

**DIRECTORS' REPORT**

To  
The Members,

The Directors of your Company are pleased to present the Third Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2016.

**STATUS OF THE PROJECT**

Jaypee Healthcare Limited (**"the Company"**) was incorporated on 30<sup>th</sup> October, 2012 as a wholly owned subsidiary of Jaypee Infratech Limited to establish "Jaypee Hospital". Jaypee Hospital located at Sector - 128, Noida was established with the vision to promote world-class healthcare amongst the masses by providing quality and affordable medical care with commitment.

Jaypee Hospital is the flagship hospital of Jaypee Group, which heralds the group's noble intention to enter the healthcare space. Jaypee Hospital has been planned and designed as a 1200 bed tertiary care multi specialty healthcare facility and has commissioned 525 beds in the first phase.

Jaypee Hospital is constructed across a sprawling twenty five acre campus in Noida which is easily accessible from Delhi, Noida and Yamuna Expressway.

During the year under review the Company has commenced the operation of various healthcare facilities and got equipped with cutting edge technology for diagnostics, medical and surgical modalities such as Modular Operation Theaters, Cardiac Surgery, Radiology and Imaging solutions, Radiation Oncology solutions, Liver/Kidney/Bone marrow transplant etc.

**FINANCIAL HIGHLIGHTS**

The working results of the Company for the year under review are as under:

(Rupees in Crores)			
Sl. No.	Particulars	Year ended 31.03.2016	Year ended 31.03.2015
(A)	<b>PROFITABILITY</b>		
	Total Income during the year	90.16	10.27
	Total expenses (except depreciation/ finance costs)	102.07	11.02
	Finance costs	26.41	1.77
	Depreciation & amortization	17.16	2.03
	Total Expenses (2+3+4)	145.65	14.83

	Exceptional/Extra-ordinary items	-	-
	Profit before Tax	(55.49)	(4.56)
	<b>Profit after Tax</b>	(55.49)	(4.56)
<b>(B)</b>	<b>LIABILITIES &amp; ASSETS</b>		
1	Share Capital	427.50	427.50
2	Reserves & Surplus	(61.31)	(5.82)
3	Non Current Liabilities	375.68	324.15
4	Current Liabilities	115.55	97.95
5	<b>Total Equity &amp; Liabilities</b>	857.42	843.78
6	Non Current Assets	797.39	710.93
7	Current Assets	60.03	132.85
8	<b>Total Assets</b>	857.42	843.78

### **DIVIDEND**

Your Directors express their inability to recommend any dividend for the Financial Year 2015-16 due to non-availability of profits.

### **RESERVES**

During the year under review no amount has been transferred to reserves due to non-availability of profits.

### **SHARE CAPITAL**

During the year under review, there was no change in Authorized and Paid-up Share Capital of the Company. As at 31<sup>st</sup> March, 2016, the Authorized Share Capital was Rs. 600 Crores divided into 60,00,00,000 Equity Shares of Rs. 10/- each. Paid-up Equity Share Capital of the Company was Rs. 427.50 Crores divided into 42,75,00,000 Equity Shares of Rs. 10/- each.

### **SUBSIDIARY COMPANY**

During the year under review, the Company do not have any Subsidiary Companies within the meaning of Section 2(87) of the Companies Act, 2013, and Associate company in terms of Section 2(6) of the Companies Act, 2013.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (5) of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Companies Act, 2013 have been followed and there are no material departures from the same;

- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and profit & loss of the Company for the year ended on that date;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis;
- (e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively and same are being strengthened on continuous basis from time to time.

#### **CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Manoj Gaur and Shri Gyan Prakash Gaur Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

During the year under review following changes occurred in the offices of Directors/KMP's of the Company:

S.No.	Name	Designation	Date of Appointment	Date of Resignation
1.	Smt. Suman Lata	Company Secretary	-	28.07.2015
2.	Ms. Malvika Mall	Company Secretary	30.07.2015	-
3.	Dr. Vikram Singh Raghuvanshi	Director	-	12.10.2015

#### **DECLARATION BY THE INDEPENDENT DIRECTORS**

The Company has received declarations of independence in terms of Section 149(7) of the Companies Act, 2013 from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.





**MEETINGS OF BOARD OF DIRECTORS**

The Board of Directors met 5 (five) times during the financial year 2015-16. The Board Meetings were held on: i) 25.05.2015, ii) 27.07.2015 iii) 30.07.2015, iv) 27.11.2015, and v) 18.03.2016.

The intervening gap between the two Board Meetings was within the period prescribed under the Companies Act, 2013.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, formal evaluation of the performance of the Board, its Committees and individual Directors was carried out by the Board of Directors for the financial year 2015-16, on the criteria and framework adopted by the Board.

The Board of Directors evaluated the performance of the Board as a whole and of its Committees after seeking inputs from the Directors and from the members of the Committee (s) respectively, on the composition and structure, effectiveness of processes, information and functioning etc. Further, the board (excluding Director being evaluated) evaluated the performance of individual Directors on criteria such as participation/contribution at the Board/Committee meetings; general understanding of the Company's business dynamics etc. The Board voted satisfactory performance of the Board, its Committee and the individual Director.

**COMMITTEES OF THE BOARD**

Currently, the Board has three committees, the Audit Committee, Nomination and Remuneration Committee and Finance Committee.

The Board has a defined set of guidelines and an established framework for conducting the meetings of the said Committees. The composition of the committees and scope of work, are as per the applicable provisions of the Companies Act, 2013 read with Rules framed thereunder.

**I. AUDIT COMMITTEE:**

During the year under review, the Audit Committee of the Board of Directors was reconstituted to induct Independent Directors as members of the Committee forming majority in terms of the provision of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014.

After such reconstitution, Audit Committee consists of three Directors namely Shri Atanu Sen as Chairman, Shri Sham Lal Mohan, Independent Director and Smt. Rekha Dixit, Whole-time Director as

members. All the members of the committee have knowledge of financial and accounting matters.

Further, as per the requirement under Section 177(8) of the Companies Act, 2013, it is stated that there is no instance where the Board has not accepted the recommendations of the Audit Committee.

## **II. NOMINATION AND REMUNERATION COMMITTEE:**

During the year under review, the Nomination and Remuneration Committee of the Board of Directors was reconstituted to induct Independent Directors as members of the Committee forming majority in terms of the provisions of Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014.

After such reconstitution, Nomination and Remuneration Committee consists of three Directors namely Shri Sham Lal Mohan as Chairman, Shri Atanu Sen, Independent Director and Shri Sachin Gaur, Director & CFO as members.

The Nomination and Remuneration Committee discharges responsibilities as per terms of reference envisaged under Section 178 of the Companies Act, 2013 along with such matters as may be referred to it by the Board.

## **III. FINANCE COMMITTEE:**

The Finance Committee consists of three Directors namely Smt. Rekha Dixit as Chairperson, Shri Sachin Gaur and Shri Sunny Gaur. Role of the Finance Committee, inter-alia, includes to facilitate the availing of funds requirement from Banks/Financial Institutions/Companies/other persons/firms and body corporate.

## **POLICY ON DIRECTOR'S, KMP'S & OTHER EMPLOYEES APPOINTMENT & REMUNERATION**

The Nomination & Remuneration Committee of the Board of Directors of the Company perform such functions as prescribed under Section 178 of the Companies Act, 2013. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the candidate for his / her appointment as Director, KMP, or at senior management level.

A policy approved by the Board of Directors relating to selection, appointment and Remuneration for Directors, KMPs and other employees is enclosed as **ANNEXURE-A** to this Report.



## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, your Company had not given any loans, guarantees or provided any security or made any investment in terms of the provisions of Section 186 of the Companies Act, 2013.

## **RELATED PARTY TRANSACTIONS**

During the year under review no contract/arrangement was entered into by the Company with the related parties which were not in the ordinary course of business or not on arms' length basis.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2, pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8 (2) of Companies (Accounts) Rules, 2014 is enclosed as **ANNEXURE-B** to this Report.

## **EXTRACT OF THE ANNUAL RETURN**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013 the extract of Annual Return of the Company in Form No. MGT-9 for the financial year ended on 31<sup>st</sup> March, 2016 is enclosed herewith as **ANNEXURE-C** to this Report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as **ANNEXURE-D** to this Report.

## **AUDITORS AND AUDITORS' REPORT**

### **Statutory Auditors:**

M/s. Awatar & Co. (Firm Registration No. 000726N), Chartered Accountants were appointed as Statutory Auditors at the 2nd Annual General Meeting of the Company for a term of five consecutive years i.e. 2014-2015 to 2019-2020 and they shall hold office till the conclusion of 7th Annual General Meeting to be held in the year 2020. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of M/s. Awatar & Co. as Statutory Auditors of the Company is required to be ratified by the shareholders at the ensuing AGM and has been included in the Notice of the 3rd AGM of the



Company. In this regard, they have confirmed their eligibility to the effect that their appointment, if ratified, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Auditors' Report is self-explanatory and therefore do not contain any qualification, reservation or adverse remark requiring explanations or comments from board under section 134 (3) (f) (i) of the Companies Act, 2013.

### **SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Shri R. S. Bhatia, Practicing Company Secretary, was appointed as Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is enclosed herewith as **ANNEXURE-E** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

During the year under review, none of the employees were in receipt of remuneration exceeding the limit as prescribed under Section 197 read with Rules 5 (2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### **FIXED DEPOSITS**

The Company has neither invited nor accepted any fixed deposit within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

### **MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

### **RISK MANAGEMENT**

The Company has put in place a mechanism to identify, assess, monitor and mitigate various risks associated with the business. Risks are analyzed and corrective actions are taken for managing/mitigating them. Major risks identified are systematically discussed at the meeting of the Audit Committee

and Board of Directors of the Company has formally framed the Risk Management Policy to identify and assess the key risk areas, monitor and report compliance and effectiveness of the policies and procedures.

### **INTERNAL FINANCIAL CONTROLS**

The Company has in place an adequate internal financial control system over financial reporting and such internal financial controls were operating effectively during the year under review, for ensuring orderly and efficient conduct of the business of the Company in all material respects.

### **VIGIL MECHANISM**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees has been established to report their genuine concerns. The Vigil Mechanism Policy provides a mechanism for directors and employees of the Company to approach Vigilance Officer/Chairperson of the Audit Committee including but not limited to events like breach of Company's code of conduct, business integrity & ethics, wilful negligence, fraud or any other malpractices.

### **DISCLOSURE UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

An Internal Complaints Committee (ICC) has been set up by the Company to redress complaints received regarding sexual harassment. No such complaints were received from any employee during the year under review.

### **CORPORATE SOCIAL RESPONSIBILITY**

Since the Company does not fall in the ambit of the provision of Section 135 of the Companies Act, 2013, the Company is not required to formulate a policy on Corporate Social Responsibility during the year under review.

### **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. The Company has not purchased its own shares.





4. No significant or material orders were passed by the Regulators or Courts or Tribunals which would impact the going concern status and Company's operations in future.

Your Directors, further state that during the year under review, no frauds were reported to the Audit Committee/Board of directors.

### **ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government authorities, Customers, Vendors and Members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**For and on behalf of the Board of Directors**

**Place: Noida**

**Date: 25<sup>th</sup> May, 2016**



**(Manoj Gaur)**  
**(Chairman)**

**DIN No.: 00008480**

## ANNEXURE-A

### NOMINATION AND REMUNERATION POLICY

#### **Introduction:**

A transparent, fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that Shareholders remain informed and confident in the management of the Company. To harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013, as amended from time to time this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors. The objective and purpose of this policy are:

- i. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management, Key Managerial Personnel and other employees and to determine their remuneration.
- ii. To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- iii. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 31st January, 2015.

#### **Definitions:**

- i. **"Board"** means Board of Directors of the Company.
- ii. **"Directors"** means Directors of the Company.
- iii. **"Committee"** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- iv. **"Company"** means **Jaypee Healthcare Limited**.
- v. **"Independent Director"** means a Director referred to in Section 149 (6) of the Companies Act, 2013.



vi. **"Key Managerial Personnel"** (KMP) means -

- a. Chief Executive Officer or Managing Director;
- b. Whole-time Director;
- c. Chief Financial Officer;
- d. Company Secretary;
- e. Such other officers as may be prescribed under the applicable statutory provisions/ regulations.

vii. **"Senior Management"** means personnel of the company who are members of its core management team excluding Board of Directors comprising all member of management one level below the executive directors, including the functional heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Applicability:**

The Policy is applicable to:

- i. Directors (Executive and Non Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Other employees

**General:**

Part-A covers the matters to be dealt with and recommended by the Committee to the Board.

Part-B covers the appointment and nomination and;

Part-c covers remuneration and perquisites etc.

The key features of this Company's Policy shall be included in the Board's Report.





## **PART-A**

### **MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERTAIION COMMITTEE**

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

## **PART-B**

### **POLICY RELATING TO APPOINTMENT AND REMOVAL OF DIRECTOR, KMP, SENIOR MANAGEMENT:**

#### **Appointment criteria and qualifications:**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at senior Management level and recommend to the Board his/her appointment.
- ii. A person should possess adequate qualifications, expertise and experiences for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director who has not attained age of twenty one years and has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years. The person for the position of Director/Managing Director/whole-time Director should not be disqualified under Section 164 and 196 read with Schedule V of the Companies Act, 2013 and the rules made there under.



**Term/Tenure:****i. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**ii. Independent Director:**

- a) An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- b) No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- c) The Company will enter into a letter of engagement with Independent Directors. This letter of engagement will set out the terms and conditions of the engagement and the performance expectations for the role and remuneration package of that director. The said terms and conditions must be approved by the Board.
- d) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed Company.

**iii. Removal:**

Due to reasons of any disqualification mentioned in the Companies Act, 2013 rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.



**iv. Retirement:**

The of Director, KMP or Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the of Director, KMP or Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**v. Training:**

The Company shall provide suitable training to Independent Directors to familiarize them with the company their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

**PART-C**

**POLICY RELATING TO THE REMUNERATION FOR THE MANAGING DIRECTOR, WHOLE-TIME DIRECTOR, KMP, SENIOR MANAGEMENT AND OTHER EMPLOYEES:**

**General:**

- i. The remuneration/compensation/commission etc. to the Managing director/Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- ii. The remuneration and commission to be paid to the Managing Director/Whole-time Director shall be in accordance with the percentage/slabs/conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013 and rules made thereunder.
- iii. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managing Director/Whole-time Director.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director/Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not





be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Managing director/Whole-time Director, KMP and Senior Management Personnel:**

**i. Fixed Pay:**

The Managing director/Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendations of the Committee and approved by the Shareholders and Central Government, wherever required.

**ii. Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director/Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**iii. Provisions for excess remuneration:**

If any Managing Director/Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**Remuneration to Non Executive/Independent Director:**

**i. Remuneration/Commission:**

The remuneration/commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under.

**ii. Sitting Fees:**

The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that



the amount of such fees shall not exceed Rs. One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The sitting fees for Independent Directors and Women Directors shall not be less than the sitting fee payable to other directors.

### **iii. Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

### **Remuneration to other Employees:**

Other Employees of the company shall be paid remuneration as per the Company's HR policies. The breakup of the pay scale and quantum of perquisites including employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be as per the company's HR policy.



**ANNEXURE-B**

**FORM - AOC 2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

**A) Details of Contracts or Arrangements or Transactions not at Arm's Length Basis - NIL**

<b>S.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	N.A.
b)	Nature of Contracts/Arrangements/Transactions	N.A.
c)	Duration of the Contracts / Arrangements/ Transactions	N.A.
d)	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	N.A.
e)	Justification for entering into such Contracts or Arrangements or Transactions	N.A.
f)	Date(s) of approval by the Board	N.A.
g)	Amount paid as advances, if any:	N.A.
h)	Date on which the special resolution was passed in General Meeting as required under first proviso to section 188	N.A.





**B) Details of Material Contracts or Arrangement or Transactions at Arm's Length Basis –**

<b>S.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name(s) of the related party and nature of relationship	N.A.
b)	Nature of Contracts/Arrangements/Transactions	N.A.
c)	Duration of the Contracts / Arrangements / Transactions	N.A.
d)	Salient terms of the Contracts or Arrangements or Transactions including the value, if any:	N.A.
e)	Date(s) of approval by the Board, if any:	N.A.
f)	Amount paid as advances, if any:	N.A.

**On behalf of the Board**

**Place: Noida**  
**Date: 25<sup>th</sup> May, 2016**

  
**(Manoj Gaur)**  
**(Chairman)**  
**DIN No.: 00008480**



**ANNEXURE-C**

**FORM MGT-9**

**EXTRACT OF ANNUAL RETURN**

(As on the financial year ended on 31.03.2016)  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of  
the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	U85191UP2012PLC053358
ii)	Registration Date	30.10.2012
iii)	Name of the Company	JAYPEE HEALTHCARE LIMITED
iv)	Category/ Sub-Category of the Company	Public Limited Company
v)	Address of the Registered office and contact details	SECTOR – 128, NOIDA- 201304, U.P
vi)	Whether Listed Company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Alankit Assignments Limited Alankit House, 2E/21, Jhandewalan Extension, New Delhi - 110055 Tel. No.:011-42541234, 23541234 Fax No.:011-42541967 E-mail: info@alankit.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

S.No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Health care services	85110/Hospital Activities	100%



### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Jaypee Infratech Limited Sector – 128, Noida - 201304 U.P	L45203UP2007PLC033119	Holding Company	100%*	2 (46)

\*100 Equity shares each are held by 6 nominees of Jaypee Infratech Limited





**IV. SHAREHOLDING PATTERN (Equity Share capital breakup as percentage of Total Equity)**

IV. SHAREHOLDING PATTERNS (Equity Share Capital)												
CATEG ORY CODE		CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR AS ON 01/04/2015				NO. OF SHARES HELD AT THE END OF THE YEAR AS ON 31/03/2016				% CHANGE DURING THE YEAR	
			NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR AS ON 01/04/2015		NO. OF SHARES HELD AT THE END OF THE YEAR AS ON 31/03/2016							
			DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES		
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)		
(A)	PROMOTERS											
(1)	INDIAN											
(a)	Individual /HUF	-	600	600	0.00015	-	600	600	0.00015	NIL		
(b)	Central Government	-	-	-	-	-	-	-	-	-		
(c)	State Government(s)	-	-	-	-	-	-	-	-	-		
(d)	Bodies Corporate	329500000	97999400	427499400	99.99985	329500000	97999400	427499400	99.99985	NIL		
(e)	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-		
(f)	Any Other	-	-	-	-	-	-	-	-	-		
	Sub-Total A(1)	329500000	98000000	427500000	100.00	329500000	98000000	427500000	100.00	0.00000		
(2)	FOREIGN											
(a)	NRI's- Individuals	-	-	-	-	-	-	-	-	-		
(b)	Other- Individuals	-	-	-	-	-	-	-	-	-		
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-		
(d)	Banks/Financial Institutions	-	-	-	-	-	-	-	-	-		
(e)	Any other	-	-	-	-	-	-	-	-	-		
	Sub-Total A(2)	-	-	-	-	-	-	-	-	-		
	Total A=A(1)+A(2)	329500000	98000000	427500000	100.00	329500000	98000000	427500000	100.00	0.00000		
(B)	PUBLIC SHAREHOLDING											
(1)	INSTITUTIONS											
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-		
(b)	Banks/ Financial Institutions	-	-	-	-	-	-	-	-	-		
(c)	Central Government	-	-	-	-	-	-	-	-	-		
(d)	State Government(s)	-	-	-	-	-	-	-	-	-		
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-		
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-		
(g)	Foreign Institutional Investors	-	-	-	-	-	-	-	-	-		
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-		
(i)	Others	-	-	-	-	-	-	-	-	-		
	Sub-Total B(1)	-	-	-	-	-	-	-	-	-		

Earthcare Limited

INCORPORATED IN INDIA

100% Wholly Owned Subsidiary of

Earthcare Group of Companies



CATE GORY CODE	CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR AS ON 01/04/2015				NO. OF SHARES HELD AT THE END OF THE YEAR AS ON 31/03/2016				% CHANGE DURING THE YEAR
		DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(2)	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	-	-	-	-	-	-	-	-	-
	(i) Indian	-	-	-	-	-	-	-	-	-
	(ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals	-	-	-	-	-	-	-	-	-
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
(c)	Others	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(2)</b>	-	-	-	-	-	-	-	-	-
	<b>Total B=B(1)+B(2)</b>	-	-	-	-	-	-	-	-	-
(C)	Shares held by custodian for ADRs & GDRs	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A+B+C)</b>	329500000	98000000	427500000	100.00	329500000	98000000	427500000	100.00	0.00000



**IV. SHAREHOLDING PATTERN (Equity Share capital breakup as percentage of Total Equity)**

(ii) Shareholding of Promoters

SL. NO.	SHAREHOLDERS' NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR AS ON 01.04.2015			SHAREHOLDING AT THE END OF THE YEAR AS ON 31.03.2016			% CHANGE DURING THE YEAR
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
	<b>A. Body Corporate</b>							
1	Jaypee Infratech Limited	427499400	99.99985	-	427499400	99.99985	-	-
	<b>B. Individuals</b>							
2	Mr. Manoj Gaur*	100	0.00003	-	100	0.00003	-	-
3	Mr. Sunil Kumar Sharma*	100	0.00003	-	100	0.00003	-	-
4	Mr. Suren Jain*	100	0.00003	-	100	0.00003	-	-
5	Mr. Sunny Gaur*	100	0.00003	-	100	0.00003	-	-
6	Mrs. Rekha Dixit*	100	0.00003	-	100	0.00003	-	-
7	Mr. Sachin Gaur*	100	0.00003	-	100	0.00003	-	-
	<b>TOTAL (A+B)</b>	<b>427500000</b>	<b>100</b>	<b>-</b>	<b>427500000</b>	<b>100</b>	<b>-</b>	<b>-</b>

\* Beneficial interest in favor of Jaypee Infratech Limited.

(iii) Change in Promoters' Shareholding

SL. NO.	SHAREHOLDERS' NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR AS ON 01.04.2015		CUMULATIVE SHAREHOLDING DURING THE YEAR 2015-2016	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
Jaypee Infratech Limited along with 7 individual beneficial interest of shares held by JIL					
1	At the beginning of the year	427500000	100	427500000	100
2	Date wise Increase/Decrease in Promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer /bonus /speat equity etc.)	No Change			
3	At the end of the year	427500000	100	427500000	100





<b>(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs)</b>					
<b>Sl. No</b>	<b>For each of the Top 10 Shareholders</b>	<b>Shareholding at the beginning of the Year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of Shares</b>	<b>% of total shares of the Company</b>
	At the beginning of the Year				
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	Not Applicable			
	At the end of the year				

<b>(v) Shareholding of Directors and Key Managerial Personnel</b>					
<b>Sl. No</b>	<b>For each of the Directors and KMP</b>	<b>Shareholding at the beginning of the Year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of Shares</b>	<b>% of total shares of the Company</b>	<b>No. of Shares</b>	<b>% of total shares of the Company</b>
1	Shri Manoj Gaur, Chairman	100*	0.00004	100*	0.00004
2	Shri Sunil Kumar Sharma, Director	100*	0.00004	100*	0.00004
3	Smt. Rekha Dixit, Whole-time Director	100*	0.00004	100*	0.00004
4	Shri Sunny Gaur, Director	100*	0.00004	100*	0.00004
5	Shri Sachin Gaur, Chief Financial Officer & Director	100*	0.00004	100*	0.00004
6	Shri Sarat Kumar Jain, Director	Nil	0.0000	Nil	0.0000
7	Shri Sham Lal Mohan, Independent Director	Nil	0.0000	Nil	0.0000
8	Shri Atanu Sen, Independent Director	Nil	0.0000	Nil	0.0000
9	Malvika Mall, Company Secretary	Nil	0.0000	Nil	0.0000

\* Beneficial interest in favor of Jaypee Infratech Limited.



**V) INDEBTEDNESS**

<b>Indebtedness of the Company including interest outstanding/accrued but not due for payment</b>				
<b>(in lakhs)</b>				
	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year i.e. 01.04.2015</b>				
i) Principal Amount	3,490,653,061			3,490,653,061
ii) Interest due but not paid	16,969,422	-	-	16,969,422
iii) Interest accrued but not due	5,199,048	-	-	5,199,048
<b>Total (i+ii+iii)</b>	<b>3,512,821,531</b>			<b>3,512,821,531</b>
<b>Change in Indebtedness during the financial year (2015-2016)</b>				
<b>Addition</b>	863,206,790			863,206,790
<b>Reduction</b>	-262,564,698			-262,564,698
<b>Net Change</b>	-600,642,092			-600,642,092
<b>Indebtedness at the end of the financial year i.e. 31.03.2016</b>				
i) Principal Amount	4,103,945,195			4,103,945,195
ii) Interest due but not paid	4,319,381	-	-	4,319,381
iii) Interest accrued but not due	5,199,048	-	-	5,199,048
<b>Total (i+ii+iii)</b>	<b>4,113,463,624</b>			<b>4,113,463,624</b>



# **VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		<b>Shri Sunny Gaur, Managing Director</b>	<b>Smt. Rekha Dixit, Whole-time Director</b>	
	Gross salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	<b>N.A.</b>		
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	- others, specify...			
5	Others, please specify			
	<b>Total (A)</b>			
	Ceiling as per the Act	-	-	-



B. Remuneration to other Directors				
S. No.	Particulars of Remuneration	Name of Directors		Total
		Shri Atanu Sen	Shri Sham Lal Mohan	
1	Independent Directors			
	Fee for attending Board/ Committee Meetings	20,000	20,000	40,000
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	20,000	20,000	40,000
2	Other Non Executive Directors	-	-	-
	Fee for attending Board/ Committee Meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B) = (1+2)</b>	<b>40,000</b>	<b>40,000</b>	<b>80,000</b>
	<b>Total Managerial Remuneration (A+B)</b>			<b>80,000</b>
	<b>Overall Ceiling as per the Act</b>	Sitting fee payable to a Director shall not exceed Rs. 1,00,000/- per meeting.		





(Rs. p.a.)

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CFO	CS	Total
1	Gross salary	-	-	5,07,000	5,07,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	-	-	5,07,000	5,07,000



## VII) PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT /Court]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Not Applicable					
Penalty					
Punishment					
Compounding					
<b>C. Other Officers in default</b>					
Penalty					
Punishment					
Compounding					



## **ANNEXURE-D**

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company had focused on several initiatives aimed at achieving the twin objectives of reducing costs and being environmentally friendly. Efforts have also been made towards technology absorption, adaptation & innovation.

#### **A. Conservation of Energy:**

- a) The building orientation has been designed in a manner that helps to maximize use of day light and to reduce heat gain in order to reduce Energy Consumption. The Glass used in façade is double glazed and is energy efficient-Low emissivity type which helps in reducing solar heat gain coefficient while improving the visibility. Roof glazing has been provided for the internal area of the top three floors so as to receive daylight and reduce lighting load.
- b) Energy efficient Chillers and Pumps have been installed to reduce energy consumption. Variable Frequency Drives (VFDs) have been used in Chillers, critical AHUs and pumps to reduce energy usage. The Chillers have environment friendly R134 a refrigerant to minimize depletion of Ozone Layer. The AHUs are monitored and controlled through Building Management System resulting in reduction in load on Chiller and also its running time. Variable Air Volume (VAVs) devices have been used in some AHUs.
- c) LED lamps and lighting have been installed across the building and the Lighting Power Density of around 0.35 watt/sqft much below the Industry standard. Timer based system has been installed to control operation of street lighting & signage in a phased manner.
- d) Automatic Power Factor Control panels (APFC) have been installed to maintain power factor close to unity.
- e) Solar water heating system has been installed on the terrace resulting in reduction of energy required for hot water and steam requirements.
- f) Provision has been made to reduce consumption of water by utilizing treated waste water through STP for irrigation, for flushing and for making up for Cooling Tower water requirements.



- g) Rain Water Harvesting Pits have been provided to conserve rain water and improve the water table.
- h) Boilers can be run on Natural Gas to reduce stack emission.
- i) Pneumatic Tube System has been installed to transfer samples, reports and medicines from patient areas to lab, pharmacy, nursing stations etc. thus reducing the usages of man movement and lifts.

**B. Technology Absorption:**

The Company continues to use latest technologies for improving the productivity and quality of its services and products.

**C. Foreign Exchange Earnings and Outgo:**

(in lakhs)

Sl. No.	Particulars	F.Y. 2015-2016	F.Y. 2014-2015
a.	Foreign Exchange Earnings	28,471,758	7,028,086
b.	Value of Import of Capital goods (C.I.F. Value)	68,495,624	44,915,223
c.	Expenditure in Foreign Currency	2,788,018	1,805,883





**ANNEXURE-E**

**FORM MR-3**

**SECRETARIAL AUDIT REPORT**

**(For the Financial Year ended on 31<sup>st</sup> March, 2016)**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Jaypee Healthcare Limited  
Sector 128, Noida,  
Uttar Pradesh- 201304  
CIN No.: U85191UP2012PLC053358

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Jaypee Healthcare Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing my opinion thereon.

I report that:

1. Maintenance of Secretarial and other laws records/compliance is the responsibility of the management of the Company. My responsibility is to express an opinion on such records/compliance, based on my audit.
2. I have followed the audit practice(s) and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records.
3. I have not verified the correctness and appropriateness of the financial statements of the company.
4. Where ever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.



6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on my verification of the company books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

- (i) The Companies Act, 1956 (to the extent applicable) and Companies Act, 2013 read with the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(NOT APPLICABLE ON THE COMPANY);**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(NOT APPLICABLE ON THE COMPANY);**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(NOT APPLICABLE ON THE COMPANY);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') **(NOT APPLICABLE ON THE COMPANY):-**
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) As informed to me, the other laws specifically applicable to the company are as under:
- a) Clinical Establishments (Registration and Regulation) Act, 2010;
  - b) Indian Medical Council Act, 1956 and Rules and regulations made thereunder;
  - c) The Dentists Act, 1948 and Rules and Regulations made thereunder;
  - d) Drugs And Cosmetic Act, 1940 and subsequent Amendments thereof;
  - e) Pharmacy Act, 1948 and Rules and Regulations made thereunder;
  - f) Narcotics And Psychotropic Substances Act, 1985;
  - g) Drugs And Magic Remedies (Objectionable) Advertisements Act, 1954;
  - h) The Pre-Natal Diagnostic Techniques (Regulations and Prevention of Misuse) Act, 1994 and Rules and Regulations made thereunder;
  - i) Transplantation of Human Organ Act, 1994 and Rules and Regulations made thereunder;
  - j) Birth And Death And Marriage Registration Act, 1886 and Rules and Regulations made thereunder;
  - k) Registration of Birth And Deaths Act, 1969 and Rules and Regulations made thereunder;



- l) The Epidemic Disease Act, 1897;
- m) Biomedical Medical Waste Management Handling Rules, 1998 and subsequent amendments;
- n) Indian Boilers Act, 1923 and Rules and Regulations made thereunder;
- o) Gas Cylinder Rules, 2004 and Rules and Regulations made thereunder;
- p) The Radiation Surveillance Procedures for The Medical Application of Radiation, 1989 and Rules and Regulations made thereunder; &
- q) Vaccination Act, 1880 and subsequent amendments.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015  
**(NOT APPLICABLE ON THE COMPANY AS THE COMPANY IS NOT LISTED)**

I further report that:

Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit and the same has been subject to review by the Statutory Auditors and others designated professionals.

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance of provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above and applicable general laws like labour laws, environmental laws, etc.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.





Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that:

1. The Company sought approval of the Shareholders in its Annual General Meeting held on 27.07.2015, in relation to Section 180(1)(a) of the Companies Act, 2013 to create such mortgage/charge not exceeding Rs. 1000 crore.
2. The Company sought approval of the Shareholders in its Annual General Meeting held on 27.07.2015, in relation to Section 180(1)(c) of the Companies Act, 2013 to borrow any sum or sums of money, not exceeding at any time, a sum of Rs. 1000 crore.
3. Company commenced OPD operations for internal medicine, Radiology, Lab & EHC w.e.f. 01<sup>st</sup> April, 2014, rest of the Departments were under progress and working on trial run till 30<sup>th</sup> September, 2015. During the year, the company commenced operations in all departments w.e.f. 1<sup>st</sup> October, 2015.
4. The Company altered its Articles of Association to make in line with modifications/ requirements under Companies Act, 2013 at its Annual General Meeting held on 27.07.2015.

Sd/-  
R.S. BHATIA  
PRACTICING COMPANY SECRETARY  
CP NO.: 2514

DATE: 21.05.2016



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**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF  
JAYPEE HEALTHCARE LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **JAYPEE HEALTHCARE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 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 there under.

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 financial statements are free from material misstatement.

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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 31, 2016, and its loss and its cash flows for the year ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 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 purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule, 2014.
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2016 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 A".
  - (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 does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **AWATAR & CO.**  
Chartered Accountants  
Firm Registration No. 000726N

*Brijendra Agrawal*

**Brijendra Agrawal**  
Partner  
Membership No. : 087787



Place : New Delhi  
Date : May 25, 2016

## ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed assets.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) We have inspected the original title deeds of immovable properties of the Company held as fixed assets which are in the custody of the Company. Based on our audit procedures and the information and explanations received by us, we report that all title deeds of immovable properties of the Company held as fixed assets are held in the name of the Company.
- (ii) In respect of its inventories:
- (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) According to the information and explanations given by the management, the Company has not granted any loans or advances in the nature of loans (except advances in the ordinary course of business) to companies, limited liability partnerships, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the requirement of Clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has no Investments, Loans and Guarantees. Hence, the requirement of Clause 3(iv) of the Order is not applicable.
- (v) Based on our scrutiny of the Company's records and according to the information and explanations provided by the management, in our opinion, the Company has not accepted any loans or deposits which are 'deposits' within the meaning of Rule 2(b) of the Companies (Acceptance of Deposits) Rules, 2014.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales-tax, wealth tax, service tax, customs duty, value added tax, excise duty, cess and other statutory dues applicable to it.

According to the information and explanations given, no undisputed amounts payable in respect of income tax, sales tax, value added tax, customs duty and excise duty were outstanding as at 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.



- (b) According to the information and explanations given to us, there were no dues in respect of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess which have not been deposited on account of disputes.
- (viii) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to a financial institution, bank or government. The Company has not issued any debentures.
- (ix) According to the information and explanations received by us, moneys raised by way of term loans have been applied for the purpose for which they were raised. The Company has not raised any moneys by way of Initial Public Offer or Further Public Offer.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on the Company by its officers or employees nor any fraud by the Company has been noticed or reported during the course of our audit.
- (xi) Based upon the audit procedures performed and information and explanations given by the management, the Company has not paid/provided managerial remuneration during the year. Hence, the requirements of Clause 3(xi) of the Order is not applicable.
- (xii) In our opinion and to the best of our information and explanations provided by the management, we are of the opinion that the Company is not a nidhi. Hence, the requirement of Clause 3(xii) of the Order do not apply to the Company.
- (xiii) Based upon the audit procedures performed and information and explanations given by the management, we report that all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) Based upon the audit procedures performed and information and explanations given by the management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) Based upon the audit procedures performed and information and explanations given by the management, we report that the Company has not entered into any non-cash transactions with directors or persons connected with them.

For **AWATAR & CO.**  
Chartered Accountants  
Firm Registration No. 000726N

*Brijendra Agrawal*

**Brijendra Agrawal**  
Partner  
Membership No. : 087787



Place : New Delhi  
Date : May 25, 2016



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF **JAYPEE HEALTHCARE 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 **JAYPEE HEALTHCARE LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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". 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 March 31, 2016, 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 **AWATAR & CO.**

Chartered Accountants

Firm's Registration No.: 000726N

*Brijendra Agrawal*

**BRIJENDRA AGRAWAL**

Partner

Membership No.: 087787



Place : New Delhi

Date : May 25, 2016

# **JAYPEE HEALTHCARE LIMITED**

## **BALANCE SHEET AS AT 31.03.2016**

**Registered & Corporate Office**

Sector-128

Noida -201304

Dist. Gautam Budh Nagar

**Website**

[www.jaypeehealthcare.com](http://www.jaypeehealthcare.com)

## BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As at 31.03.2016 ₹	As at 31.03.2015 ₹
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	2	4,27,50,00,000	4,27,50,00,000
(b) Reserves and Surplus	3	(61,31,25,837)	(5,82,58,698)
(c) Money received against share warrants		-	-
		3,66,18,74,163	4,21,67,41,302
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	4	3,74,35,49,683	3,23,38,31,072
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	5	20,00,000	20,00,000
(d) Long term provisions	6	1,12,92,250	57,54,063
		3,75,68,41,933	3,24,15,85,135
(4) Current Liabilities			
(a) Short-term borrowings	6a	19,09,18,466	-
(b) Trade payables	7	44,59,98,559	15,29,37,026
(c) Other current liabilities	8	51,81,96,869	82,63,86,283
(d) Short-term provisions	9	3,40,468	1,90,008
		1,15,54,54,362	97,95,13,317
<b>Total</b>		<b>8,57,41,70,458</b>	<b>8,43,78,39,754</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	7,17,66,66,954	64,48,24,632
(ii) Intangible assets	10	19,26,804	29,21,360
(iii) Capital work-in-progress	10A	74,32,82,255	6,39,37,56,896
		7,92,18,76,013	7,04,15,02,888
(b) Non-current investments			-
(c) Deferred tax assets (net)			-
(d) Long term loans and advances	11	5,19,96,006	6,78,35,254
(e) Other non-current assets	12		-
(2) Current assets			
(a) Current investments			-
(b) Inventories	13	8,73,56,448	6,28,38,224
(c) Trade receivables	14	4,84,03,745	1,25,42,987
(d) Cash and cash equivalents	15	32,38,41,425	68,06,65,040
(e) Short-term loans and advances	16	11,92,04,309	55,21,43,363
(f) Other current assets	17	2,14,92,513	2,03,11,998
		60,02,98,440	1,32,85,01,612
<b>Total</b>		<b>8,57,41,70,458</b>	<b>8,43,78,39,754</b>

## Summary of Significant Accounting Policies

1

The Note Nos. 1 to 35 form an integral part of the Financial Statements

As per our report of even date attached to the Balance Sheet

For Awatar & Co.  
Chartered Accountants  
Firm Registration No.000726N



(Brijendra Agrawal)  
Partner  
M. No. 087787

Sachin Gaur  
Director & CFO  
DIN-00387718

Matvika Mall  
Company Secretary

For and on behalf of the Board

Manoj Gaur  
Chairman  
DIN-00008480

Rekha Dixit  
Whole-time Director  
DIN-00913685

Place: Noida  
Dated: 25.05.2016

## JAYPEE HEALTHCARE LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	For the year ended	For the year ended
		31.03.2016	31.03.2015
		₹	₹
REVENUE			
Revenue from Operations	18	88,55,33,242	7,05,12,360
Other Income	19	1,60,50,723	3,21,66,078
Total Revenue		90,15,83,965	10,26,78,438
EXPENSES			
Cost of sales	20	25,14,53,027	2,63,79,173
Employee Benefits Expenses	21	22,01,77,199	4,26,67,907
Finance Costs	22	26,41,23,123	1,77,34,408
Depreciation and Amortization Expenses	10	17,16,23,175	2,03,01,625
Other Expenses	23	54,90,74,580	4,12,16,483
Total Expenses		1,45,64,51,104	14,82,99,596
Profit/(Loss) before exceptional and extraordinary items and tax		(55,48,67,139)	(4,56,21,158)
Exceptional Items		-	-
Profit/(Loss) before extraordinary items and tax		(55,48,67,139)	(4,56,21,158)
Extraordinary Items		-	-
Profit/(Loss) Before Tax		(55,48,67,139)	(4,56,21,158)
Tax Expense:			
- Current tax		-	-
- For earlier year		-	-
- Excess Provision for Income Tax Written Back		-	-
- Deferred Tax		-	-
Tax expenses of continuing operations		-	-
Profit/(Loss) for the period from continuing operations		(55,48,67,139)	(4,56,21,158)
Profit/(Loss) from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
Profit/(Loss) from discontinuing operations (after Tax)		-	-
Profit/(Loss) for the period		(55,48,67,139)	(4,56,21,158)
Earning Per Equity Share (Face value of ₹ 10/- each)	24		
(1) Basic		(1.30)	(0.14)
(2) Diluted		(1.30)	(0.14)

## Summary of Significant Accounting Policies

1

The Note Nos. 1 to 35 form an integral part of the Financial Statements

As per our report of even date attached to the Balance Sheet

For Awatar & Co.  
Chartered Accountants  
Firm Registration No.000726N



(Brijendra Agrawal)  
Partner  
M. No. 087787

*Sachin Gaur*  
Sachin Gaur  
Director & CFO  
DIN-00387718  
*Malvika Mall*  
Malvika Mall  
Company Secretary

For and on behalf of the Board

*Manoj Gaur*  
Manoj Gaur  
Chairman  
DIN-00008480  
*Rekha Dixit*  
Rekha Dixit  
Whole-time Director  
DIN-00913685

Place: Noida  
Dated: 25.05.2016



## JAYPEE HEALTHCARE LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March 2016

	For the Year ended March 31, 2016	For the Year ended March 31, 2015
	₹	₹
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax as per Statement of Profit & Loss	(55,48,67,139)	(4,56,21,158)
<b>Add Back:</b>		
(a) Depreciation as per companies act	17,16,23,175	2,03,01,625
(b) Interest & Finance Charges	26,41,23,123	1,77,34,408
<b>Deduct:</b>		
(a) Interest Income	1,17,79,150	3,07,20,149
<b>Operating Profit before working capital Changes</b>	<b>(13,08,99,991)</b>	<b>(3,83,05,274)</b>
<b>Deduct</b>		
(a) Increase in Inventories	2,45,18,224	6,28,38,224
(b) Increase in Other current assets	11,80,515	1,68,42,259
(c) Increase in other bank balances (Refer Note No. 15B)	-	13,81,19,365
Decrease in Other current liabilities	30,81,89,414	-
(b) Increase in Trade Receivables	3,58,60,758	1,25,42,987
(e) Increase in Short-term loans and advances	-	52,24,91,717
(f) Increase in other non current assets	-	-
	<b>36,97,48,911</b>	<b>75,28,34,552</b>
<b>Add</b>		
(a) Increase in Short-term borrowings	19,09,18,466	-
(b) Increase in Trade payables	29,30,61,533	11,21,70,968
(c) Increase in Other current liabilities	-	48,60,06,345
Decrease in other bank balances (Refer Note No. 15B)	2,97,95,299	-
Decrease in Short-term loans and advances	43,29,39,054	-
(d) Increase in Short-term provisions	1,50,460	1,43,698
(e) Decrease in other non current assets	-	6,03,56,395
	<b>94,68,64,812</b>	<b>65,86,77,406</b>
<b>Cash Generated from Operations</b>	<b>44,62,15,910</b>	<b>(13,24,62,420)</b>
<b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>44,62,15,910</b>	<b>(13,24,62,420)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
<b>Inflow:</b>		
(a) Interest Income	1,17,79,150	3,07,20,149
(b) Decrease in Long Term Loan & Advances	1,58,39,248	1,00,53,044
	<b>2,76,18,398</b>	<b>4,07,73,193</b>
<b>Outflow:</b>		
(a) Increase in Fixed Assets ( including Capital work in Progress)	1,05,19,96,300	2,06,48,02,397
(b) Increase in Long Term Loan & Advances	-	-
	<b>1,05,19,96,300</b>	<b>2,06,48,02,397</b>
<b>CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(1,02,43,77,902)</b>	<b>(2,02,40,29,204)</b>



(C) CASH FLOW FROM FINANCING ACTIVITIES:

Inflow:

(a)	Proceeds from issue of Share Capital		1,77,50,00,000
(b)	Long Term Borrowings & Provisions	51,52,56,798	85,36,34,774

51,52,56,798	2,62,86,34,774
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Outflow:

(a)	Interest & Finance Charges	26,41,23,123	1,77,34,408
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CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	25,11,33,675	2,61,09,00,366
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NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"	(32,70,28,317)	45,44,08,743
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CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	54,25,45,675	8,81,36,932
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CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	21,55,17,358	54,25,45,675
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COMPONENTS OF CASH AND CASH EQUIVALENTS :

In Balance with Schedule Banks		
In Current Accounts	13,71,25,216	26,18,21,367
In Deposit Account-Current	7,39,00,000	27,67,79,558
Cheques,drafts on hand	10,50,832	18,83,776
Cash and Cheque in Hand	34,41,310	20,60,974
	21,55,17,358	54,25,45,675

Notes:

1 The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".

For and On behalf of the Board

For Awatar & Co.  
Chartered Accountants  
Registration No. 000726N



(Brijendra Agrawal)  
Partner  
M. No. 087787

  
Sachin Gaur  
Director & CFO  
DIN-00387718  
  
Malvika Mall  
Company Secretary

  
Manoj Gaur  
Chairman  
DIN-00008480  
  
Rekha Dixit  
Whole-time Director  
DIN-00913685

Place: Noida  
Date: 25.05.2016

## JAYPEE HEALTHCARE LIMITED

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

#### NOTE NO. 1

#### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Basis of accounting

The financial statements are prepared under historical cost convention, on accrual basis, on the principles of going concern, in accordance with the generally accepted accounting principles, the relevant accounting standards and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI) and the applicable provisions of the Companies Act, 2013.

##### 1.2 Revenue Recognition

Revenue from healthcare services has been recognized as and when related services are rendered i.e. on completed service contract method. Collections from Hospital of the Company are net of discounts, if any. Revenue includes value of services for patients undergoing treatment and pending for billing to be shown as Unbilled Revenue.

Pharmacy sales shall be recognized when the risks and rewards of ownership shall be passed to customers and are stated net of returns, discounts but inclusive of VAT wherever applicable.

Revenue in the form of interest on fixed deposits shall be credited to revenue in the year in which it accrues.

Income from Rent Revenue is recognised in accordance with the terms of agreements entered into with the respective lessees.

##### 1.3 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialised.

##### 1.4 Segment Reporting

The company is currently operating in a single segment.

##### 1.5 Fixed Assets & Capital Work in Progress

Fixed assets are stated at cost less accumulated depreciation. Cost includes all costs relating to acquisition and installation of fixed assets and any incidental costs of bringing the assets to their working condition for their intended use. Capital work in progress comprises the cost of fixed assets that are not yet ready for their intended use at the reporting date.

Incidental Expenditure during Construction forms part of Capital Work in Progress and the same shall be allocated proportionately on the cost of fixed assets in the year the assets are put to use.



Expenditure on new projects directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period, which is not related to the construction activity nor is incidental thereto, is charged to the statement of profit and loss.

All direct capital expenditures on expansion are capitalized. All indirect expenses are usually excluded from the cost of fixed assets because they do not relate to a specific fixed asset. However, where such expenses are specifically attributable to construction of a project or bringing it to its working condition, are included as part of the cost of the construction project or as a part of the cost of the fixed asset.

Expenditure of administrative or general overheads nature incurred during the startup and commissioning of the hospital project, including such expenditure on test run, is usually capitalized as an indirect element of construction costs. However, expenditure incurred post commercial launch of the hospital is charged to statement of profit and loss.

## **1.6 Depreciation**

Depreciation on Fixed Assets is provided on its useful life. The depreciable amount of an assets is the cost of an asset or other amount substituted for cost, less its residual value. The useful life of an asset is the period over which an asset is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity and in the manner specified in Schedule II to the Companies Act, 2013.

Intangible assets comprising hospital softwares shall be amortized over its estimated useful life i.e. five years commencing from the date the same are available to the Company for its use.

Premium on Lease hold Land is amortized in equal installments over the balance period of the lease from the year in which commercial operations begin.

## **1.7 Inventories**

Inventories are valued at weighted average cost.

Cost of inventories shall comprise of all cost of purchase, taxes and other costs incurred in bringing the inventories to their present location and condition.

## **1.8 Employee Benefits**

Employee Benefits are provided in the books as per AS-15 (revised) in the following manner:

(I) Provident Fund and Pension contribution - as a percentage of salary / wages is a Defined Contribution Scheme.

(II) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method,



## **1.9 Foreign Currency Transactions**

- i) Monetary assets and liabilities related to foreign currency transactions and outstanding at the close of the year are expressed in Indian Rupees at the rate of exchange prevailing on the date of Balance Sheet.
- ii) Transactions in foreign currency are recorded in the books of accounts in Indian Rupees at the rate of exchange prevailing on the date of transaction.

## **1.10 Miscellaneous Expenditure**

Preliminary Expenses are written off in the year in which it is incurred, in terms of Accounting Standard (AS - 26).

## **1.11 Earnings Per Share**

Basic Earnings Per Equity Share is computed by dividing the net profit or loss after tax by the weighted average number of Equity Shares outstanding during the period. Diluted earnings per equity share is computed by dividing adjusted net profit after tax by the aggregate of weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

## **1.12 Borrowing Costs**

Borrowing costs that are attributable to the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes substantial period of time to get ready for intended use or sale. All other borrowing costs are charged to revenue.

## **1.13 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

## **1.14 Cash and Cash equivalents**

Cash and cash equivalents comprise cash, cash on deposit with banks and cheques, draft on hand. The Company considers all investments that are readily convertible to known amounts of cash to be cash equivalents.

## **1.15 Cash Flow Statements**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.





## Note 2 Share Capital

## (i) Details of Authorized, Issued, Subscribed and fully paid share capital

Share Capital	As at 31.03.2016		As at 31.03.2015	
	Number	₹	Number	₹
<b>Authorised</b>				
Equity Shares of ₹10/- each	60,00,00,000	6,00,00,00,000	60,00,00,000	6,00,00,00,000
<b>Issued</b>				
Equity Shares of ₹10/- each	42,75,00,000	4,27,50,00,000	42,75,00,000	4,27,50,00,000
<b>Subscribed &amp; fully Paid up</b>				
Equity Shares of ₹ 10/- each fully paid	42,75,00,000	4,27,50,00,000	42,75,00,000	4,27,50,00,000
<b>Total</b>	<b>42,75,00,000</b>	<b>4,27,50,00,000</b>	<b>42,75,00,000</b>	<b>4,27,50,00,000</b>

## (ii) Reconciliation of shares outstanding at the beginning and at the end of the year as at 31.03.2016

Particulars	Equity Shares		Equity Shares	
	As at 31.03.2016		As at 31.03.2015	
	Number	₹	Number	₹
Shares outstanding at the beginning of the period	42,75,00,000	4,27,50,00,000	25,00,00,000	2,50,00,00,000
Shares Issued during the period	-	-	17,75,00,000	1,77,50,00,000
Shares bought back during the period	-	-	-	-
Any other movement	-	-	-	-
<b>Shares outstanding at the end of the period</b>	<b>42,75,00,000</b>	<b>4,27,50,00,000</b>	<b>42,75,00,000</b>	<b>4,27,50,00,000</b>

## (iii) Terms/rights/restrictions attached to equity shares:

The company has only one class of Equity Shares at par value of ₹10/- per share. which rank pari-passu in all respects including voting rights and entitlement to dividend.

In the event of liquidation, each share carry equal rights and will be entitled to receive equal amount per share out of the remaining amount available with the Company after making preferential payments

## (iv) Shares held by the holding company, ultimate holding company and their subsidiaries /associates:

42,75,00,000 Equity shares ( including beneficial interest for 600 shares) are held by Jaypee Infratech Limited, the holding company.

## (v) Details of Shareholders holding more than 5% shares:

Name of Shareholder	Equity Shares		Equity Shares	
	As at 31.03.2016		As at 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jaypee Infratech Limited	427500000*	100	427500000*	100

\* Beneficial interest for 600 shares held by 6 individuals transferred to jaypee infratech limited.

## (vi) Details of shares allotted during the period of 5 years immediately preceding in respect of undermentioned particulars:

Particulars	Aggregate No. of Shares allotted			
	Year ended	Year ended	Year ended	Period ended
	31.03.2015	31.03.2014	31.03.2013	31.03.2012
<b>Equity Shares</b>				
Fully paid up equity shares allotted for consideration other than cash in terms of Project Transfer Agreement (PTA) dated 27.11.2012 entered between Jaypee Infratech Limited and Jaypee Healthcare Limited for the transfer of Hospital Project.		17,58,83,440		
<b>Fully Paid up by way of bonus shares</b>				
<b>Shares bought back</b>				



## Note 3 RESERVES &amp; SURPLUS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Surplus		
Loss brought forward from Previous Year	(5,82,58,698)	(1,26,37,540)
Add: Loss for the Period	(55,48,67,139)	(4,56,21,158)
	(61,31,25,837)	(5,82,58,698)
	(61,31,25,837)	(5,82,58,698)

## Note 4 LONG TERM BORROWINGS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured Loans:		
Term Loans I		
- from Banks	3,23,59,63,984	2,87,34,26,392
Term Loans II		
- from Banks	50,00,00,000	-
- from Others	75,85,699	36,04,04,680
	3,74,35,49,683	3,23,38,31,072

## Note 4.1 Particulars of Term Loan

Sl.No.	Banks/FIs	Terms of Repayment / Periodicity	Amount Outstanding (including current maturities) as at 31.03.2016	Amount Outstanding (including current maturities) as at 31.03.2015
I	Yes bank led Consortium Bank Term Loan - I	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	3,23,59,63,985	2,87,34,26,392
II	Yes Bank- Term Loan II	Repayable in 36 quarterly structured installments from 01.05.2020 to 01.02.2029	50,00,00,000	-
Total			3,73,59,63,985	2,87,34,26,392

## Note 4.2

The Term Loan from Yes Bank led consortium banks for Facility of ₹ 325 crores is secured by (i) first Pari Passu Charge by way of equitable mortgage on the Land & Building of the Phase-I Project along with all buildings and structures thereon alongwith Movable Fixed assets of the Project, (ii) second charge on all the current assets( both present & future), (iii) pledge by Holding Company (JIL) of 30% of paid up equity capital of the company in favor of lender during the tenor of loan, (iv) Non Disposal undertaking for 21% of paid up equity capital of the Company ( other than pledged shareholding), (v) Unconditional & Irrevocable Personal Guarantee of Mr Manoj Gaur.

## Note 4.3

The Term Loan -II from Yes Bank for facility of Rs. 100 Cr. Is secured by (i) First pari-passu charge by way of mortgage on land and building at 205 bed tertiary care hospital in Bulandshahr and a 85 bed secondary care hospital in Anupshahr(New Projects). (ii) First pari-passu charge by way of Hypothecation on all moveable fixed assets including, but not limited to medical equipment and other movable fixed assets of the new projects, both present and future. (iii) Unconditional and irrevocable corporate Guarantee of Jaypee Infratech Limited. (iv) Unconditional and Irrevocable Personal Guarantee of Mr. Manoj Gaur (v) Pledge of 30% of the paid up equity capital of the Borrower by additional promoter shareholding in the borrower such that YBL has 30% share pledged exclusively in its favor (including the shares already pledged to YBL under credit facilities sanctioned for Jaypee Medical Centre, Noida under Term Loan I.

## Note 4.4

The Term Loan from others (SREI Equipment Finance Limited) is secured by way of first /exclusive charge of medical equipment of ₹ 72,11,20,000/- and security of holding company Jaypee Infratech Ltd (JIL) by way of mortgage of property situated at village Tappal, Tehsil-khari, Distt.-Aligarh(U.P) admeasuring 7.3895 Hectares. Repayable in 36 monthly structured installments from 03.05.2014 to 03.04.2017.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## Note 5 OTHER LONG TERM LIABILITIES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Trade Payables	-	-
(ii) Security Deposit	20,00,000	20,00,000
(iii) Other long term liabilities	-	-
	<u>20,00,000</u>	<u>20,00,000</u>

## Note 6 LONG TERM PROVISIONS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Employee Benefits :		
(i) Provision for Gratuity	46,71,854	23,89,538
(ii) Provision for Leave Encashment	66,20,396	33,64,525
	<u>1,12,92,250</u>	<u>57,54,063</u>
	<u>1,12,92,250</u>	<u>57,54,063</u>

## Note 6a SHORT TERM BORROWING

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured Loans		
(i) From Banks (Working Capital Loan)	-	-
Cash Credit	9,10,61,608	-
Bank Overdraft	9,98,56,858	-
	<u>19,09,18,466</u>	<u>-</u>
(ii) Dues to other than Micro and Small enterprises	-	-
	<u>19,09,18,466</u>	<u>-</u>

## Note :-

The working capital loan from yes bank for facility of Rs. 25 crore is secured by (i) Exclusive charge on -2 Acres of Land adjoining Jaypee Medical Centre, Noida (ii) Second Pari Passu Charge By Way Of Registered Mortgage On The Land & Building Of The Phase-I Project Along With All Buildings And Structures Thereon Approx. 5 Acres. (iii) Second Pari Passu charge on Movable fixed assets (both present and future) of Jaypee Medical Centre, Noida. (iv) First Pari Passu charge on all the Current Assets (both present & future) of Jaypee Medical Centre, Noida. (v) Extension of Pledge of 51% of the paid-up equity capital of the Borrower at all times during the tenor of the facility. (vi) Unconditional and Irrevocable Personal Guarantee of Mr. Manoj Gaur. (vii) Unconditional and Irrevocable Corporate Guarantee of Jaypee Infotech Limited.

## Note 7 TRADE PAYABLES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Dues to Micro and Small enterprises	-	-
(ii) Dues to other than Micro and Small enterprises	44,59,98,559	15,29,37,026
	<u>44,59,98,559</u>	<u>15,29,37,026</u>

## Note 8 OTHER CURRENT LIABILITIES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Current Maturities of Term Loan	35,01,52,853	25,68,21,989
(ii) Creditors for Capital Expenditure	8,26,77,480	50,77,57,619
(iii) Advance From Customer	2,97,53,200	1,06,76,258
(iv) Interest Accrued & Due	1,97,61,087	2,21,68,470
(v) Interest Accrued but not due	-	-
(vi) Others Payables -Employees	41,23,344	8,01,411
(vii) Other Payable	3,17,28,905	2,81,60,536
	<u>51,81,96,869</u>	<u>82,63,86,283</u>

## Note 9 SHORT -TERM PROVISIONS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Employee Benefits:		
(i) Provision for Gratuity	19,510	9,598
(ii) Provision for Leave Encashment	3,20,958	1,80,410
	<u>3,40,468</u>	<u>1,90,008</u>
	<u>3,40,468</u>	<u>1,90,008</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEARLY ENDED ON 31ST MARCH, 2016

## Note 10 FIXED ASSETS

	Description	Useful life of Assets	Rate of Deps	Gross Carrying Value			Depreciation / Amortisation			Net Carrying Value		₹	
				Balance as at 01.04.2015	Additions during the year	Deduction/Adjustment during the year	Total as at 31.03.2016	Balance as at 01.04.2015	Provided during the year	Deduction/Adjustment during the year	Total as at 31.03.2016		As at 31.03.2016
(a)	TANGIBLE ASSETS												
	Land - (Leasehold)	88	1.14%	23,07,11,500	-	-	23,07,11,500	26,21,722	26,21,722	-	52,43,444	22,54,68,056	22,80,89,778
	Land - (Freehold)	-	-	12,62,00,958	-	10,15,30,612	2,46,70,346	-	-	-	-	2,46,70,346	12,62,00,958
	Building	60	1.58%	11,00,89,727	3,94,02,14,451	-	4,05,03,04,178	17,39,418	3,35,83,562	-	3,53,22,980	4,01,49,81,198	10,83,50,309
	Plant & Machinery	15	6.33%	98,73,930	91,44,66,661	-	92,43,40,591	13,45,577	2,95,62,867	-	3,09,08,444	89,34,32,147	85,28,353
	Motor Vehicles	8	11.88%	90,90,780	5,66,524	-	96,57,304	10,48,471	11,13,636	-	21,62,107	74,95,197	80,42,309
	Office Equipments	5	19.00%	6,23,165	16,61,54,867	-	16,67,78,032	2,00,769	1,57,92,631	-	1,59,93,400	15,07,84,632	4,22,396
	Medical Equipment & Appliances	13	7.31%	17,71,04,638	1,51,32,81,588	-	1,69,03,86,226	1,29,86,175	6,81,70,967	-	8,11,57,142	1,60,92,29,084	16,41,18,463
	Furniture & Fixture	10	9.50%	8,60,434	14,04,91,539	-	14,13,51,973	1,55,458	67,23,731	-	68,79,189	13,44,72,784	7,04,976
	Computers	3 and 6	31.67%	12,82,992	12,88,25,923	-	13,01,08,915	9,15,902	1,30,59,503	-	1,39,75,405	11,61,33,510	3,67,090
	Total (A)			66,58,38,124	6,80,40,01,553	10,15,30,612	7,36,83,09,065	2,10,13,492	17,06,28,619	-	19,16,42,111	7,17,66,66,954	64,48,24,632
Previous Year Figure				25,21,40,072	41,36,98,052	-	66,58,38,124	11,61,307	1,98,52,185	-	2,10,13,492	64,48,24,632	25,09,78,765
(b)	INTANGIBLE ASSETS												
	Computer Software	5	20.00%	33,70,800			33,70,800	4,49,440	9,94,556		14,43,996	19,26,804	29,21,360
	Total (B)			33,70,800	-	-	33,70,800	4,49,440	9,94,556	-	14,43,996	19,26,804	29,21,360
	Previous Year Figure			-	33,70,800		33,70,800	0	4,49,440		4,49,440	29,21,360	-
Total (A+B)													
Previous Year Figure							66,92,08,924	6,80,40,01,553	10,15,30,612	-	19,30,86,107	7,17,85,93,758	64,77,45,992
Previous Year Figure							25,21,40,072	41,70,68,852	-	-	2,14,62,932	64,77,45,992	25,09,78,765
(c) NOTE 10A													
Capital Work in progress including Incidental Expenditure During Construction Pending Allocation [Refer Note No.10A] -Tangible												74,32,82,255	6,39,37,56,896

Note :- Cost of Building was erroneously included in cost of land (freehold) in f.y 2014-15 which has been regrouped now.



## JAYPEE HEALTHCARE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## Note 10A CAPITAL WORK IN PROGRESS (INCLUDING INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION)

	As at 31.03.2016	As at 31.03.2015
<b>I. CAPITAL WORK IN PROGRESS</b>		
<b>TANGIBLE ASSETS</b>		
(i) Building	3,42,77,90,831	2,92,38,32,289
(ii) Plant & Machineries	67,37,24,276	67,30,05,588
(iii) Office Equipments	12,19,97,311	11,90,05,571
(iv) Medical Equipment & Electrical Appliances	1,09,20,93,863	1,07,25,37,215
(v) Furniture & Fixtures	10,26,75,998	9,93,30,618
(vi) Computers	6,07,90,468	5,65,67,075
(vii) Stock & Spares of Building & Equipment	8,19,70,531	7,99,57,878
(vii) Cwip - Motor Vehicles	5,66,524	-
Total CWIP (Tangible)	<b>5,56,16,09,801</b>	<b>5,02,42,36,234</b>
<b>II. INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION</b>		
Opening Balance	1,39,79,51,823	
(i) Salary, Wages, Bonus and other benefits	12,08,22,477	26,88,33,698
(ii) Contribution to Provident fund	57,64,760	1,26,21,973
(iii) Staff Welfare Expenses	19,42,870	33,15,382
(iv) Rates & Taxes	20,94,728	40,63,787
(v) Consultancy & Advisory Charges	9,23,77,438	48,08,91,321
(vi) Travelling & Conveyance Expenses	37,16,954	41,79,870
(vii) Postage & Telephone Expenses	11,60,359	62,47,733
(viii) Bank Charges	44,75,030	2,78,79,950
(ix) Insurance Charges	12,02,592	57,03,384
(x) Electricity, Power & Fuel Expenses	4,71,58,175	4,87,75,327
(xi) Office and Camp Maintenance	1,20,552	2,26,94,366
(xii) Vehicles Running & Maintenance	1,01,39,134	1,03,66,545
(xiii) Repair & Maintenance - Machinery	6,39,481	20,73,864
(xiv) Printing & Stationery	8,88,656	1,14,30,716
(xv) Security Service Expenses	73,54,072	1,83,23,966
(xvi) Finance Costs	19,58,53,834	51,18,00,327
(xvii) Advertisement & Business Promotion Expenses	11,35,52,238	3,36,78,691
(xviii) Depreciation	-	11,61,307
(xix) Audit Fee	-	3,37,080
(xx) Miscellaneous Expenses	99,13,558	2,77,24,960
(xxi) Consumption of Medical Items	14,14,03,701	7,55,50,579
(xxii) Bill Discounting Charges	-	4,75,19,280
(xxiii) House Keeping Expenses	3,87,93,285	9,60,64,760
(xxiv) Doctors Fees	18,32,34,164	-
	<b>98,26,08,058</b>	<b>1,72,12,38,866</b>
Revenue from Operations	(52,37,74,514)	(32,32,87,043)
Other Income	(1,32,86,722)	-
<b>Net Incidental Expenditure</b>	<b>1,84,34,98,645</b>	<b>1,39,79,51,823</b>
<b>Grand Total (I+II)</b>	<b>7,40,51,08,446</b>	<b>6,42,21,88,057</b>
Less :Capitalized during period	6,66,18,26,191	2,84,31,161
Balance Capital CWIP	74,32,82,255	6,39,37,56,896





## Note 11 LONG TERM LOANS &amp; ADVANCES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Unsecured, considered good		
(i) Loans & Advances to Related parties		
(ii) Other Capital Advances	5,05,18,130	6,57,47,378
(iii) Security Deposits --with Govt. Authorities	2,47,876	13,02,876
(iv) Security Deposits --with other	12,30,000	7,85,000
	5,19,96,006	6,78,35,254
	<u>5,19,96,006</u>	<u>6,78,35,254</u>

## Note 12 OTHER NON-CURRENT ASSETS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Other Bank Balances :-		
(i) On Deposit Account		
(ii) Interest Accrued on FDRs		

## Note 13 INVENTORIES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Raw Material		
(ii) Work-in-progress		
(iii) Finished goods		
(iv) Stock-in-trade		
(v) Loose tools		
(vi) Stores		
-Stock Medical Items	7,52,09,886	4,82,83,519
-Stock Non Medical Items	1,21,46,562	1,45,54,705
	8,73,56,448	6,28,38,224
	<u>8,73,56,448</u>	<u>6,28,38,224</u>

## Note 14 TRADE RECEIVABLES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Receivable outstanding for a period exceeding six months from the date they are due for payment :-		
-Considered Good		
-Secured		
-Unsecured	1,19,73,871	4,69,902
-Considered doubtful		
Less :- Provision for doubtful debts		
(ii) Other Receivables :-		
-Unsecured (considered good)	3,64,29,874	1,20,73,085
-Secured		
-Unsecured		
Less :- Provision for rebate & discounts		
	4,84,03,745	1,25,42,987
	<u>4,84,03,745</u>	<u>1,25,42,987</u>



## Note 15 CASH AND BANK BALANCES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(A) CASH AND CASH EQUIVALENTS		
(i) Balances with Banks :		
(a) Current Accounts	13,71,25,216	26,18,21,367
(b) Deposit Accounts ( up to 3 months)	7,39,00,000	27,67,79,558
	21,10,25,216	53,86,00,925
(ii) Cheques, drafts on hand	10,50,832	18,83,776
(iii) Cash on hand	34,41,311	20,60,974
(B) Other Bank Balances :		
(i) Deposit Accounts (3-12 Months)	10,83,24,066	13,81,19,365
	32,38,41,425	68,06,65,040

## Note 16 SHORT TERM LOANS AND ADVANCES

(Unsecured, considered good)

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Advances to related parties	9,73,91,862	54,60,60,605
(ii) Advances to Employees	4,31,774	3,53,063
(iii) Balance with custom authorities	-	-
(iv) TDS Receivables	2,13,80,673	57,29,695
	11,92,04,309	55,21,43,363

## Note 17 OTHER CURRENT ASSETS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Interest Accrued on FDRs	6,91,251	59,08,371
(ii) Prepaid Expenses	42,04,546	26,29,047
(iii) Income Accrued but not Due	1,65,96,716	1,17,74,580
	2,14,92,513	2,03,11,998



## Note 18 REVENUE FROM OPERATIONS

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Revenue from Hospital	81,53,61,401	5,20,47,432	
(ii) Revenue from Pharmacy	7,01,71,841	1,84,64,928	
		88,55,33,242	7,05,12,360
		88,55,33,242	7,05,12,360

## Note 19 OTHER INCOME

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
(a) Interest Received - FDR	1,17,79,150	3,07,20,149	
(b) Sale Of Scrap	2,52,841	10,99,251	
(c) Miscellaneous Income	1,28,340	3,46,678	
(d) Outlet Income	17,81,270	-	
(e) Parking Income	21,09,122	-	
		1,60,50,723	3,21,66,078
		1,60,50,723	3,21,66,078



## Note 20 COST OF SALES

	For the year ended 31.03.2016	For the year ended 31.03.2015
	₹	₹
(i) Consumption of Medical Items	20,49,06,693	1,39,31,480
(ii) Pharmacy Sale	4,65,46,334	1,24,47,693
<b>Totals</b>	<b>25,14,53,027</b>	<b>2,63,79,173</b>

## Note 21 EMPLOYEE BENEFITS EXPENSES

	For the year ended 31.03.2016	For the year ended 31.03.2015
	₹	₹
(i) Salary, Wages, Bonus and other benefits	20,65,34,110	4,04,49,715
(ii) Contribution to Provident fund & other fund	1,01,13,807	21,09,050
(iii) Staff Welfare Expenses	35,29,282	1,09,142
<b>Totals</b>	<b>22,01,77,199</b>	<b>4,26,67,907</b>

## Note 22 FINANCE COSTS

	For the year ended 31.03.2016	For the year ended 31.03.2015
	₹	₹
(i) Interest on Term Loan	23,16,56,268	1,58,37,022
(ii) Other Finance Charges	3,24,66,855	18,97,386
<b>Totals</b>	<b>26,41,23,123</b>	<b>1,77,34,408</b>

## Note 23 OTHER EXPENSES

	For the year ended 31.03.2016	For the year ended 31.03.2015
	₹	₹
(i) Doctor's Fees	26,05,82,722	2,99,00,120
(ii) Consultancy & Advisory Charges	1,98,56,593	16,72,063
(iii) Electricity, Power & Fuel Expenses	4,93,86,038	16,41,404
(iv) House Keeping Expenses	10,64,07,637	38,35,747
(v) Security Service Expenses	1,87,98,368	5,81,221
(vi) Rates & Taxes	24,38,825	23,614
(vii) Travelling & Conveyance Expenses	1,07,85,343	1,01,549
(viii) Postage & Telephone Expenses	25,71,086	1,22,444
(ix) Insurance Charges	70,82,519	1,93,979
(x) Vehicles Running & Maintenance	58,97,186	3,43,026
(xi) Printing & Stationery	16,33,456	3,72,207
(xii) Office Expenses	17,51,230	3,821
(xiii) Repair & Maintenance	83,83,338	66,927
(xiv) Marketing & Business Promotion Expenses	2,81,82,136	11,71,324
(xv) Audit Fee	2,24,720	2,24,720
(xvi) Misc. Expenses	17,30,392	8,03,829
(xvii) Bank Charges	30,73,178	1,58,488
(xviii) Patient Catering Expenses	2,02,89,813	-
<b>Totals</b>	<b>54,90,74,580</b>	<b>4,12,16,483</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## Note 24 Earnings Per Share in accordance with Accounting Standard [AS - 20] for the period ended on 31.03.2016

Computation of Basic &amp; Diluted Earnings per Share is as under:

	As at 31.03.2016	As at 31.03.2015
Net Profit after Tax (₹)	₹ (55,48,67,139)	₹ (4,56,21,158)
Weighted average number of Equity shares for		
(i) Number of Equity Shares at the Beginning of the period	42,75,00,000	25,00,00,000
(ii) Number of Equity Shares allotted during the period.		17,75,00,000
(iii) Weighted average number of Equity Shares allotted during the period.	42,75,00,000	31,72,19,178
(iv) Weighted average number of Equity Shares at the end of the period.	42,75,00,000	31,72,19,178
Basic & diluted Earnings per share(₹)	(1.30)	(0.14)
Face Value per Share(₹)	10.00	10.00





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2016

## NOTE NO. 25 Contingent Liabilities &amp; commitments not provided for:

Particulars	₹ 2015-16	₹ 2014-15
<b>Contingent Liabilities :-</b>		
a) Outstanding Letters of Credit (including Foreign LCs) (Margin Money Current Year: Nil, Previous Year: 7.39 crores)	98,56,042	39,64,02,181
b) Bank Guarantee	-	-
<b>Commitments :-</b>		
c) Estimated amount of Contract of HIS Software remaining to be executed (Net of advances)	3,91,875	22,47,200
d) Estimated amount of Contract remaining to be executed on Capital Account (Net of advances)	10,00,00,000	14,00,00,000

## NOTE NO. 26

Company has commenced OPD operation for Internal Medicine, Radiology, Lab & EHC w.e.f 1st April 2014, rest of the departments were under progress and working on trial run till 30th September 2015. Incidental expenses (net of revenue) related to other departments were shown as pre-operative expenses in Capital Work In Progress till that date. During the year, company commenced operation in all departments w.e.f. 1st October 2015 and Incidental expenses (net of revenue) related to other departments shown as pre-operative expenses in Capital Work In Progress till 30th September 2015 were capitalised by allocating proportionately on the cost of major fixed assets capitalised as on that date.

## NOTE NO. 27

In the opinion of Board of Directors the assets, other than fixed assets and non-current investments, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

## NOTE NO. 28

(a) Provident Fund - Defined contribution Plan.

All employees are entitled to Provident Fund Benefit as per law. Amount debited to financial statements is ₹ 1,69,07,004/- during the year (Previous period ₹ 1,03,12,305/-).

(b) The Liability for Gratuity is provided on the basis of actuarial valuation made at the end of current period. The actuarial valuation is made on Projected Unit Credit method as per AS-15 (revised).

(c) Provision has been made for Gratuity and Leave Encashment as per actuarial valuation as below (Previous year figures are mentioned in brackets) :

The Summarized position of defined benefits recognized in Balance Sheet is as under:



S. No.	Particulars	2015-16	
		Gratuity	Leave Encashment
I	<b>Expenses recognized as Incidental Expenditure During Construction up to 31st March 2016.</b>		
	1. Current Service Cost.	27,21,423 (17,93,447)	42,82,572 (28,25,485)
	2. Interest Cost	1,91,931 (63,245)	2,83,595 (96,387)
	3. Employee Contribution	- (-)	- (-)
	4. Actuarial (Gains)/Losses	(6,21,126) (-104225)	2,71,235 (2,14,549)
	5. Past Service Cost	- (-)	- (-)
	6. Settlement Cost	- (-)	- (-)
	7. Total Expenses	22,92,228 (17,52,467)	48,37,402 (31,36,421)
II	<b>Net Asset/ (Liability) recognized in the Balance Sheet as at 31st March 2016.</b>		
	1. Present Value of Defined Benefit Obligation.	46,91,364 (23,99,136)	69,41,354 (35,44,935)
	2. Fair Value of Plan Assets	- (-)	- (-)
	3. Funded Status /Difference	(4691364) (-2399136)	(69,41,354) (-3544935)
	4. Net Asset/ (Liability) as at March 31, 2016.	(4691364) (-2399136)	(69,41,354) (-3544935)
III	<b>Change in Obligation during the year ended March 31, 2016.</b>		
	1. Present value of Defined Benefit Obligation at the beginning of the year.	- (-)	35,44,935 (11,33,966)
	2. Current Service Cost.	- (-)	42,82,572 (28,25,485)
	3. Interest Cost	- (-)	2,83,595 (96,387)
	4. Settlement Cost	- (-)	- (-)
	5. Past Service Cost.	- (-)	- (-)
	6. Employee Contributions	- (-)	- (-)
	7. Actuarial (Gains)/Losses	- (-)	2,71,235 (2,14,549)
	8. Benefit Payments	- (-)	14,40,983 (7,25,452)
	9. Present Value of Defined Benefit Obligation at the end of the year.	- (-)	69,41,354 (35,44,935)



IV	Change in Assets during the year ended March, 2016.					
	1.	Plan Assets at the beginning of the year.		-	-	
				(-)	(-)	
	2.	Assets acquired on amalgamation in previous year.		-	-	
				(-)	(-)	
	3.	Settlements		-	-	
				(-)	(-)	
	4.	Expected return on Plan Assets		-	-	
				(-)	(-)	
	5.	Contribution by Employer		-	-	
				(-)	(-)	
	6.	Actual Benefit Paid		-	-	
				(-)	(-)	
	7.	Actuarial Gains / (Losses)		-	-	
				(-)	(-)	
	8.	Plan Assets at the end of the year		-	-	
				(-)	(-)	
	9.	Actual Return on Plan Assets		-	-	
				(-)	(-)	
V. Assets/Liabilities						
	As on			31.03.2016	31.03.2015	
Gratuity						
A	PBO (C)			46,91,364	23,99,136	
B	Plan Assets			-	-	
C	Net Assets/ (Liabilities)			(46,91,364)	(-2399136)	
Leave Encashment						
A	PBO (C)			69,41,354	35,44,935	
B	Plan Assets			-	-	
C	Net Assets/ (Liabilities)			(69,41,354)	(-3544935)	

**VI. Enterprises best estimate of contribution during next year :**

(i) Gratuity	₹ 42,64,113
(ii) Leave encashment	₹ 36,32,515

**VII. Actuarial Assumptions**

(I)	Discount Rate	8.00%
(II)	Mortality	As per IALM (1994-96)
(III)	Turnover Rate	
	- Up to 30 years	2%
	- 31 to 44 years	5%
	- Above 44 years	3%
(IV)	Future Salary	5.5%



c

## a. Earnings in foreign Currency :

Particulars			Year ended 2015-16	Year ended 2014-15
Patient Receipt			2,84,71,758	70,28,086

## b. Expenditure in Foreign Currency :

Particulars			Year ended 2015-16	Year ended 2014-15
Finance Charges			17,98,348	16,55,499
Patient Refund			9,89,670	1,50,384
CIF value of import of Capital Goods			6,84,95,624	4,49,15,223

## NOTE NO.30

Related Party Disclosures, as required in terms of 'Accounting Standard [AS] -18' are given below:

I:- Relationships (Related party relationships are as identified by the Company and relied upon by the Auditors)

a. Ultimate Holding Company : Jaiprakash Associates Limited (JAL)

b. Holding Company : Jaypee Infratech Limited (JIL)

## c. Fellow Subsidiary Companies:

- (1) Jaiprakash Power Ventures Limited (JPVL) (subsidiary of JAL)
- (2) Jaypee Powergrid Limited (JV subsidiary of JPVL)
- (3) Jaypee Arunachal Power Limited (JV subsidiary of JPVL)
- (4) Sangam Power Generation Company Limited (subsidiary of JPVL)
- (5) Prayagraj Power Generation Company Limited (subsidiary of JPVL)
- (8) Jaypee Meghalaya Power Limited (subsidiary of JPVL)
- (9) Bhilai Jaypee Cement Limited (JV subsidiary of JAL)
- (10) Himalayan Expressway Limited (JV subsidiary of JAL)
- (9) Gujarat Jaypee Cement & Infrastructure Limited (JV subsidiary of JAL)
- (10) Jaypee Ganga Infrastructure Corporation Limited (subsidiary of JAL)
- (11) Jaypee Agra Vikas Limited (subsidiary of JAL)
- (12) Jaypee Fertilizers & Industries Limited (subsidiary of JAL)
- (13) Jaypee Cement Corporation Limited (subsidiary of JAL)
- (14) Himalayaputra Aviation Limited (subsidiary of JAL)
- (15) Jaypee Assam Cement Limited (subsidiary of JAL)
- (16) Jaypee Cement Cricket (India) Limited (subsidiary of JAL)
- (17) Jaypee Cement Hockey (India) Limited (subsidiary of JAL)
- (18) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL)
- (19) Bina Power Supply Limited (new name w.e.f 28.09.15 of Himachal Karcham Power Company Limited) (subsidiary of JPVL)



Note :

1. Himachal Baspa Power Company Limited ceased to be subsidiary of JPVL w.e.f. 08.09.15.
2. Jaypee Sports International Limited (JPSI) ceased to be a subsidiary of JAL as it amalgamated into JAL on 16.10.15 w.e.f. the Appointed Date 01.04.14.

**d. Associates Companies**

- (1) MP Jaypee Coal Limited
- (2) MP Jaypee Coal Fields Limited
- (3) Madhya Pradesh Jaypee Minerals Limited
- (4) Jaypee Uttar Bharat Vikas Private Limited
- (5) Kanpur Fertilizers & Cement Limited
- (6) Jaypee Infra Ventures (A Private Company With Unlimited Liability) (JIV)
- (7) Jaypee Development Corporation Limited (JDCL) (Subsidiary of JIV)
- (8) Andhra Cements Limited (subsidiary of JDCL)
- (9) JIL Information Technology Limited (JILIT) (Subsidiary of JIV)
- (10) Gaur & Nagi Limited (Subsidiary of JILIT)
- (11) Jaypee International Logistics Company Private Limited (subsidiary of JIV)
- (12) Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL)
- (13) Anvi Hotels Private Limited (subsidiary of JIV)
- (14) RPJ Minerals Private Limited (RPJMPL)
- (15) Sarveshwari Stone Products Private Limited (subsidiary of RPJMPL)
- (16) Rock Solid Cement Limited (subsidiary of RPJMPL)
- (17) Sonebhadra Minerals Private Limited
- (18) Jaiprakash Kashmir Energy Limited
- (19) Indesign Enterprises Private Limited (subsidiary of JIV)
- (20) Ibonshourne Limited (subsidiary of Indesign Enterprises Private Limited)
- (21) Jaypee Mining Ventures Private Limited (KMP based associate company)
- (22) Ceekay Estates Private Limited (KMP based associate company)
- (23) Dixit Holdings Private Limited (DHPL) (KMP based Associate Co.)
- (24) Bhumi Estate developers Privated Limited (KMP based associate company)  
Jaypee Jan Sewa Sansthan ('Not for Profit Private Limited Company) (KMP based associate company)
- (25) iValue Advisors Private Limited
- (26) JC World Hospitality Pvt. Ltd.
- (27) Librans Venture Private Limited (KMP based Associate Co.)
- (28) Librans Real Estate Private Limited (KMP based Associate Co.)
- (29) C K World Hospitality Private Limited (KMP based Associate Co.)
- (30) JC Wealth & Investment Private Limited (KMP based Associate Co.)



(e) Key Managerial Personnel:

- (1) Smt. Rekha Dixit, Whole-time Director (w.e.f 25.02.2015)  
(2) Shri Sachin Gaur, Director & CFO (w.e.f 25.02.2015)

Transactions carried out with related parties referred to above: (in ₹ )

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above	Referred in (e) above
Receipts/ Income	-	-	-	-	
Share Application Money received		(1,77,50,00,000)			
Expenditure					
Contract Expenses	8,40,23,178 (17,40,94,663)			33,16,47,167 -	
Cement/Goods Purchases/IT Services, supply & Installation				2,53,73,171 (5,76,45,029)	
Advertisement				4,40,28,329 -	
Others		8,25,30,556 -			
Project Transfer		- (-115799958)			

Outstanding

Receivables				
Advance Payment	(-)	-9,73,91,863		
	(-)	(-516,233,140)		
Payables				
Creditors	8,96,98,061 (4,94,22,576)	11,23,58,022 -		5,43,16,651 (26,14,469)

1 Previous Year figures are given in brackets.



**NOTE NO. 31**

There is net Deferred tax assets however, the provision for net Deferred Tax Assets for timing difference has not been created as a matter of prudence as the company believes that in view of virtual uncertainty of future taxable income against which reversal of such deferred tax can be made.

**NOTE NO. 32**

As per the information available from the Management there are no Small Scale Industrial Undertakings to whom the Company owes more than ₹ 1 Lakh outstanding for more than 30 days as on 31st March 2016.

**NOTE NO. 33**

As per the information available with the company, the company has no dues to micro & Small Enterprises during the period ended 31st March 2016 .

**NOTE NO. 34**

During the period under the review, the company has not paid any remuneration to its directors.

**NOTE NO. 35**

(a) All the figures have been rounded off to the nearest rupee.

(b) Previous year figures have been reworked/regrouped/rearranged wherever necessary to conform to those of current year.

Signatures to Notes 1 to 35  
For Awatar & Co.  
Chartered Accountants  
Registration No. 000726N



  
Sachin Gaur  
Director & CFO  
DIN-00387718

  
Malvika Mall  
Company Secretary

For and On behalf of Board



Manoj Gaur  
Chairman  
DIN-00008480



Rekha Dixit  
Whole-time Director  
DIN-00913685

(Brijendra Agrawal)  
Partner  
M. No. 087787

Place: Noida

Date: 25.05.2016