

VRUNDAVAN SHALBY HOSPITALS LIMITED

ANNUAL ACCOUNTS

2017-2018

G. K. Choksi & Co.

Chartered Accountants

'Madhuban', Nr. Madalpur Underbridge, Ellisbridge, Ahmedabad - 380 006.
Dial : 91 - 79 - 30012009, 9925174555-56 Fax : 91 - 79 - 26569929 E-mail : info@gkcco.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
VRUNDAVAN SHALBY HOSPITALS LIMITED
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of **VRUNDAVAN SHALBY HOSPITALS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Change in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these 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 provision 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the 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 Ind AS financial statements.

708-709, Raheja Chambers, Free Press Journal Road, Nariman Point, **MUMBAI** - 400 021.
Dial : 91-22-66324446/47 FAX : 91-22-22882133 Email : mumbai@gkcco.com

207, Tolstoy House, Tolstoy Marg, Janpath, **NEW DELHI** - 110 001
Dial : 91-11-43717773-74; Email : info@gkcco.com

Branches :

'Surya Bhavan', Station Road, **PETLAD** - 388 450. Dial : 91-2697-224108



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the financial position of the company as at 31st March, 2018 and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Emphasis of Matters

We draw your attention to Note 33 with regard to preparation of the financial statements of the company on the assumption that the company is no longer a going concern in view of the circular resolution passed by the Board of Directors on 9th January, 2018 resolving to cease the business operations with immediate effect at both the hospitals located at Mapusa and Panjim since the same is financially not viable.

Our opinion is not modified in respect of the said matter.

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 sub section (11) of section 143 of the Act, we give in the "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 appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows 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 Accounting Standards specified under Section 133 of the Act, read with Rules issued thereunder.
 - (e) On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us :
 - (i) The Company has disclosed pending litigations which would impact its financial position (refer note 34).
 - (ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants



J. D. Patel
J. D. PATEL
Partner

Mem. No. 32780

Place : Ahmedabad

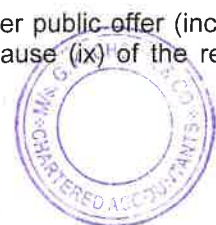
Date : - 5 MAY 2018

ANNEXURE - A to the Independent Auditors' Report of even date on Ind AS financial statements of VRUNDAVAN SHALBY HOSPITALS LIMITED

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets have been physically verified by the management at reasonable intervals having regard to size of company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company doesn't have any inventory and hence reporting under clause (ii) of CARO, 2016 is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained u/s.189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) of the Order are applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and securities..
- (v) According to information and explanations given to us, the Company has not accepted any deposits as defined in The Companies (Acceptance of Deposits) Rules 2014. Accordingly, the provisions of Clause (v) of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section (1) of Section 148 of the Companies Act, 2013.
- (vii) (a) According to the information given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues and Company had no arrears of such outstanding statutory dues as at 31st March, 2018 for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the company has no disputed outstanding statutory dues as at 31st March, 2018, except as under:

Name of the Statute	Nature of Dues	₹ in Million	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Demand Notice issued by Sales Tax Department	1.09	F.Y. 2011-2012	Assistant Commissioner of Commercial Tax
Sales Tax	Demand Notice issued by Sales Tax Department	2.26	F.Y. 2013-2014	Assistant Commissioner of Commercial Tax
TDS	TDS demand	0.52	F.Y. 2007-08 to 2015-16	Department of Income Tax

- (viii) According to the information and explanations given to us, the Company has not borrowed any funds from financial institutions and banks and by way of Debentures. Accordingly the clause (xiii) of the report is not applicable.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year or term loans and hence reporting under clause (ix) of the report is not applicable.



- (x) According to the information and explanations given to us, no fraud by company or any fraud on the company by its officers and employees have been noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not paid managerial remuneration during the year. Hence reporting under clause (xi) of the report is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of the report is not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with section 177 and 188 and details of transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us, 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, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of the report 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 G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants


J. D. PATEL
Partner

Mem. No. 32780

Place : Ahmedabad

Date : 5 MAY 2013



ANNEXURE - B to the Independent Auditors' Report of even date on Ind AS financial statements of VRUNDAVAN SHALBY HOSPITALS LIMITED

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

We have audited the internal financial controls over financial reporting of **VRUNDAVAN SHALBY HOSPITALS 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 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 Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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 G. K. CHOKSI & CO.

[Firm Registration No. 101895W]
Chartered Accountants



J. D. PATEL

Partner

Mem. No. 32780

Place : Ahmedabad

Date : 5 MAY 2018



VRUNDAVAN SHALBY HOSPITALS LIMITED

Balance Sheet as at March 31, 2018

[₹ in Million]

Particulars	Notes	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
ASSETS				
Non-current assets				
Property, Plant and Equipment	5	66.75	76.48	80.94
Other Intangible asset	6	0.05	-	0.17
Financial Assets				
Other Financial Assets	7	-	-	0.11
Deferred Tax Assets (Net)	8	-	0.02	0.39
		66.80	76.50	81.61
Current assets				
Inventories	9	-	-	1.51
Financial Assets				
Trade Receivables	10	-	0.49	7.33
Cash and Cash Equivalents	11	0.40	0.36	6.05
Other Bank Balances	12	0.48	0.32	0.80
Other Financial Assets	7	0.22	0.05	0.86
Current Tax Assets (Net)	13	3.28	3.27	6.15
Other Current Assets	14	0.34	0.04	0.16
		4.72	4.53	22.86
TOTAL ASSETS		71.52	81.03	104.47
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	15	18.00	18.00	18.00
Other Equity	16	(45.24)	(33.11)	(10.60)
		(27.24)	(15.11)	7.40
Liabilities				
Non-current Liabilities				
Provisions	17	-	-	1.17
		-	-	1.17
Current liabilities				
Financial Liabilities				
Borrowings	18	77.70	65.56	63.01
Trade Payables	19	1.47	4.76	13.89
Other Financial Liabilities	20	19.09	25.46	17.71
Provisions	17	-	-	0.11
Other Current liabilities	21	0.50	0.36	1.18
		98.76	96.14	95.90
TOTAL EQUITY AND LIABILITIES		71.52	81.03	104.47

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

As per our report of even date

FOR G. K. CHOKSI & CO.
[Firm Registration No. 101895W]
Chartered Accountants


J. D. PATEL
Partner

Mem. No. 32780

Place : Ahmedabad

Date : 5 MAY 2018



FOR AND ON BEHALF OF THE BOARD


VIRAL SHAH
Director

DIN : 02928038

Place : Ahmedabad

Date : 5 MAY 2018


RAVI BHANDARI
Director

DIN : 06395271

VRUNDAVAN SHALBY HOSPITALS LIMITED

Statement of Profit and Loss for the year ended March 31, 2018

[₹ in Million]

Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
INCOME			
Revenue from Operations	22	-	13.46
Other Income	23	7.90	7.52
TOTAL INCOME		7.90	20.98
EXPENSES			
Operative expenses	24	1.01	8.91
Purchase of Stock-in-trade	25	-	0.12
Changes in Inventories	26	-	0.89
Employee benefits expense	27	0.75	9.87
Finance Cost	28	6.22	9.18
Depreciation and Amortization	29	2.47	4.51
Other Expenses	30	9.56	9.63
TOTAL EXPENSES		20.01	43.11
Profit before exceptional items and tax		(12.11)	(22.13)
Exceptional Items		-	-
Profit Before Tax		(12.11)	(22.13)
Tax expense			
Current tax		-	-
Deferred tax		0.02	0.38
TOTAL TAX EXPENSE		0.02	0.38
Profit for the year from continuing operations		(12.13)	(22.51)
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that will be reclassified to profit or loss		-	-
		-	-
Total comprehensive income for the year, net of tax		(12.13)	(22.51)
Earning per Equity Share	31		
Basic		(67.39)	(125.06)
Diluted		(67.39)	(125.06)

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

As per our report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

J. D. PATEL

Partner

Mem. No. 32780

Place : Ahmedabad

Date : 5 MAY 2018



FOR AND ON BEHALF OF THE BOARD

VIRAL SHAH

Director

DIN : 02928038

RAVI BHANDARI

Director

DIN : 06395271

Place : Ahmedabad

Date : 5 MAY 2018

VRUNDAVAN SHALBY HOSPITALS LIMITED

Statement of Cash Flows for the year ended March 31, 2018

[₹ in Million]

Particulars	2017-2018	2016-2017
A. Cash flow from operating activities		
Profit/(Loss) for the year before taxation	(12.11)	(22.13)
Adjustments for		
Depreciation and amortisation	2.47	4.51
Provision for doubtful debts	-	4.49
Profit on sale of assets	(0.06)	-
Impairment on asset	7.10	-
Finance cost	6.22	9.18
Interest Income from financial assets measured at amortised cost		
- on fixed deposits with Bank	(0.01)	(0.05)
Fixed asset written off	1.17	0.17
Provision no longer required	(0.26)	(0.26)
Sundry balances written back	(7.57)	(6.64)
Operating profit before working capital changes	(3.05)	(10.73)
Adjustments for changes in working capital		
Decrease / (Increase) in Inventories	-	1.51
Decrease / (Increase) in Trade receivables	0.49	2.35
Decrease / (Increase) in Other current assets	(0.30)	0.11
Decrease / (Increase) in Other non-current financial assets	-	0.11
Decrease / (Increase) in Other current financial assets	(0.22)	0.76
Increase / (Decrease) in Trade Payables	4.54	(2.23)
Increase / (Decrease) in Provisions	-	(1.28)
Increase / (Decrease) in Other current financial liabilities	(0.72)	(0.51)
Increase / (Decrease) in Other current liabilities	0.14	(0.82)
Cash generated from operations	0.88	(10.73)
Direct taxes Refund/(paid)	(0.01)	2.88
Net Cash from Operating Activities	[A] 0.87	(7.85)
B. Cash flow from investing activities		
Purchase of property, plant and equipment / intangible assets	(1.22)	(0.05)
Proceeds from Maturity of fixed deposits	(0.16)	0.48
Proceeds from sale of asset	0.22	-
Interest received	0.06	0.10
Net Cash from / (used in) investing activities	[B] (1.10)	0.53
C. Cash flow from financing activities		
Proceeds from borrowings	12.14	2.55
Interest paid	(11.87)	(0.92)
Net cash flow from financial activities	[C] 0.27	1.63
Net Increase/(Decrease) in cash & cash equivalents	[A+B+C] 0.04	(5.69)
Cash and cash equivalents opening	0.36	6.05
Cash and cash equivalents closing	0.40	0.36
Components of Cash and cash equivalent		
Balances with scheduled banks	0.40	0.35
Cash in hand	-	0.01
	0.40	0.36

Explanatory Notes to Cash Flow Statement

- The above Cash Flow Statement has been prepared under the Indirect method as set out in IND AS - 7 on Statement of Cash Flows notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015], as amended.
- Figures in brackets indicate cash outflow. The above statement of cash flow should be read in conjunction with the accompanying notes.
- Figures of the previous year have been regrouped wherever necessary, to confirm to current years presentation.

As per our attached report of even date

FOR **G. K. CHOKSI & CO.**
[Firm Registration No. 101895W]
Chartered Accountants

S. D. PATEL
Partner
Mem. No. 32780



Place : Ahmedabad
Date : - 5 MAY 2018

FOR AND ON BEHALF OF THE BOARD

VIRAL SHAH
Director
DIN : 02928038

RAVI BHANDARI
Director
DIN : 06395271

Place : Ahmedabad
Date : 5 MAY 2018

VRUNDAVAN SHALBY HOSPITALS LIMITED

Statement of changes in Equity for the year ended March 31, 2018

A. Equity share capital

	[₹ in Million]
As at April 1, 2016	18.00
Issue of Equity Share capital	-
As at March 31, 2017	18.00
Issue of Equity Share capital	-
As at March 31, 2018	18.00

B. Other equity

Particulars	Reserves and Surplus		Other Comprehensive Income	Total equity
	Securities Premium	Retained Earnings		
Balance as at April 1, 2016	75.10	(85.70)	-	(10.60)
Profit / (Loss) for the year	-	(22.51)	-	(22.51)
Other comprehensive income for the year	-	-	-	-
Balance as at March 31, 2017	75.10	(108.21)	-	(33.11)
Profit / (Loss) for the year	-	(12.13)	-	(12.13)
Other comprehensive income for the year	-	-	-	-
Balance as at March 31, 2018	75.10	(120.34)	-	(45.24)

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

As per our report of even date

FOR G. K. CHOKSI & CO.

[Firm Registration No. 101895W]

Chartered Accountants

J. D. PATEL
Partner

Mem. No. 32780

Place : Ahmedabad

Date : **5 MAY 2018**

FOR AND ON BEHALF OF THE BOARD

[Signature]

VIRAL SHAH
Director

DIN : 02928038

Place : Ahmedabad

Date : **5 MAY 2018**

RAVI BHANDARI
Director

DIN : 06395271



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 1 : Corporate Information

Vrundavan Shalby Hospitals Limited is a public company limited by shares, domiciled in India and is incorporated under the provisions of the Companies Act applicable in India.

The Board of Directors of the company has vide circular resolution deemed to be passed on 9th December, 2016 consented to suspend the operations of both hospitals located at Mapusa and Panjim to surrender available licences, bio medical authorisation and other licences & approval of both hospitals, to close pharmacy with immediate effect and also to apply for cancellation of power connection.

Although the company intended to resume operations upon favourable resolution of the disputes between the shareholders, more particularly elaborated in note 32 and 33, the Board of Directors of the company, vide circular resolution dated 9th January, 2018, decided to cease the operations on account of adverse financial viability. Therefore the financial statements for the current financial year have been prepared on the assumption other than going concern.

Note 2 : Basis of Preparation

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. The comparative figures in the Balance Sheet as at March 31, 2017 and April 1, 2016 and Statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2017 have been restated accordingly. Accounting Policies have been consistently applied except where newly issued accounting standard is initially adopted or revision to the existing standards requires a change in the accounting policy hitherto in use.

Refer Note 4.15 for the explanations of transition to Ind AS including the details of first-time adoption exemptions availed by the Company.

The financial statements are prepared in INR, except when otherwise indicated.

2.1 Statement of Compliance

The financial statements comprising Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Cash Flow Statement, together with notes for the year ended March 31, 2018 have been prepared in accordance with Ind AS as notified under section 133 of the Companies' Act, 2013 ("The Act") duly approved by the Board of Directors at its meeting held on May 5, 2018.

2.2 Basis of Measurement

Due to the company ceasing to operate, the Board of Directors have decided to prepare the financial statements on a basis other than that of a going concern (Refer note 32 and 33). The financial statements have been prepared by adopting following measurement :

- (i) All assets, at yearend date, have been disclosed at lower of carrying values or the values at which they are expected to be realized
- (ii) All liabilities, at yearend date, have been reflected at the values at which they are expected to be settled.

2.3. Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian Rupee is the functional currency of the Company.

The financial statements are presented in Indian Rupees (Rs.) which is the company's presentation currency.

2.4. Standard issued but not yet effective

Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, ('The Rules') on 28 March 2018. The rules notify the new Revenue Standard Ind AS 115 'Revenue from Contracts with Customers' and also bring in amendments to existing Ind AS. The rules shall be effective from reporting period beginning on or after 1 April, 2018 and cannot be reported early, hence, not applied in the preparation of financials.

Note 3 : Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the periods in which the estimates are revised and in future periods which are affected.

In the process of applying the Company's accounting policies, management has made the following judgments and estimates, which have the most significant effect on the amounts recognised in the financial statements.

3.1 Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods.

3.2 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

3.3 Impairment of Property, Plant & Equipment

Determining whether Property, Plant & Equipment requires an estimation of the value in use of the cash-generating units to which Property, Plant & Equipment has been allocated. The value in use calculation requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, an impairment loss which is material in nature is accounted for.



Note 4: Significant Accounting Policies

4.1 Financial Instruments

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

(a) Financial Assets

Financial Assets comprises of investments in equity instruments, trade receivables, cash and cash equivalents and other financial assets.

Initial Recognition:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair Value through Profit or Loss, transaction costs that are attributable to the acquisition of financial assets. Purchases or sales of financial assets that requires delivery of assets within a period of time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company committed to purchase or sell the asset.

Subsequent Measurement:

(i) Financial assets measured at amortized Cost:

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and where contractual terms of 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 (FVTOCI):

Financial Assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are subsequently measured at FVTOCI. Fair Value movements in financial assets at FVTOCI are recognized in Other Comprehensive Income.

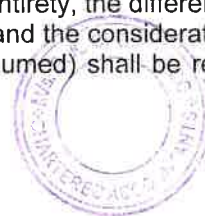
Equity instruments held for trading are classified as at fair value through profit or loss (FVTPL). For other equity instruments the company classifies the same as FVTOCI. The classification is made on initial recognition and is irrevocable. Fair Value changes on equity instruments at FVTOCI, excluding dividends are recognized in Other Comprehensive Income (OCI).

(iii) Fair Value through Profit or Loss (FVTPL):

Financial Assets are measured at FVTPL if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit and Loss.

De-recognition of Financial Assets:

Financial Assets are derecognized when the contractual rights to cash flows from the financial assets expire or the financial asset is transferred and the transfer qualifies for derecognition. On derecognition of the financial assets in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit and Loss.



(b) Financial Liabilities

Initial Recognition and Measurement

Financial Liabilities are initially recognized at fair value plus any transaction costs if any) which are attributable to acquisition of the financial liabilities.

Subsequent Measurement:

Financial Liabilities are classified for subsequent measurement into following categories:

(i) Financial liabilities at Amortized Cost:

The Company is classifying the following under amortized cost:

- Borrowing from Others
- Trade Payables
- Other Financial Liabilities

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus cumulative amortization using the effective interest method of any differences between the initial amount and maturity amount.

(ii) Financial liabilities at Fair Value through Profit or Loss:

Financial liabilities held for trading are measured at Fair Value through Profit or Loss

De-recognition of Financial Liabilities:

Financial liabilities shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting of Financial assets and Financial Liabilities

Financial assets and Financial Liabilities are offset and the net amount is presented in Balance Sheet when, and only when, the Company has legal right to offset the recognized amounts and intends either to settle on the net basis or to realize the assets and liabilities simultaneously.

(d) Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI, and financial assets or liabilities that are specifically designated as FVTPL. For financial assets which are debt instruments, a reclassification is made only if there is a change in business model for managing those assets. Changes to the business model are expected to be very infrequent. The management determines the change in a business model as a result of external or internal changes which are significant to the Company's Operations. A Change in business occurs when the company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification effective from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.



4.2 Share Capital

Ordinary Shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or share options are recognized as a deduction from equity, net of any tax effects.

4.3 Property, Plant and Equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives as prescribed under Part C of Schedule II to the Companies Act 2013, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

Estimated useful lives of the assets are as follows:

Type of Asset	Useful Life
Hospital Building (*)	30 years
Plant and Machinery	15 years
Medical Equipment	13 years and 15 years
Furniture and fixtures	10 years
Office equipment	5 years
Electrical Installation	10 years
Vehicles	8 years and 10 years
Server and Computers	3 years and 6 years

(*) For this class of assets based on internal assessments and technical evaluation carried out by the management, it believes that useful life as given above best represents the period over which the management expects to use this assets. Hence, the useful life for this asset is different from useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

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

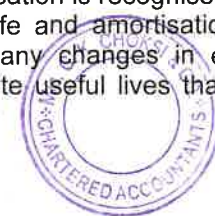
Transition to Ind AS

For transition to Ind AS, the Company has opted to adopt the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

4.4 Intangible assets

Intangible Assets acquired separately

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



Derecognition of intangible assets

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

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Type of Asset	Useful Life
Computer software and data processing software	3 years

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has opted to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

4.5 Inventories

Inventories of all medicines, medicare items traded and dealt with by the Company are measured at the lower of cost and net realisable value. Net realizable value is the estimated selling price in the ordinary course of business,. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location, after adjusting for VAT/GST wherever applicable the FIFO Method.

Materials & consumables and general stores are charged to the Statement of Profit and Loss as and when they are procured and stock of such items at the end of the year is valued at cost.

4.6 Impairment

(a) Financial assets (other than at fair value)

The Company assesses at each date of balance sheet, whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the twelve-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly, since initial recognition.

(b) Non-financial assets

Tangible and Intangible assets

Property, Plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is an indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.



Reversal of impairment loss

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized directly in other comprehensive income and presented within equity.

4.7 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre tax rates that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A provision for onerous contract is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with the contract.

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

4.8 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

(a) Rendering of Services

Healthcare Services

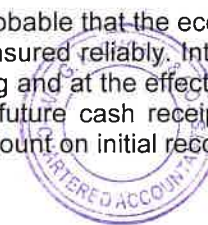
Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the amounts due from patients and/or medical funding entities. Unbilled revenue, if any, is recorded for the service where the patients are not discharged and invoice is not raised for the service.

(b) Sale of Goods

Pharmacy Sales are recognised when the significant risks and rewards of ownership is transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of returns and discounts wherever applicable. Sales are adjusted for Value Added Tax/GST wherever applicable.

(c) Interest Income

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



4.9 Employee benefits

(a) Short-term obligations

Liabilities for salaries, including other monetary and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Post-employment obligations

The Company operates the following post-employment schemes: a) defined contribution plans - provident fund b) defined benefit plans - gratuity plans

(i) Defined contribution plans

The Company has defined contribution plan for the post-employment benefits namely Provident Fund and the contributions towards such funds and schemes are recognised as employee benefits expense and charged to the Statement of Profit and Loss when they are due. The Company does not carry any further obligations with respect to this, apart from contributions made on a monthly basis.

(ii) Defined benefit plans

The Company has defined benefit plan, namely gratuity for eligible employees in accordance with the Payment of Gratuity Act, 1972 the liability for which is determined on the basis of an actuarial valuation (using the Projected Unit Credit method) at the end of each year.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the tenor of the related obligation. The liability or asset recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of the reporting period .

The service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognised in the Statement of profit and loss in the line item 'Employee benefits expense'.

Remeasurements of the net defined liability, comprising of actuarial gains and losses, return on plan assets (excluding amounts included in net interest on the net defined benefit liability) and any change in the effect of asset ceiling (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Change in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the profit or loss as past service cost.

(c) Compensated Absences

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised at an actuarially determined liability at the present value of the defined benefit obligation at the Balance sheet date. In respect of compensated absences expected to occur within twelve months after the end of the period in which the employee renders the related services, liability for short-term employee benefits is measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.



4.10 Income Taxes

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

(i) Current tax

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

(ii) Deferred Tax

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

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

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

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

4.11 Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period. Where ordinary shares are issued but not fully paid, they are treated in the calculation of basic earnings per share as a fraction of an ordinary share to the extent that they were entitled to participate in dividends during the period relative to a fully paid ordinary share. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

4.12 Fair Value Measurement

A number of Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

- (a) Level 1 - unadjusted quoted prices in active markets for identical assets and liabilities.
- (b) Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - unobservable inputs for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

The fair value of trade and other receivables, excluding construction contracts in progress, is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. However in respect of such financial instruments, fair value generally approximates the carrying amount due to short term nature of such assets. This fair value is determined for disclosure purposes or when acquired in a business combination.

4.13 Current / non- current classification

An asset is classified as current if:

- (a) it is expected to be realized or sold or consumed in the Company's normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be realized within twelve months after the reporting period; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

All other assets are classified as non-current.

A liability is classified as current if:

- (a) it is expected to be settled in normal operating cycle;
- (b) it is held primarily for the purpose of trading;
- (c) it is expected to be settled within twelve months after the reporting period;
- (d) it has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between acquisition of assets for processing / trading / assembling and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.14 Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

4.15 First Time Adoption of Ind AS

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain mandatory exceptions under Ind AS 101 and certain optional exemptions permitted under Ind AS 101 availed by the Company as detailed below:

1 Mandatory exceptions to retrospective application of other Ind AS

- (a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Previous GAAP (after adjustments to reflect any differences in accounting policies) unless there is an objective evidence that those estimates were in error.

The company has not made any changes to estimates made in accordance with Previous GAAP.

- (b) Ind AS 109 - Financial Instruments (Derecognition of previously recognized Financial Assets/ Financial Liabilities)

An entity shall apply the derecognition requirements in Ind AS 109 prospectively for the transactions occurring on or after date of transition to Ind AS.

The Company has applied the derecognition requirements prospectively.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

- (c) Ind AS 109 "Financial Instruments" (Classification and Measurement of Financial Assets/ Financial Liabilities)

Classification and measurement of Financial Assets shall be made on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of Financial Assets and accordingly has classified and measured financial assets on the date of transition.

2. Optional exemptions

- (a) Deemed cost for property, plant and equipment, and intangible assets

Ind AS 101 permits a first-time adopter to opt to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets".

Accordingly, the Company has opted to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 5 : Property, Plant and Equipment

Note 5.1 : As at March 31, 2018

Particulars	As at 01/04/2017	Gross Block				Accumulated Depreciation and Impairment			Net carrying amount
		As at 01/04/2017	Additions	Adjustments		For the year	Adjustments		
				Discard / Written Off	Other		Impairment	Other	
Owned Assets									
Land	0.35	-	-	-	0.35	-	-	-	0.35
Hospital Premises	54.96	1.17	-	-	56.13	-	-	-	52.99
Building & Flats	8.72	-	-	-	8.72	-	-	-	8.10
Medical Equipments	10.70	-	-	(0.19)	10.51	-	7.10	0.03	1.77
Plant and Machinery	1.69	-	-	(0.98)	0.71	-	-	-	0.30
Hospital Electrification	1.91	-	-	-	1.91	-	-	-	1.53
Office Equipments	0.13	-	-	(0.09)	0.04	-	-	-	0.00
Computers	0.14	-	-	(0.10)	0.04	-	-	-	(0.00)
Furniture & Fixtures	1.52	-	-	-	1.52	-	-	-	1.22
Vehicles-Others	0.87	-	-	-	0.87	-	-	-	0.38
	80.99	1.17	(1.17)	(0.19)	80.80	2.47	7.10	0.03	66.75

Note :

In view of information provided in note 1, 32 and 33 to the financial statements, the company has ceased to provide depreciation on tangible fixed assets w.e.f. 1st January, 2018.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 5.2 : As at March 31, 2017

Particulars	Accumulated Depreciation and Impairment										Net carrying amount	
	Gross Block					Adjustments						
	As at '01/04/2016	Additions	Discard / Written Off	Other	As at '31/03/2017	Up to '31/03/2016	For the year	Impairment	Other	Upto '31/03/2017		As at '31/03/2017
Owned Assets												
Land	0.35	-	-	-	0.35	-	-	-	-	-	-	0.35
Hospital Premises	54.96	-	-	-	54.96	-	-	2.29	-	-	-	52.67
Building & Flats	8.72	-	-	-	8.72	-	-	0.24	-	-	-	8.48
Medical Equipments	10.70	-	-	-	10.70	-	-	1.03	-	-	-	9.67
Plant and Machinery	1.65	0.04	-	-	1.69	-	-	0.27	-	-	-	1.42
Hospital Electrification	1.91	-	-	-	1.91	-	-	0.22	-	-	-	1.69
Office Equipments	0.13	-	-	-	0.13	-	-	0.03	-	-	-	0.10
Computers	0.13	0.01	-	-	0.14	-	-	0.03	-	-	-	0.11
Furniture & Fixtures	1.52	-	-	-	1.52	-	-	0.18	-	-	-	1.34
Vehicles-Others	0.87	-	-	-	0.87	-	-	0.22	-	-	-	0.65
	80.94	0.05	-	-	80.99	-	-	4.51	-	-	-	76.48

Note

The company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date), measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Details of gross block, accumulated depreciation and net block as per Indian GAAP are given in note 5.3

Note 5.3 : Gross block, accumulated depreciation and net block as per Indian GAAP as at April 1, 2016

Particulars	Gross carrying amount			Accumulated Depreciation			Net carrying amount		
	As at '01/04/2016	Additions	Discard / Written Off	As at '31/03/2017	Up to '31/03/2016	For the year	As at '31/03/2017	Upto '31/03/2017	As at '31/03/2017
Owned Assets									
Land	0.35	-	-	0.35	-	-	0.35	-	0.35
Hospital Premises	54.96	-	-	54.96	-	-	54.96	8.58	54.96
Building & Flats	8.72	-	-	8.72	-	-	8.72	1.40	8.72
Medical Equipments	10.70	-	-	10.70	-	-	10.70	45.27	10.70
Plant and Machinery	1.65	0.04	-	1.69	-	-	1.65	4.76	1.65
Hospital Electrification	1.91	-	-	1.91	-	-	1.91	0.93	1.91
Office Equipments	0.13	-	-	0.13	-	-	0.13	1.38	0.13
Computers	0.13	0.01	-	0.14	-	-	0.13	2.71	0.13
Furniture & Fixtures	1.52	-	-	1.52	-	-	1.52	7.56	1.52
Vehicles-Others	0.87	-	-	0.87	-	-	0.87	2.42	0.87
	80.94	0.05	-	80.99	-	-	155.95	75.01	80.94



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 6 : Other Intangible Assets

Note 6.1 : As at March 31, 2018

Particulars	Gross Block				Accumulated Depreciation		Net carrying amount As at 31/03/2018
	As at 01/04/2017	Additions	Deduction / Discard	As at 31/03/2018	For the year	Upto 31/03/2018	
Softwares	-	0.05	-	0.05	-	-	0.05
	-	0.05	-	0.05	-	-	0.05

Note :

In view of information provided in note 1, 32 and 33 to the financial statements, the company has ceased to provide depreciation on tangible fixed assets w.e.f. 1st January, 2018.

Note 6.2 : As at March 31, 2017

Particulars	Gross Block				Accumulated Depreciation		Net carrying amount As at 31/03/2017
	As at 01/04/2016	Additions	Deduction / Discard	As at 31/03/2017	For the year	Upto 31/03/2017	
Softwares	0.17	-	(0.17)	-	-	-	-
	0.17	-	(0.17)	-	-	-	-

Note

The company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date), measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Details of gross block, accumulated depreciation and net block as per Indian GAAP are given in note 6.3

Note 6.3 : Gross block, accumulated depreciation and net block as per Indian GAAP as at April 1, 2016

Particulars	Gross carrying amount		Accumulated Depreciation		Net carrying amount
	As at 01/04/2016	As at 31/03/2017	For the year	Upto 31/03/2017	
Softwares	1.48	1.31	1.48	1.31	0.17
	1.48	1.31	1.48	1.31	0.17



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 7 : Other Financial Assets

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- current			
Security deposits	-	-	0.11
	-	-	0.11
Current			
Interest receivable	-	0.05	0.10
Other recoverables	0.22	-	0.76
	0.22	0.05	0.86
	0.22	0.05	0.97



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 8 : Tax Expenses

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred tax assets		
Opening balance	0.02	0.40
Adjustment for the current year (Charged)/Credited through P/L / OCI	(0.02)	(0.38)
Total :	-	0.02

Note 8.1 : Significant components of deferred tax assets are shown in the following table:

Particulars	As at March 31, 2018	Charged / (Credited)	As at March 31, 2017	Charged / (Credited)	As at April 1, 2016
Deferred tax assets					
Routed through Profit and Loss					
Provision for leave obligation and gratuity	-	(0.02)	0.02	(0.38)	0.40
On unabsorbed Depreciation	-	-	-	(4.29)	4.29
Total [A]	-	(0.02)	0.02	(4.67)	4.69
Deferred tax Liabilities					
On Depreciable Assets	-	-	-	4.29	(4.29)
Total [B]	-	-	-	4.29	(4.29)
Net Deferred Tax Assets	-	(0.02)	0.02	(0.38)	0.40

Note 8.2 : The reconciliation between the provision of income tax and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

[₹ in Million]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit/loss before taxes from continuing operations	(12.11)	(22.13)
Current tax expense calculated using current tax rate	30.90%	30.90%
Current tax expense	-	-
Add: Tax effect of amounts which are not deductible (taxable) in calculating taxable income;		
Gratuity / Leave encashment allowable on payment basis	-	0.30
Leave encashment provision no longer required	0.02	0.08
Total :	0.02	0.38



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 8.3 : Income tax expense has been allocated as follows:

[₹ in Million]

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Income tax expense recognised in the Statement of Profit and loss		
Current tax on profits for the year	-	-
Deferred tax (other than disclosed under OCI)		
Decrease / (increase) in deferred tax assets	0.02	0.38
Income tax expense / (income) attributable to continuing operations	Total : 0.02	0.38



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 9 : Inventories

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Medicines and Medicare Items	-	-	1.38
General Stores	-	-	0.13
	-	-	1.51

Note 10 : Trade Receivables

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured			
Considered good	-	0.49	7.33
Doubtful	17.47	17.73	13.24
Less: Provision for doubtful debts / allowances for expected credit losses	(17.47)	(17.73)	(13.24)
	-	0.49	7.33

Note 11 : Cash and cash equivalents

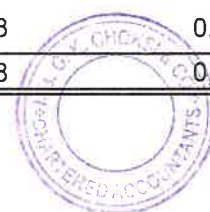
[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with Bank			
Current accounts	0.40	0.35	5.88
Cash on hand	-	0.01	0.17
	0.40	0.36	6.05

Note 12 : Other Bank Balances

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed Deposits with Original Maturity for more than 3 months but less than 12 months	0.48	0.32	0.80
	0.48	0.32	0.80



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 13 : Current tax Assets

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax	3.28	3.27	6.15
Less: Provision for tax	-	-	-
	<u>3.28</u>	<u>3.27</u>	<u>6.15</u>

Note 14 : Other Current Assets

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balance with excise, customs and other authorities	0.23	-	0.04
Pre-paid expenses	-	0.04	0.10
Doctors	-	-	0.02
Others	0.11	-	-
	<u>0.34</u>	<u>0.04</u>	<u>0.16</u>



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 15 : Equity share capital

Particulars	[₹ in Million]		
	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised share capital			
2 00 000 (March 31, 2017: 2,00,000 April 01, 2016: 2,00,000) Equity Shares of ₹ 100/ each fully paid up	20.00	20.00	20.00
Issued, Subscribed and fully paid up			
1 80 000 (March 31, 2017: 1,80,000; April 01, 2016: 1,80,000) Equity Shares of ₹ 100/ each fully paid up	18.00	18.00	18.00
	18.00	18.00	18.00

Reconciliation of number of shares outstanding at the beginning and at the end of the Reporting Year

Particulars	[₹ in Million]	
	As at March 31, 2018	As at March 31, 2017
At the beginning of the year	0.18	0.18
Add: Issued during the year	-	-
Less:		
Shares bought back / Redemption	0.18	0.18
At the end of the year	0.18	0.18



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Rights, Preferences and Restrictions

The Authorised Share Capital of the Company consists of Equity Shares both having nominal value of ₹ 100/- each. The rights and privileges to equity shareholders are general in nature and allowed under Companies Act, 2013.

The equity shareholders shall have:

(i) a right to vote in shareholders' meeting. On a show of hands, every member present in person shall have one vote and on a poll, the voting rights shall be in proportion to his share of the paid up capital of the Company;

(ii) a right to receive dividend in proportion to the amount of capital paid up on the shares held.

The shareholders are not entitled to exercise any voting right either in person or through proxy at any meeting of the Company if calls or other sums payable have not been paid on due date.

In the event of winding up of the Company, the distribution of available assets/losses to the equity shareholders shall be in proportion to the paid up capital.

The holders of equity shares are entitled to receive dividends as declared from time to time. No dividend shall be payable except out of profits of the Company arrived at in the manner provided for in Section 123 of the Companies Act, 2013.

Details of shareholders holding more than 5% Shares in the company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of Shares	% of holding	No. of Shares	% of holding	No. of Shares	% of holding
Dr. Digambar S. Naik	-	-	40 500	22.50	40 500	22.50
Mrs. Mangala D. Naik	-	-	40 500	22.50	40 500	22.50
Shalby Ltd. (with nominees)	1 80 000	100.00	99 000	55.00	99 000	55.00



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 16 : Other Equity

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Securities Premium	75.10	75.10	75.10
Retained Earnings	(120.34)	(108.21)	(85.70)
	(45.24)	(33.11)	(10.60)

Note 16.1 Reconciliation of Other Equity

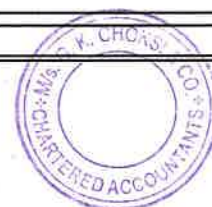
[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Securities Premium			
Balance as per previous financial statements	75.10	75.10	75.10
Add : Additions during the year	-	-	-
Balance at the end of the year	75.10	75.10	75.10
Surplus / (Deficit) in Statement of Profit & Loss			
Balance as per previous financial statements	(108.21)	(85.70)	(85.70)
Add : Profit / (Loss) for the year	(12.13)	(22.51)	-
Add / (Less): OCI for the year	-	-	-
Balance available for appropriation	(120.34)	(108.21)	(85.70)
Less: Appropriation	-	-	-
Net Surplus / (Deficit)	(120.34)	(108.21)	(85.70)
	(45.24)	(33.11)	(10.60)

Note 17 : Provisions

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non- Current			
Provision for employee benefits			
Gratuity	-	-	0.91
Leave obligation	-	-	0.26
	-	-	1.17
Current			
Provision for employee benefits			
Gratuity	-	-	0.07
Leave obligation	-	-	0.04
	-	-	0.11
	-	-	1.28



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 22 : Revenue from Operations

[₹ in Million]

Particulars	2017-2018	2016-2017
Sale of products	-	1.19
Sale of services	-	12.27
	-	13.46

Break up of sales of product

[₹ in Million]

Particulars	2017-2018	2016-2017
Medicines & Medicare Items	-	1.19

Break up of sales of services

[₹ in Million]

Particulars	2017-2018	2016-2017
Income from Healthcare Services		
In Patient Discharge		
Domestic	-	3.98
Overseas	-	-
Out Patient Discharge	-	6.96
Diagnostic Services	-	1.29
Allied Services	-	0.04
	-	12.27

Note 23 : Other Income

[₹ in Million]

Particulars	2017-2018	2016-2017
Interest Income		
From Banks	0.01	0.05
On Income Tax Refund	-	0.48
	0.01	0.53
Rent	-	0.02
Profit on sale of assets	0.06	-
Other Non-Operating Income		
Sundry balances written back (Net)	7.57	6.64
Miscellaneous	-	0.07
Provision no longer required	0.26	0.26
	7.83	6.97
Total :	7.90	7.52



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 24 : Operative expenses

[₹ in Million]

Particulars	2017-2018	2016-2017
Materials and Consumables	-	1.06
Diagnostic Expenses	-	0.54
Fees to Doctors and Consultants	-	5.28
Power, Fuel and Water Charges	1.01	1.86
Housekeeping expenses	-	0.02
Other Operative Expenses	-	0.15
Total :	1.01	8.91

Note 25 : Purchase of Stock-in-trade

[₹ in Million]

Particulars	2017-2018	2016-2017
Medicines and Medicare Items	-	0.12
Total :	-	0.12

Note 26 : Changes in Inventories

[₹ in Million]

Particulars	2017-2018	2016-2017
Closing stock		
Medicine and Medical Items	-	-
Opening stock		
Medicine and Medical Items (net of stock returned & written off)	-	0.89
	-	0.89

Note 27 : Employee benefits expense

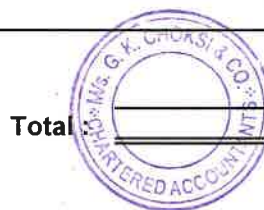
[₹ in Million]

Particulars	2017-2018	2016-2017
Salary, Allowances & Bonus	0.65	8.92
Contribution to Provident & other funds	0.10	0.95
Total :	0.75	9.87

Note 28 : Finance Cost

[₹ in Million]

Particulars	2017-2018	2016-2017
Interest		
On Borrowings	6.22	9.18
Total	6.22	9.18



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 29 : Depreciation and Amortization

[₹ in Million]

Particulars	2017-2018	2016-2017
Depreciation expense on property, plant and equipment	2.47	4.51
Amortization expense on intangible assets	-	-
Total :	2.47	4.51

Note 30 : Other expenses

[₹ in Million]

Particulars	2017-2018	2016-2017
Rent, Rates & Taxes	0.02	0.24
Stationery & Printing	-	0.38
Insurance	0.02	0.08
Fees and Legal Expenses	0.16	0.19
Auditors Remuneration	-	0.29
Travelling and Conveyance	0.02	0.61
Communication	-	0.18
Repairs and Maintenance	0.04	1.07
Advertisement	-	0.13
Impairment on asset	7.10	-
Transportation Charges	-	0.02
Bank Charges & Other Service Charges	0.07	-
Income tax expenses	-	0.11
Stock written off	-	0.27
Fixd asset discarded	1.17	0.17
Gas Cylinder	-	-
Miscellaneous Expense	0.36	0.13
Interest on Service Tax	-	-
Interest on TDS	-	0.09
Entertainment Expense	-	0.04
Newspapers & Magazines	-	0.01
Security Expense	0.57	1.13
Sundry Balance Written off	0.03	-
Provision for Bad & Doubtful Debts	-	4.49
	9.56	9.63
Payment to Auditor		
As Auditors	-	0.29

Note 31 : Earning per Share

Particulars	2017-2018	2016-2017
Profit attributable to Equity shareholders (₹)	(12.13)	(22.51)
Basic		
Number of equity shares	0.18	0.18
Basic earning per Share (₹)	(67.39)	(125.06)
Diluted earning per Share (₹)	(67.39)	(125.06)



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

32. The proceedings u/s. 397-398 of the Companies Act, 1956, initiated by two shareholders of the Company vide Company Petition No. 18/2015 (CA 14/2017) before Company Law Board and later upon order of The Hon'ble High Court of Bombay at Goa remanded back to Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, has been disposed off vide order dated 18th August, 2017 in pursuance of final settlement arrived at between the parties to the dispute post filing the consent terms dated 14th July, 2017 before the appropriate authorities.

Pursuant to aforesaid settlement and consent terms dated 14th July, 2017 filed before NCLT, the two shareholders, i.e. Dr. Digambar Naik and Mrs. Mangala Naik, agreed to transfer their balance entire 45% shareholding i.e. 40,500 shares owned by Dr. Digambar Naik and 40,500 shares owned by Mrs. Mangala Naik, in favour of Shalby Limited, the holding company, at agreed total consideration of ₹ 46.80 Million to be paid by Shalby Limited. The company, by virtue of such settlement and upon transfer of aforesaid shares, shall become wholly owned subsidiary Company of Shalby Limited. Further by virtue of settlement, the aforesaid two shareholders i.e. Dr. Digambar Naik and Mrs. Mangala Naik have agreed to settle all their rights, claims, entitlement as shareholders, directors or in any other capacity at a consideration referred above as full and final settlement. In view of such full and final settlement the amount of outstanding unsecured loan along with interest payable thereon by the company is no longer payable to Dr. Digambar Naim and accordingly the same has been transferred to Statement of Profit and Loss for the current financial year under the head "Sundry balances written back".

33. Pursuant to settlement referred at note 32, the company, in an attempt to resume the operations at hospitals, could not find it financial viable and therefore the Board of Directors of the company, vide circular resolution deemed to be passed on 9th January, 2018, consented to cease the entire operations with immediate effect. Consequent to such resolution, the financial statements of the company for the current financial year have been prepared on assumption that the company henceforth is non-going concern.

34. Contingent Liabilities and Capital Commitments

[₹ in Million]

Particulars	As at March 31, 2018	As at March 31, 2017
(A) Contingent Liabilities		
(i) Sales Tax Demand including Interest & Penalty for Assessment Years 2011-2012	1.09	1.09
2013-2014	2.26	2.23
(ii) TDS demand for F.Y.2007-08 to F.Y.2015-16 (refer note below)	0.52	0.52

Note : The company had received the aforesaid claim on account of inclusion of incorrect Permanent Account Numbers in Return of TDS in the previous year. The company is in the process of rectifying the same and accordingly has not provided for aforesaid liability.

35. Employee Benefits

- (a) Defined contribution to provident fund

The company makes contribution towards Employees' Provident Fund. In accordance with the provisions of these schemes, the Company is required to contribute a specified percentage of payroll costs. The Company has, during the year, recognized the sum of ₹ 0.03 Million (P.Y. ₹ 0.53 Million) as expense towards contributions to these plans.



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

(b) Defined Benefit Plan

The following table sets out the status of the defined benefit plans as at March 31, 2018.

[₹ in Million]

Particulars	2017-18	2016-17	2017-18	2016-17
	Gratuity	Gratuity	Leave encashment	Leave encashment
	Unfunded	Unfunded	Unfunded	Unfunded
Changes in the present value of obligation				
1. Present value of obligation (Opening)	--	0.98	--	0.30
2. Interest cost	--	--	--	--
3. Past service cost	--	--	--	--
4. Current service cost	--	--	--	--
5. Curtailment Cost / (Gain)	--	--	--	--
6. Settlement Cost / (Gain)	--	--	--	--
7. Benefits paid/payable	--	(0.98)	--	(0.04)
8. Actuarial (Gain) / Loss/ balances written back	--	--	--	(0.26)
9. Present value of obligation (Closing)	--	--	--	--
Changes in the fair value of plan assets				
1. Present value of plan assets (Opening)	--	--	--	--
2. Expected return on plan assets	--	--	--	--
3. Actuarial Gain / (Loss)	--	--	--	--
4. Employers Contributions	--	--	--	--
5. Employees Contributions	--	--	--	--
6. Benefits paid	--	--	--	--
7. Fair Value of Plan Assets (Closing)	--	--	--	--
Percentage of each category of plan assets to total fair value of plan assets at the year end				
1. Bank Deposits	--	--	--	--
2. Debt Instruments	--	--	--	--
3. Administered by Life Insurance Corporation of India	--	--	--	--
4. Others	--	--	--	--
Reconciliation of the present value of defined benefit obligation and the fair value of assets				
1. Present value of funded obligation as at the year end	--	--	--	--
2. Fair value of plan assets as at year end	--	--	--	--
3. Funded (Asset)/Liability recognized in the balance sheet	--	--	--	--
4. Present value of unfunded obligation as at the year end	--	--	--	--
5. Unrecognized past service cost	--	--	--	--
6. Unrecognized Actuarial (Gains) / Losses	--	--	--	--
7. Unfunded net liability recognized in the balance sheet	--	--	--	--
Amount recognized in the balance sheet				
1. Present value of obligation as at the year end	--	--	--	--
2. Fair value of plan assets as at the year end	--	--	--	--
3. (Asset) / Liability recognized in the balance sheet	--	--	--	--



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

(b) Defined Benefit Plan

[₹ in Million]

Particulars	2017-18	2016-17	2017-18	2016-17
	Gratuity	Gratuity	Leave encashment	Leave encashment
	Unfunded	Unfunded	Unfunded	Unfunded
Expenses recognized in the Statement of Profit and Loss				
1. Current service cost	--	--	--	--
2. Past service cost	--	--	--	--
3. Interest cost	--	--	--	--
4. Expected return on plan assets	--	--	--	--
5. Curtailment Cost / (Credit)	--	--	--	--
6. Settlement Cost / (Credit)	--	--	--	--
7. Net Actuarial (Gain) / Loss	--	--	--	--
8. Employee's Contribution	--	--	--	--
9. Total expenses recognized in the profit and loss account	--	--	--	--
Principal actuarial assumption				
1. Rate of discounting	--	--	--	--
2. Expected return on plan assets	--	--	--	--
3. Rate of increase in salaries	--	--	--	--

36. Segment Reporting

The Company is mainly engaged in the business of setting up and managing hospitals and medical diagnostic services which constitute a single business segment. These activities are mainly conducted only in one geographical segment viz, India. Therefore, the disclosure requirements under the Ind AS 108 "Operating Segments" are not applicable.

37. Related party disclosures

1. Related Party Disclosures for the year ended March 31, 2018

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1 2	Dr. Digambar S. Naik Mrs. Mangala Naik	Individuals Exercising Significant Influence (Up to 18 th August, 2017)
3	Dr. Richa Naik	Relative of Individuals Exercising Significant Influence (Up to 18 th August, 2017)
4	Shalby Limited	Holding Company
5 6 7 8	Shalby (Kenya) Ltd. Yogeshwar Healthcare Ltd. Shalby International Ltd Griffin Mediquip LLP	Fellow subsidiaries
9 10 11 12 13	Bhagirathi Surya Naik Memorial Trust Vrundavan Cardiac Center / Institute Golden Health Services IIMT Vrundavan Reachout	Other Relatives- Enterprise over which individuals referred to at Sr. No. 1, 2 and / or 3 above exercise significant influence (Up to 18 th August, 2017)

VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

(b) Transactions with related parties for the year ended March 31, 2018 in the ordinary course of business:

[₹ in Million]

Sr. No.	Nature of transaction	Relationship	2017-2018
(i)	Interest Expense - Shalby Limited	Holding Company	2.53

(c) Outstanding Balances as at March 31, 2018

[₹ in Million]

Sr. No.	Nature of transaction	Relationship	2017-2018
(i)	Short term Borrowings (Unsecured Loan) - Shalby Limited	Holding Company	77.70
(ii)	Interest Payable - Shalby Limited	Holding Company	19.09

2. Related Party Disclosures for the year ended March 31, 2017

(a) List of related parties with whom transactions have taken place during the year and relationship:

Sr. No.	Name of related party	Relationship
1 2	Dr. Digambar S. Naik Mrs. Mangala Naik	Individuals Exercising Significant Influence
3	Dr. Richa Naik	Relative of Individuals Exercising Significant Influence
4	Shalby Limited	Holding Company
5 6 7 8	Shalby (Kenya) Ltd. Yogeshwar Healthcare Ltd. Shalby International Ltd Griffin Mediquip LLP	Fellow subsidiaries
9 10 11 12 13	Bhagirathi Surya Naik Memorial Trust Vrundavan Cardiac Center / Institute Golden Health Services IIMT Vrundavan Reachout	Other Relatives- Enterprise over which individuals referred to at Sr. No. 1, 2 and / or 3 above exercise significant influence



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

(b) Transactions with related parties for the year ended March 31, 2017 in the ordinary course of business:

[₹ in Million]

Sr. No.	Nature of transaction	Relationship	2016-2017
(i)	Interest Expense - Shalby Ltd.	Holding Company	5.31
(ii)	Reimbursement of Expenses - Shalby Ltd.	Holding Company	0.10
(iii)	Purchase of Medicine, Materials and Consumables - Griffin Mediquip LLP	Fellow subsidiaries	0.01
(iv)	Sale of Medicine, Materials and Consumables - Griffin Mediquip LLP	Fellow subsidiaries	0.51

(c) Outstanding Balances as at March 31, 2017

[₹ in Million]

Sr. No.	Nature of transaction	Relationship	2016-2017
(i)	Trade payable - Dr. Digambar S. Naik - Dr. Richa Naik	Individuals Exercising Significant Influence Relative of Individuals Exercising Significant Influence	0.23 0.32
(ii)	Short Term Borrowings (Unsecured Loan) - Shalby Ltd. - Dr. Digambar S. Naik	Holding Company Individuals Exercising Significant Influence	29.92 4.69
(iii)	Interest payable - Shalby Ltd. - Dr. Digambar S. Naik	Holding Company Individuals Exercising Significant Influence	19.09 0.52
(iv)	Trade Receivable - Griffin Mediquip LLP	Fellow subsidiaries	0.50



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

3. Related Party Disclosures as at April, 01 2016

(a) List of related parties

Sr. No.	Name of related party	Relationship
1 2	Dr. Digambar S. Naik Mrs. Mangala Naik	Individuals Exercising Significant Influence
3	Dr. Richa Naik	Relative of Individuals Exercising Significant Influence
4	Shalby Limited	Holding Company
5 6 7 8	Shalby (Kenya) Ltd. Yogeshwar Healthcare Ltd. Shalby International Ltd. Griffin Mediquip LLP	Fellow subsidiaries
9 10 11 12 13	Bhagirathi Surya Naik Memorial Trust Vrundavan Cardiac Center / Institute Golden Health Services IIMT Vrundavan Reachout	Other Relatives- Enterprise over which individuals referred to at Sr. No. 1, 2 and / or 3 above exercise significant influence

(b) Outstanding Balances as at April, 01 2016

[₹ in Million]

Sr. No.	Nature of transaction	Relationship	As at 1 st April, 2016
(i)	Trade payable - Dr. Digambar S. Naik - Mrs. Mangala Naik - Dr. Richa Naik	Individuals Exercising Significant Influence Relative of Individuals Exercising Significant Influence	2.78 0.85 0.32
(ii)	Short Term Borrowings (Unsecured Loan) - Shalby Ltd. - Dr. Digambar S. Naik	Holding Company Individuals Exercising Significant Influence	29.92 4.69
(iii)	Other payable - Shalby Ltd.	Holding Company	0.45
(iv)	Ininterest payable - Shalby Ltd. - Dr. Digambar S. Naik	Holding Company Individuals Exercising Significant Influence	14.31 0.52



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Note 38: Fair value measurements

A. Financial instruments by category

[₹ in Million]

Particulars	31-Mar-18			31-Mar-17			01-Apr-16		
	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI
Trade and other receivables	--	--	--	0.49	--	--	7.32	--	--
Cash and cash Equivalents	0.40	--	--	0.36	--	--	6.05	--	--
Other bank balances	0.48	--	--	0.32	--	--	0.80	--	--
Other financial assets	0.22	--	--	0.05	--	--	0.97	--	--
Total Financial Assets	1.10	--	--	1.22	--	--	15.14	--	--
Financial Liabilities									
Borrowings	77.70	--	--	65.56	--	--	63.01	--	--
Trade payables	1.46	--	--	4.76	--	--	1 3.89	--	--
Other financial liabilities	1 9.09	--	--	25.46	--	--	17.71	--	--
Total Financial Liabilities	98.25	--	--	95.78	--	--	94.61	--	--



Notes forming part of financial statements

Note 39: Financial risk management

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The Company's risk management policies are established to identify and analyses the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management of risk
Credit risk	Cash and cash equivalents, trade receivables, Financial assets measured at amortized cost.	Aging analysis	Diversification of bank deposits, and Regular monitoring.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of surplus and borrowing facilities

(a) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The company is exposed to the credit risk from its trade receivables, unbilled revenue, investments, cash and cash equivalents, bank deposits and other financial assets. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

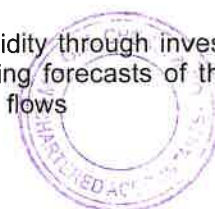
Cash and Cash Equivalents

Credit risk on cash and cash equivalents and other deposits with banks is limited as the Company generally invests in deposits with banks with high credit ratings assigned by external credit rating agencies; accordingly the Company considers that the related credit risk is low. Impairment on these items is measured on the 12-month expected credit loss basis.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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 are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's treasury maintains flexibility in funding by maintaining liquidity through investments in fixed deposit and other committed credit lines. Management monitors rolling forecasts of the group's liquidity position & cash and cash equivalents on the basis of expected cash flows



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

Financing arrangements

The working capital position of the Company is given below:

[₹ in Million]

Particulars	31-Mar-18	31-Mar-17	01-Apr-16
Cash and cash equivalents	0.40	0.36	6.05

Liquidity Table

The Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods is given below. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

As at March 31, 2018

[₹ in Million]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Current Financial Liabilities			
Borrowings	77.69	--	--
Trade payables	1.47	--	--
Other financial liabilities	19.09	--	--
Total financial liabilities	98.25	--	--

As at March 31, 2017

[₹ in Million]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Current Financial Liabilities			
Borrowings	65.56	--	--
Trade payables	4.76	--	--
Other financial liabilities	25.46	--	--
Total financial liabilities	95.78	--	--

As at April 1, 2016

[₹ in Million]

Financial Liabilities	Less than 1 year	2-5 years	5 years and above
Current Financial Liabilities			
Borrowings	63.01		
Trade payables	13.89		
Other financial liabilities	17.71		
Total financial liabilities	94.61		



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

40 Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

40.1 Reconciliation of equity as on March 31, 2017

[₹ in Million]

Particulars	Reference Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS
		INR	INR	INR
ASSETS				
Non-current assets				
Property, Plant and Equipment		76.48	-	76.48
Other Intangible Assets		-	-	-
Financial Assets				
Other Financial Assets		-	-	-
Deferred tax asset		0.02	-	0.02
Current assets				
Inventories		-	-	-
Financial assets				
Trade Receivables		0.49	-	0.49
Cash and Cash Equivalents		0.36	-	0.36
Other Bank Balances		0.32	-	0.32
Other Financial Assets		0.05	-	0.05
Current Tax Assets (Net)		3.27	-	3.27
Other Current Assets		0.04	-	0.04
Total Assets		81.03	-	81.03
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital		18.00	-	18.00
Other Equity	1	(33.05)	(0.06)	(33.11)
Liabilities				
Non-current Liabilities				
Provisions		-	-	-
Current liabilities				
Financial Liabilities				
Borrowings		65.56	-	65.56
Trade Payables	1	4.70	0.06	4.76
Other Financial Liabilities		25.46	-	25.46
Provisions		-	-	-
Other Current liabilities		0.36	-	0.36
Total Equity and Liabilities		81.03	-	81.03

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

1. Prior Period adjustment has been given effect



VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

40.2 Reconciliation of equity as on April 1, 2016

Particulars	Reference Notes	Amount as per IGAAP*	Effects of transition to Ind AS	Amount as per Ind AS	per Ind
		INR	INR	INR	
ASSETS					13.46
Non-current assets					7.52
Property, Plant and Equipment		80.94	-	80.94	20.98
Other Intangible Assets		0.17	-	0.17	
Financial Assets					8.91
Other Financial Assets		0.11	-	0.11	0.12
					0.89
Deferred tax asset		0.39	-	0.39	9.87
					-
					9.18
Current assets					4.51
Inventories		1.51	-	1.51	9.63
Financial assets					43.11
Trade Receivables		7.33	-	7.33	
Cash and Cash Equivalents		6.05	-	6.05	(22.13)
Other Bank Balances		0.80	-	0.80	-
Other Financial Assets		0.86	-	0.86	
Current Tax Assets (Net)		6.15	-	6.15	(22.13)
Other Current Assets		0.16	-	0.16	
Total Assets		104.47	-	104.47	-
EQUITY AND LIABILITIES					0.38
					0.38
Equity					
Equity Share Capital		18.00	-	18.00	(22.51)
Other Equity		(10.60)	-	(10.60)	
Liabilities					
Non-current Liabilities					
Provisions		1.17	-	1.17	
Current liabilities					
Financial Liabilities					
Borrowings		63.01	-	63.01	-
Trade Payables		13.89	-	13.89	-
Other Financial Liabilities		17.71	-	17.71	(22.51)
Provisions		0.11	-	0.11	
Other Current liabilities		1.18	-	1.18	
Total Equity and Liabilities		104.47	-	104.47	

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



for the

VRUNDAVAN SHALBY HOSPITALS LIMITED

Notes forming part of financial statements

43. Statement of Management

- (a) The current assets, loans and advances are good and recoverable and are approximately of the values, if realized in the ordinary course of business unless and to the extent stated other wise in the Accounts. Provision for all known liabilities is adequate and not in excess of amount reasonably necessary. There are no contingent liabilities except those stated in the notes.
- (b) Balance Sheet, Statement of Profit & Loss, Cash Flow Statement and Statement of Changes in Equity read together with the schedules to the accounts and notes thereon, are drawn up so as to disclose the information required under the Companies Act, 2013 as well as give a true and fair view of the statement of affairs of the Company as at the end of the year and results of the Company for the year under review.

- 44.** The previous year's figures have been reworked, regrouped and reclassified wherever necessary to correspond with the current year's classification / disclosure.

FOR G. K. CHOKSI & CO

[Firm Registration No. 101895W]
Chartered Accountants



J. D. PATEL
Partner
Mem. No. 32780

FOR AND ON BEHALF OF BOARD



VIRAL SHAH
Director
DIN : 02928038



RAVI BHANDARI
Director
DIN : 06395271

Place : Ahmedabad

Date : **5 MAY 2018**

Place : Ahmedabad

Date : **5 MAY 2018**

