are lien marked with government authorities.		

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	As at 31 March 2018	As at 31 March 2017
2.9 Cash and cash equivalents		
Cash on hand	28.19	27.52
a Balance with banks		
- in current accounts	84.43	21.48
Cash and cash equivalents in Balance Sheet	112.62	49.00
b Bank balances, other than cash and cash equivalents		
In deposit accounts (with maturity more than 3 months but less than 12 months) [held as margin money]*#	4.50	253.50
	4.50	253.50

* Represents margin money deposits against Bank guarantees issued by banks, which are lien marked with various government authorities respectively

#For details of bank balances in deposit accounts with maturity more than 12 months refer note 2.4

For the purpose of Statement of Cash Flows, Cash and Cash Equivalent comprise of the followings:

Particulars	As at	
	31 March 2018	31 March 2017
Cash on hand	28.19	27.52
Balance with banks		
- on Current accounts	84.43	21.48
	112.62	49.00
Bank Overdraft used for Cash Management purposes	(114.01)	(68.29)
Cash and Cash Equivalents in the Statement of Cash Flow	(1.38)	(19.29)

Disclosure on Specified Bank Notes (SBNs):

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

Particulars	SBNs*	Other	Total
		Denomination Notes	
Closing cash in hand as on 8 November 2016	9.36	8.28	9.36
Add: permitted receipts (#)	162.92	570.64	162.92
Less: permitted payments	20.00	63.57	20.00
Less: amounts deposited in banks	152.28	495.19	152.28
Closing cash in hand as on 30 December 2016	-	20.16	-

* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

Out of the above amount of INR 153.56 Lakhs of SBN have been received from transactions which are not permitted

2.5 (A) Income tax

(i) Amount recognised in the statement of profit & loss

	For the year ended	
	31 March 2018	31 March 2017
Current tax	242.06	75.31
Deferred tax	(188.01)	(75.31)
Tax expense for the year	54.05	-

(ii) Amount recognised in other comprehensive income

	For the Year ended 31 March 2018			For the Year ended 31 March 2017		
	Before tax	Tax benefit	Net of Tax	Before tax	Tax benefit	Net of Tax
Re-measurement on defined benefit liability	44.33	(12.21)	32.12	25.97	(8.59)	17.38
	44.33	(12.21)	32.12	25.97	(8.59)	17.38

(B) Reconciliation of effective tax rate

	31 March 2018	31 March 2017
Profit before tax	1,134.90	276.13
Tax using enacted tax rate applicable to the	312.69	91.29
Tax effect of		
Weighted deduction u/s 35AD	(246.21)	(78.89)
Income not subject to tax	(2.41)	11.42
Others	(9.61)	(23.82)
Donation u/s 80 G	(0.41)	-
Income tax expense	54.05	0.00
Effective tax rate	4.76%	0%

(C) Deferred tax have been recognised in respect of following items

Particulars	As at 31 March 2018	As at 31 March 2017
Deferred tax asset:		
Opening	229.03	145.13
Recognised during the year in profit and loss	188.01	75.31
Remeasurement of losses on defined benefit plans	12.21	8.59
Total deferred tax asset	429.25	229.03
Deferred tax liability:		
Excess of depreciation on assets under Income Tax Act 1961 over depreciation under Companies Act	-	-
Excess of fair value over carrying amount of the investments at the year end	-	-
Total deferred tax liability	-	-
Deferred tax asset (net)	429.25	229.03
Restricted to	-	-

(D) Unrecognised deferred tax assets

Particulars	As at 31 March 2018		As at 31 March 2017	
	Gross amount	Deferred tax	Gross amount	Deferred tax
On account of unabsorbed losses and depreciation	2,632.73	722.36	2,607.27	861.97
Others	-	-	258.88	85.59
Total	2,632.73	722.36	2,866.15	947.56

(E) Tax Losses

Particulars	As at 31 March 2018		As at 31 March 2017	
	Tax loss	Expire	Tax loss	Expire
Long term capital Loss	54.89	2022-23	45.82	2022-23
Unabsorbed Capital Expenditure u/s 35AD	1,443.76	Infinite	1,399.90	Infinite
Unabsorbed Depreciation U/s 32	1,134.08	Infinite	1,161.55	Infinite
Total	2,632.73		2,607.27	

(F) Movement of Deferred tax

Deferred tax as at 31 March 2017

Movement during the year ended 31st March 2017	As at 1 April 2016	Credit in Profit & Loss	Credit in OCI	As at 31 March 2017
MAT credit entitlement	136.84	75.31	-	212.15
Provision for post retirement benefits and other employee benefits	8.29	-	8.59	16.88
Total	145.13	75.31	8.59	229.03

Note:

DTA on account of OCI of Rs.8.59 lakhs included there is recognised in books of account.

Deferred tax as at 31 March 2018

Movement during the year ended 31st March 2018	As at 1 April 2017	Credit/ (charge) in Profit & Loss	Credit/ (charge) in OCI	As at 31 March 2018
MAT credit entitlement	229.03	188.01	-	417.04
Provision for post retirement and other employee benefits	-	-	12.21	12.21
Total	229.03	188.01	12.21	429.25

Note:

DTA on account of OCI of Rs.12.21 lakhs included there is recognised in books of account.

Deferred tax assets and deferred tax liabilities have been offset wherever the management has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority. In assessing the realizability of deferred tax assets, the management considers the extent to which, it is probable that the deferred tax asset will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. Deferred tax asset in respect of unused tax have not been recognized on account of historical losses and unfavourable cashflow for a prolonged period by the Company.

	As at 31 March 2018	As at 31 March 2017
2.6 Other assets		
Non-current		
<i>To parties other than related parties, unsecured, considered good</i>		
Capital advances	29.76	28.02
Prepaid expenses	76.36	75.99
	106.12	104.01
Current		
<i>To parties other than related parties, unsecured, considered good</i>		
Prepaid expenses	77.38	46.14
Advances to vendors	68.75	43.46
Other assets	44.94	46.14
	191.07	135.74
Total other assets	297.19	239.75
2.7 Inventories		
Pharmacy medicines*	505.59	384.31
Consumables and lab materials* <i>(valued at lower of cost or net realisable value)</i>	505.59	384.31
<i># For details of inventories hypothecated, refer Note 2.11</i>		
2.8 Trade receivables		
Current		
Unsecured considered good	2,422.31	1,611.98
considered doubtful	166.26	131.87
	2,588.57	1,743.85
Loss Allowance		
Unsecured, considered doubtful	(166.26)	(131.87)
Net trade receivables	2,422.31	1,611.98

The Company's exposure to credit risk and loss allowances related to trade receivables is disclosed in Note 2.37

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.10 Share capital	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs.10 each with voting rights	11,000,000	1,100.00	11,000,000	1,100.00
	11,000,000	1,100.00		1,100.00
Issued, subscribed and paid-up				
Equity shares of Rs.10 each (with voting rights)	10,785,825	1,078.58	10,785,825	1,078.58
	10,785,825	1,078.58	10,785,825	1,078.58

(a) Reconciliation of equity shares at the beginning and at the end of the year

Issued, subscribed and paid-up

Equity shares of Rs.10 each (with voting rights)

Class A

At the beginning of the year

10,785,825

1,078.58

9,307,692

930.77

Add: Issued during the year

-

-

1,478,133

147.81

At the end of the year

10,785,825

1,078.58

10,785,825

1,078.58

(b) Shares held by ultimate holding Company/ holding Company and their subsidiaries / associates

	As at 31 March 2018		As at 31 March 2017	
	Number of shares	Amount	Number of shares	Amount
<i>Equity shares with voting rights</i>				
Aster DM Healthcare Limited (the holding Company)	5,500,771	550.08	5,500,771	550.08

(c) Details of shareholders holding more than 5% shares of the Company

	As at 31 March 2018		As at 31 March 2017	
	Number of shares	% of holding	Number of shares	% of holding
<i>Equity shares with voting rights</i>				
Aster DM Healthcare Limited	5,500,771	51.00%	5,500,771	51.00%
Dr. P. Ramesh Babu	2,924,404	27.11%	2,150,404	19.94%
P. Mahalakshmi	900,000	8.34%	900,000	8.34%
M.S.Rama Mohan Rao	-	-	775,000	7.19%
P. Raja Nishanth	595,000	5.52%	595,000	5.52%
P. Madhusmitha	581,500	5.39%	581,500	5.39%

(d) Details of buyback, bonus shares, issue for consideration other than for cash for past 5 years

During the five financial years ended 31 March 2018, no shares have been issued for consideration other than cash and no shares have been bought back.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	As at 31 March 2018	As at 31 March 2017
2.11 Borrowings		
Non-current		
Term loans from banks - secured (Note 1)	2,734.87	2,938.85
Equipment loan from financial institutions - secured (Note 2)	1,180.24	1,566.28
Vehicle loan - secured (Note 3)	10.26	17.78
11% Non-convertible cumulative redeemable preference shares - unsecured	70.00	70.00
Total Borrowings (A)	3,995.37	4,592.91
Current		
<i>Secured loans from banks</i>		
Cash credit and overdraft	114.01	68.29
Current portion of term loan from banks (Note 1)	208.52	45.95
Current portion of equipment loan from financial institutions (Note 2)	374.01	306.30
Current portion of vehicle loan (Note 3)	7.52	11.03
Total Borrowings (B)	704.06	431.57
Less: Amount included under other financial liabilities	590.05	363.28
	114.01	68.29
Total borrowings (A+B)	4,699.43	5,024.48

Details of securities, terms and conditions on loans

Term loan from banks

1. Term loan from banks

a. HDFC Bank

Term loan of Rs 3,000.00 lakhs with balance outstanding as on balance sheet date Rs.2,943.39 lakhs (FY17: 2,984.80 lakhs) is to be re-paid in 88 equal monthly instalments based on the repayment schedule provided by the bank commencing from 1 December 2016. The rate of interest charged by the bank ranged from 9.2% to 9.88%.

Primary security: Equitable mortgage of leasehold rights on 304,302 sq mtrs built up areas (3 cellars + ground + 8 floors) on sub-leased on 4628.77 sq mtrs site in survey no. 1072, T.S.o:247/248, Ward no17, Nagarampalem, Guntur.

Secondary security: Hypothecation of stock and book debts less than 180 days. Margins on stock and book debts are 25%.

2. Equipment loans from financial institutions

a. De Lage Landen Financial Services India (Private) Limited

Various equipment loans amounting to Rs.2,114.00 lakhs having balance outstanding Rs. 1554.25 Lakhs as on balance sheet date (FY17: Rs 1872.58) is to be re-paid in monthly installments [ranging from 60 to 84 months] with interest rate ranging from 7.57% p.a to 11.25% p.a. based on the repayment schedule provided by the bank. The loans are secured by hypothecation of medical equipments procured from the said loans and also secured by personal guarantees of promoter directors.

3. Vehicle loans

Vehicle loans amounting to Rs 41.12 lakhs with balance outstanding Rs 17.78 lakhs as on balance sheet date (FY 17: Rs 28.81 Lakhs) is to be re-paid in equal monthly installments [ranging from 0.24 to 0.5 Lakh each] commencing from July 2013 and repayable up to September 2020 with interest rate ranging from 9.80% p.a and is secured by hypothecation of vehicles financed by the bank.

4. 11% non-convertible cumulative redeemable preference shares ('RPS') :

70,000 redeemable preference shares having face value of Rs 100 each carrying a fixed dividend of 11% p.a issued by the Company. RPS is redeemable at par upon maturity, which is twelve years from the date of allotment with the Company having an option to redeem the RPS at any time. Holders of RPS are not entitled to any voting rights.

The Company's exposure to liquidity and interest risk is disclosed in Note 2.37

2.12 Provisions

Non-current

Provision for employee benefits

Gratuity (refer Note: 2.27)

Compensated absences

65.31

16.79

41.26

0.76

106.57

17.55

Current

Provision for employee benefits

Gratuity

Compensated absences

16.24

19.84

10.02

6.86

26.26

26.70

Total provisions

132.83

44.25

2.13 Trade payables (current)

-total outstanding to micro and small enterprises (refer Note 2.28)

-

-

-total outstanding due to creditors other than micro and small enterprises

1,557.39

1,252.39

1,557.39

1,252.39

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited**Notes to the financial statements (continued)**

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	As at 31 March 2018	As at 31 March 2017
2.14 Other financial liabilities		
Current		
Current maturities of long-term borrowings (refer Note 2.11)	590.05	363.28
Interest accrued but not due on borrowings	27.10	30.63
Dividend on redeemable Preference Shares	10.84	9.27
Dues to creditors for capital goods	46.75	37.09
Accrued salaries and benefits	630.28	539.54
Expenses payable	69.22	74.43
	<u>1,374.24</u>	<u>1,054.24</u>
The Company's exposure to credit risks related to above financial liabilities is disclosed in Note 2.38 (ii)		
2.15 Other current liabilities		
Advances received from customers	140.65	95.54
Statutory dues payables	196.40	147.49
Total other liabilities	<u>337.05</u>	<u>243.03</u>

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	For the year ended 31 March 2018	For the year ended 31 March 2017
2.16 Revenue from operations		
Revenue from hospital services	16,184.04	13,239.77
Revenue from pharmacy and others (refer Note 2.33)	2,919.21	2,105.01
Revenue from clinical studies	3.45	43.26
	19,106.70	15,388.04
2.17 Other income		
Interest income		
- from banks	5.12	8.36
- from others	4.98	2.82
Interest on income tax refund	32.88	22.17
Gain on sale of current investments	79.61	22.87
Financial assets at FVTPL - net change in fair value	56.05	40.25
Net gain on sale of property, plant & equipment	3.85	1.98
Gain on chit	-	9.25
Miscellaneous income	18.51	9.07
	201.00	116.77
2.18 Cost of Materials Consumed in relation to medical and pharmacy & change in inventory		
(a) Purchase of medicines and consumables	4,561.77	3,600.89
(b) Change in Inventories		
Opening Stock	384.31	268.00
Less: Closing stock	(505.59)	(384.31)
(Refer Note: 2.7)	(121.28)	(116.31)
2.19 Employee benefits expense		
Salaries, wages and bonus	4,629.18	4,233.49
Contribution to provident and other funds (refer Note: 2.27)	710.77	312.21
Staff welfare expense	139.10	38.73
	5,479.05	4,584.43
2.20 Finance cost		
Interest on borrowings	441.61	586.44
Other borrowing cost	50.90	33.35
Dividend on redeemable Preference Shares classified as financial liability, measured at amortised cost (including dividend distribution tax)	9.27	9.27
	501.78	629.06
2.21 Depreciation and amortisation		
Depreciation on tangible assets	1,046.33	1,033.20
Amortisation on intangible assets	17.57	18.06
	1,063.90	1,051.26
2.22 Other expenses		
Consultancy charges	3,898.65	2,831.07
Service contract charges	161.97	222.39
Security services	37.63	137.52
Vehicle maintenance	58.47	51.39
Rates and taxes	81.95	85.81
GST Input ineligible	153.12	-
Printing and stationery	102.33	97.99
Provision for doubtful debts	34.39	61.26
Bad debts written off	21.10	6.11
Advertisement expenses	156.05	179.03
Corporate Social Responsibility (refer Note: 2.29)	0.67	3.01
Legal and professional charges	73.30	68.72
Telephone charges	58.14	58.98
Travelling expenses	49.51	56.04
Insurance	20.63	15.87
Staff Training expenses	7.66	5.53
Donations	5.44	1.00
Rent (refer note: 2.25)	445.65	472.07
Power and fuel	453.76	412.96
Catering and patient welfare expenses	397.08	340.82
Hospital maintenance	288.98	201.96
Repair and maintenance		
- Medical equipment	24.12	20.94
- Hospital building	29.84	11.44
- Computers	6.81	-
- Others	66.09	58.16
Miscellaneous expenses	54.24	79.28
	6,687.58	5,479.35
Auditors remuneration (net of services)		
Audit Fees	11.25	11.25
Other Services	-	-
	11.25	11.25

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited
Notes to the financial statements (continued)
(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

	As at 31 March 2018	As at 31 March 2017
2.23 Contingent liabilities and commitments (to the extent not provided for)		
a. Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	72.75	128.42
Total	72.75	128.42
b. Claims against the Company not acknowledged as debt in respect of		
(i) In respect of Indirect tax matters (Value Added Tax)	-	3.42
(ii) In respect of Income tax matters*	8.93	4.78
Total	8.93	8.20

c. In the financial year 2014-15, a party filed a petition against the Company and a leasehold land owner on the grounds that the sub lease given by the leased owner was not valid. The Company is contesting the petition. Based on a legal opinion obtained, the Management does not reasonably expect that such legal action, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial conditions.

(* In case of income tax matters, the management believes that it has reasonable case in defense of the proceedings. The amount has been adjusted by Income tax authorities while completing their assessments. The amount represents best possible estimates arranged on the basis of available information.

The Company has a process, whereby periodically all long term contracts are assessed for material foreseeable losses. Based on such reassessment at the year end, it is noted that no provision is required to be made for any material foreseeable losses as per applicable regulatory framework.

2.24 Earnings per share (EPS)

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Net (loss)/Profit after tax attributable to the equity shareholders	1,069.31	276.13
Number of shares at the beginning of the year	10,785,825	9,307,692
Add: Weighted average number of equity shares issued during the year	-	1,287,798
Weighted average number of equity shares outstanding during the year	10,785,825	10,595,490
Basic EPS of par value of Rs.10 (Rs.)	9.91	2.61
Diluted EPS of par value of Rs.10 (Rs.)	9.91	2.61

2.25 Leases

The Company has cancellable operating leases. Lease rental under such cancellable leases amounts to Rs. 445.65 lakhs (31 March 2017: Rs. 472.07 lakhs) has been charged to Statement of profit and loss (net of recoveries).

2.26 Segment reporting

Ind AS 108 "Operating segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segment and related disclosure about products and services, geographic area, and major customers based on the "management approach" as defined in Ind AS 108, Operating segment are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore medical and healthcare services'. Accordingly, there are no additional disclosures to be provided under Ind AS 108, other than those already provided in the financial statements.

Further the business operations of the Company are concentrated in India, and hence, the Company is considered to operate only in one geographical segment.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited**Notes to the financial statements (continued)****(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)****2.27 Assets and liabilities relating to employee benefits****i) Defined contribution plan**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and ESI which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contribution to provident fund and ESI charged to the statement of profit and loss is Rs. 261.56 Lakhs (31 March 2017: Rs 210.11 Lakhs) and ESI is Rs 128.27 Lakhs (31 March 2017: Rs. 84.53 Lakhs).

ii) Defined benefit plan

The Company provides gratuity for its employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognized funds in India. Liability with regard to this plan is determined by an actuarial valuation as at the end of the year and are charged to the Statement of profit and loss.

Following table sets out the status of employee benefits as at balance sheet date

Particulars	As at 31 March 2018	As at 31 March 2017
Defined benefit obligation liability	308.74	256.81
Plan assets	(227.19)	(220.18)
Net defined benefit liability	81.55	36.63
Leave encashment	51.28	7.62
Total employee benefit liability	132.83	44.25

A. Funding

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Particulars	As at 31 March 2018	As at 31 March 2017
-------------	---------------------	---------------------

B. Reconciliation of the present value of defined benefit obligation

Balance at the beginning of the year	256.81	208.96
Current service cost	72.77	18.25
Interest cost	18.88	16.72
Benefits paid	(41.68)	(13.09)
<i>Actuarial (gains)/ loss recognised in the other comprehensive income</i>		
- experience adjustments - Gratuity	1.95	25.97
- changes in financial assumptions	-	-
Balance at the end of the year	308.73	256.81

Reconciliation of the present value of plan assets

Balance at the beginning of the year	220.18	207.34
Contributions paid into the plan by employer	30.82	8.53
Benefits paid	(41.68)	(13.09)
Expected return on plan assets	17.18	17.40
Actuarial gain / (loss) on plan assets	0.68	-
Acquisition adjustment	-	-
Balance at the end of the year	227.18	220.18
Net defined benefit / (asset)	81.55	36.63

C. Expense recognized in the statement of profit and loss

Particulars	31 March 2018	31 March 2017
Current service cost	72.77	18.25
Interest cost	18.88	16.72
Interest income	(17.18)	(17.40)
	74.47	17.57

Remeasurements recognised in Other comprehensive income

Actuarial (gain)/ loss on defined benefit obligation - Gratuity	1.95	25.97
Return on plan assets excluding interest income	(0.68)	-
Actuarial (gain)/ loss on defined benefit obligation Compensated absences	43.06	-
	44.33	25.97
	118.80	43.54

D. Summary of actuarial assumptions**Financial assumptions**

Discount rate	8.00%	8.00%
Future salary growth rate	11.80%	11.80%
Return on Plan assets	8.25%	8.25%
Mortality table	LIC(2006-2008)	LIC(2006-2008)

Discount Rate: Discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of obligations.

Expected rate of return on plan assets : This is based on the expectation of average long term rate of return expected on investments of the fund during the estimated term of obligations.

Salary Escalation Rate: The estimates of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors

* Assumptions regarding the mortality experience are set in accordance with the published statistics by the Life Insurance Corporation of India, The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards.

iii) Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and is charged to the statement of profit and loss.

iv) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the actuarial assumptions, affected the defined benefit obligation by the amounts shown below:

Particulars	31-Mar-18		31-Mar-17	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(28.43)	33.57	(28.57)	33.99
Future salary growth (1% movement)	32.91	(28.97)	11.91	(12.79)
Withdrawal rate (1% movement)	(8.72)	9.92	(28.57)	33.99

v) The Company has to pay Rs.40.77 lakhs as contribution towards its defined benefit obligation in the next financial year.

2.28 Details of dues to Micro and small enterprises as defined under the MSMED Act, 2006

- a) The amount remaining unpaid to micro and small suppliers at the end of the year is Rs. Nil (FY 17: Nil)
- b) The amount of interest paid by the buyer as per the MSMED Act,2006 is Rs Nil (FY 17: Nil)
- c) The amount of the payment made to micro and small suppliers beyond the appointed day during each accounting year is Rs. Nil (FY 17: Nil)
- d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006 is Rs. Nil (FY 17: Nil)
- e) The amount of interest accrued and remaining unpaid at the end of each accounting year is Rs. Nil (FY 17: Nil)
- f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowances as a deductible expenditure under the MSMED Act,2006 is Rs. Nil (FY 17: Rs. Nil)

This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 and has been determined to the extent such parties have been identified on the basis of information available with the Company. Auditors have placed reliance on the information provided by the management.

2.29 Corporate Social Responsibility ('CSR') activities (section 135 of the Companies Act, 2013)

As per the section 135 of the Companies Act, 2013, and the rules therein, the Board of Directors have formed a CSR Committee. The proposed CSR activities is preventive health care.

Gross amount required to be spent by the Company during the year was Rs. 0.51 Lakhs (Previous Year - Rs. 3.01 Lakhs). Out of the total amount, an amount of Rs. 0.67 Lakhs (Previous year Rs.3.01 Lakhs) is been spent by the Company.

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Average net profit of the companies for last three Financial Years	25.46	150.29
Prescribed CSR expenditure to be spent (2% of the average net profit)	0.51	3.01
Amount spent towards preventive health care	0.67	3.01
Amount unspent / yet to be paid in cash	-	-

2.30 CIF Value of Imports

The Company does not have any imports of capital or other goods during the year.

2.31 Value of Medical Consumables and Pharmacy Consumed **

Particulars	For the year ended 31 March 2018		For the year ended 31 March 2017	
	Rs	%	Rs	%
Imported	-	-	-	-
Indigenous	4,440.48	100	3,484.58	100
Total	4,440.48	100	3,484.58	100

2.32 Details of medical consumables and pharmacy consumed**

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Medical Pharmacy	2,363.06	1,572.27
Medical devices and surgical instruments	2,077.42	1,912.31
Total	4,440.48	3,484.58

** Medical consumables and pharmacy consumed consists of numerous items with various specifications. Accordingly item-wise details are not furnished.

2.33 Details of income from pharmacy and others:

Particulars	For the year ended 31 March 2018	For the year ended 31 March 2017
Outpatient income from pharmacy sales	2,513.60	1,785.20
Revenue from canteen sales	405.61	319.81
Total	2,919.21	2,105.01

2.34 There are no earnings and expenditures in foreign currency in the current period. The Company does not have any un-hedged foreign currency exposure.

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.35 Related parties

(i) Names of related parties and description of relationship with the Company:

- | | |
|---|--|
| (a) Aster DM Healthcare Limited, India | Holding Company |
| (b) Union Investment P Limited, Mauritius | Ultimate holding Company |
| (c) Aster Ramesh Duhita LLP | Subsidiary |
| (d) Key managerial personnel (KMP) | |
| Mr. M S Ramamohan Rao | Chairman and Director |
| Dr. P Ramesh Babu | Managing Director |
| Mr. P Ravi Kiran | Whole Time Director and Chief Financial Officer (CFO) |
| Mr. Nagendra Kumar Sagi | Company Secretary |
| (e) Relatives of KMP | |
| Mr. P Subba Rao | Father of Managing Director |
| Mrs. P S Kamala Devi | Mother of Managing Director |
| Mrs. M Madhusmitha | Daughter of Managing Director |
| Mr. P Mahendra Babu | Brother of Managing Director |
| Mrs. K Madhumathi | Sister of Managing Director |
| Dr. P Vasundhara Devi | Sister of Chairman and Director |
| Mrs. P Madhuri | Wife of Mr. P Mahendra Babu |
| Mrs. P Vineela | Sister of Director and CFO |
| Mr. R Chalapathi Rao | Father of Director |
| Mrs. R Radhabai | Mother of Director |
| Mrs. P Mahalakshmi | Wife of Dr.P.Ramesh Babu |
| Mrs. M Sailaja | Daughter-in-law of Chairman |
| (f) Shareholders with no voting rights | M/s. Dr. Ramesh Consultants Beneficiary Trust
M/s. Dr. Ramesh Employees Welfare Trust |

(ii) Transactions with key managerial persons including Directors:

Particulars	Name of the Related Party	For the year ended	
		31 March 2018	31 March 2017
Rent	Dr P Ramesh Babu	44.03	39.72
	Total	44.03	39.72
Remuneration	Dr P Ramesh Babu	250.00	244.26
	Mr P Ravi Kiran	54.00	52.00
	Total	304.00	296.26

(iii) Balances with key managerial persons including Directors:

Particulars	Name of the Related Party	For the year ended	
		31 March 2018	31 March 2017
Rent Deposit	Dr P Ramesh Babu	30.00	30.00
	Total	30.00	30.00

(iv) Transactions with related parties other than key managerial persons :

Particulars	Name of the Related Party	For the year ended	
		31 March 2018	31 March 2017
Rent	P.Mahalakshmi	13.53	12.74
	Dr.P.Vasundhara Devi	42.21	44.81
	P.Subba Rao	21.11	23.55
	P.S.Kamala Devi	21.11	21.26
	K.Madhumathi	42.21	41.37
	M.Sailaja	25.33	24.82
	P.Madhusmitha	-	-
	P.Vineela	1.68	1.62
	P.Mahendra Babu	42.21	37.94
	Total	209.39	208.11
Remuneration paid	P.Mahalakshmi	9.00	7.99
	Dr.P.Vasundhara Devi	-	5.50
	M.Sailaja	18.00	11.00
	P.Madhusmitha	5.88	5.39
	P.Mahendra Babu	36.00	31.50
	P.Madhuri	3.43	5.39
	Nagendra Kumar Sagi	8.98	7.72
	Total	81.29	74.49

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

(v) Balances with related parties other than key managerial persons :

Particulars	Name of the Related Party	As at '31 March 2018	As at '31 March 2017
Remuneration payable	P.Mahalakshmi	-	0.75
	Dr.P.Vasundhara Devi	-	0.50
	M.Sailaja	-	1.00
	P.Madhusmitha	0.49	0.49
	P.Mahendra Babu	-	3.00
	P.Madhuri	-	0.49
	Nagendra Kumar Sagi	0.70	0.59
	Total	1.19	6.82
Rent Deposits	P.Mahalakshmi	4.59	4.59
	Dr.P.Vasundhara Devi	30.00	30.00
	P.Subba Rao	15.00	15.00
	P.S.Kamala Devi	15.00	15.00
	K.Madhumathi	30.00	30.00
	P.Mahendra Babu	30.00	30.00
	Total	124.59	124.59

Note

i) The KMP and relatives of KMP are covered by the Company's gratuity policy and are eligible for compensated absences along with other employees of the Company. The proportionate amount of gratuity and compensated absences cost pertaining to individuals have not been included in the aforementioned disclosures as these are not determined on individual basis.

ii) For certain loans availed by the Company, KMP of the Company have given personal guarantee. Refer note 2.11 for details on the same.

2.36 Capital Management

The Company aims to maintain sound capital base so as to maintain investor and creditor confidence and to sustain future development and growth of its business. The Management monitors the adjusted net debt to equity ratio.

For the purpose of adjusted net debt to equity ratio, adjusted net debt is long term and short term borrowings adjusted with cash and cash equivalents. Total equity comprises of issued share capital and all other equity reserves.

The Company's adjusted net debt to equity ratio as at the balance sheet date was as follows:

	31 March 2018	31 March 2017
Total equity attributable to the equity shareholders of the Company (A)	11,295.54	10,258.35
Long-term borrowings excluding current maturities	3,995.37	4,592.91
Current maturities of long term borrowings	590.05	363.28
Short-term borrowings	114.01	68.29
Total borrowings	4,699.43	5,024.48
Less: cash and cash equivalents	112.62	49.00
Adjusted net debt (B)	4,586.81	4,975.48
Adjusted net debt to equity ratio (B/A)	0.41	0.49

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.37 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Levels in Fair value hierarchy

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: input other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirect (i.e derived from prices)

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

31 March 2018

	Note	Carrying amount				Fair value			
		Financial assets - FVPL	Financial assets - Amortised cost	Financial liabilities - amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Current Investments	2.3	2,468.67	-	-	2,468.67	2,468.67	-	-	2,468.67
		2,468.67	-	-	2,468.67	2,468.67	-	-	2,468.67
Financial assets not measured at fair value									
Trade receivables	2.8	-	2,422.31	-	2,422.31	-	-	-	-
Cash and cash equivalents	2.9	-	112.62	-	112.62	-	-	-	-
Other bank balances	2.9	-	4.50	-	4.50	-	-	-	-
Other Financial Assets:	2.4								
Security Deposits			168.02		168.02	-	-	-	-
Bank deposits due to mature after 12 months from reporting date (refer note below)			8.00		8.00	-	-	-	-
Interest accrued but not due on deposits maturing after 12 months from reporting date			0.30		0.30	-	-	-	-
Unbilled revenue			159.08			-	-	-	-
Staff advances			44.44		44.44	-	-	-	-
Other Advances recoverable in cash or kind			0.07		0.07	-	-	-	-
Interest accrued on fixed deposits			5.42		5.42	-	-	-	-
		-	2,924.76	-	2,765.68	-	-	-	-
Financial liabilities not measured at fair value									
Non current borrowings	2.11 & 2.20	-	-	3,995.37	3,995.37	-	-	-	-
Current borrowings	2.11 & 2.20	-	-	114.01	114.01	-	-	-	-
Trade payables	2.15	-	-	1,557.39	1,557.39	-	-	-	-
Other financial liabilities	2.12								
Current maturities of long-term borrowings				590.05	590.05	-	-	-	-
Payable to Chits				-	-	-	-	-	-
Interest accrued and due on borrowings				-	-	-	-	-	-
Interest accrued but not due on borrowings				27.10	27.10	-	-	-	-
Dividend on redeemable Preference Shares				10.84	10.84	-	-	-	-
Dues to creditors for capital goods				46.75	46.75	-	-	-	-
Accrued salaries and benefits				630.28	630.28	-	-	-	-
Expenses payable				69.22	69.22	-	-	-	-
		-	-	7,041.01	7,041.01	-	-	-	-

Dr. Ramesh Cardiac and Multispeciality Hospital Private Limited

Notes to the financial statements (continued)

(All amounts are in Indian Rupees lakhs, except share data and where otherwise stated)

2.37 Financial instruments - Fair values and risk management (continued)

31 March 2017	Note	Carrying amount				Fair value			
		Financial assets - FVPL	Financial assets - Amortised cost	financial liabilities - amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Current Investments		2,156.06	-	-	2,156.06	2,156.06	-	-	2,156.06
		2,156.06	-	-	2,156.06	2,156.06	-	-	2,156.06
Financial assets not measured at fair value									
Trade receivables	2.8	-	1,611.98	-	1,611.98	-	-	-	-
Cash and cash equivalents	2.9	-	49.00	-	49.00	-	-	-	-
Other bank balances	2.9	-	253.50	-	253.50	-	-	-	-
Other Financial Assets:	2.4								
Security Deposits			150.53		150.53	-	-	-	-
Bank deposits due to mature after 12 months from reporting date (refer note below)			3.00		3.00	-	-	-	-
Interest accrued but not due on deposits maturing after 12 months from reporting date			0.06		0.06	-	-	-	-
Unbilled revenue			155.23		155.23	-	-	-	-
Staff advances			63.01		63.01	-	-	-	-
Other Advances recoverable in cash or kind			0.07		0.07	-	-	-	-
Interest accrued on fixed deposits			5.57		5.57	-	-	-	-
		-	2,291.95	-	2,291.95	-	-	-	-
Financial liabilities not measured at fair value									
Non current borrowings	2.11 & 2.20	-	-	4,592.91	4,592.91	-	-	-	-
Current borrowings	2.11 & 2.20	-	-	68.29	68.29	-	-	-	-
Trade payables	2.15	-	-	1,252.39	1,252.39	-	-	-	-
Other financial liabilities	2.12								
Current maturities of long-term borrowings				363.28	363.28	-	-	-	-
Payable to Chits						-	-	-	-
Interest accrued and due on borrowings				30.63	30.63	-	-	-	-
Interest accrued but not due on borrowings						-	-	-	-
Dividend on redeemable Preference Shares				9.27	9.27	-	-	-	-
Dues to creditors for capital goods				37.09	37.09	-	-	-	-
Accrued salaries and benefits				539.54	539.54	-	-	-	-
Expenses payable				74.43	74.43	-	-	-	-
		-	-	6,967.83	6,967.83	-	-	-	-

2.37 Financial instruments - Fair values and risk management (continued)

B. Financial risk management objectives and policies

The Company's activities exposed it to market risk (including interest rate risk and price risk), credit risk and liquidity risk.

The Company's risk management is carried out by the Board of Directors. The Board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instrument.

The financial authority limits seek to limit and mitigate transactional risks by setting out the threshold of approvals required for entering into contractual obligations.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as equity prices.

i) Interest rate risk

The Company's exposure to market risk for changes in interest rate environment relates mainly to its debt obligations.

The Company's policy is to maintain an efficient and optimal interest cost structure using a mix of fixed and variable rate debts and long-term and short-term borrowings.

The Company's borrowings majorly consists of project funding loans, working capital loans having variable rate of interest.

The interest rate profile of the Company's interest-bearing instruments as reported to management is as follows:

Particulars	31 March 2018	31 March 2017
Fixed rate instruments		
Financial liabilities (including borrowings)	1,652.27	1,971.39
Financial assets (includes rental and other deposits and bank deposits)	180.52	407.03
Variable rate instruments		
Financial liabilities (include borrowings)	3,057.40	3,053.09
Total financial liabilities	4,890.19	5,431.51

Sensitivity analysis

A reasonably possible change of 100 basis points (bp) in interest rate at the reporting date would increase / (decrease) equity and profit before tax by the following amounts. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Particulars	Impact on Profit or Loss		Other components of equity	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
1% increase in MCLR rate	30.57	30.53	30.57	30.53
1% decrease in MCLR rate	(30.57)	(30.53)	(30.57)	(30.53)

ii) Fair Value

The fair values of the units of mutual fund schemes are based on net asset value at the reporting date.

b) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and other financial instruments. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from trade receivables are monitored on a continuous basis by the receivables team.

The Company's exposure to credit risk for trade receivables based on type of customer is as follows:

Particulars	31 March 2018	31 March 2017
Government and government affiliated parties	2,255.20	1,494.00
Other parties	333.37	249.85
Total	2,588.57	1,743.85

2.37 Financial instruments - Fair values and risk management (continued)

The following table provides information about the exposure to credit risk and expected credit loss from customers :

Government and Government affiliated parties

31-Mar-18	Gross Amount	Weighted average loss	Loss allowance
Not Due	1,098.31	0.0015	1.66
0-1 year (excluding not due)	1,072.21	0.0736	78.89
1-2 years	43.95	0.5647	24.82
More than 2 years	40.73	1.0000	40.73
Total	2,255.20		146.10

Other parties

31-Mar-18	Gross Amount	Weighted average loss	Loss allowance
Not Due	121.21	0.0000	0.00
0-1 year (excluding not due)	198.66	0.0565	9.54
1-2 years	11.20	0.7422	8.31
More than 2 years	2.30	1.0000	2.30
Total	333.37		20.16

Government and Government affiliated parties

31-Mar-17	Gross Amount	Weighted average loss	Loss allowance
Not Due	642.64	0.0023	1.42
0-1 year (excluding not due)	782.64	0.0680	53.24
1-2 years	30.72	0.6252	19.21
More than 2 years	38.00	1.0000	38.00
Total	1,494.00		111.87

Other parties

31-Mar-17	Gross Amount	Weighted average loss	Loss allowance
Not Due	115.86	0.0017	0.19
0-1 year (excluding not due)	123.13	0.0748	9.20
1-2 years	7.75	0.9556	7.50
More than 2 years	3.10	1.0000	3.11
Total	249.84		20.00

As at

Allowance for Credit Loss	31 March 2018	31 March 2017
Balance at the beginning	131.87	70.61
Expected credit loss recognised	34.39	61.26
Balance at the end	166.26	131.87

No single customer accounted for more than 10% of the revenue as of 31 March 2018 and 31 March 2017.

There is no significant concentration of credit risk.

Credit risk on cash and cash equivalent is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Dr.Ramesh Cardiac and Multi Speciality Hospital**Notes to the financial statements (continued)****(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)****c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset as they fall due. The Company is exposed to this risk from its operating activities and financing activities. The Company's approach to managing liquidity is to ensure, as far as possible that it will have sufficient liquidity to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity requirements are maintained within the credit facilities established and are adequate and available to the Company to meet its obligations.

The table below provides details regarding the contractual maturities of significant financial liabilities as of the reporting date. The amounts are gross and undiscounted.

As at 31 March 2018

Particulars	Carrying value*	Contractual cash flows				Total
		Less than 1 Year	1-2 years	2-5 Years	More than 5 Years	
Borrowings - (Non-Current)	3,925.37		727.92	2,411.59	775.60	3,915.11
Borrowings -11% redeemable Preference shares (Non-current)	70.00	-	-	-	70.00	70.00
Current maturities of long-term borrowings	590.06	590.06	-	-	-	590.06
Cash credit and overdraft	114.01	114.01	-	-	-	114.01
Trade payables	1,557.39	1,557.39	-	-	-	1,557.39
Other financial liabilities (excluding current maturities of borrowings)	784.20	784.20	-	-	-	784.20
	7,041.03	3,045.66	727.92	2,411.59	845.60	7,030.77

As at 31 March 2017

Particulars	Carrying value*	Contractual cash flows				Total
		Less than 1 Year	1-2 years	2-5 Years	More than 5 Years	
Borrowings - (Non-Current)	4,522.91	-	561.05	2,368.62	1,602.81	4,532.48
Borrowings -11% redeemable Preference shares (Non-current)	70.00	-	-	-	70.00	70.00
Current maturities of long-term borrowings	363.28	367.99	-	-	-	367.99
Cash credit and overdraft	68.29	68.29	-	-	-	68.29
Trade payables	1,252.39	1,252.39	-	-	-	1,252.39
Other financial liabilities (excluding current maturities of borrowings)	690.96	690.96	-	-	-	690.96
	6,967.83	2,379.63	561.05	2,368.62	1,672.81	6,982.11

* Includes the

Dr.Ramesh Cardiac and Multi Speciality Hospital

Notes to the financial statements (continued)

(All amounts are in Indian Rupees Lakhs, except share data and where otherwise stated)

2.39 Subsequent events

On April 01, 2018, the Company entered into a share purchase agreement with Sanghamitra Hospitals Private Limited, its promoters and other shareholders ("Sellers"). Of the 6,265,300 shares held by the Sellers, the Company purchased 3,195,228 (representing 51% of the total equity share) equity shares for a total consideration of Rs. 2,907 lakhs.