

## **Independent Auditor's Report**

### **To the Members of Adani Hospitals Mundra Private Limited**

#### **Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS Financial Statements of Adani Hospitals Mundra Private Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after referred to as "Ind AS Financial Statements").

#### **Management's Responsibility for the Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

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

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

#### **Opinion**

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

## **Independent Auditor's Report**

### **To the Members of Adani Hospitals Mundra Private Limited (Continue)**

#### **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 "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the Balance Sheet, the Statement of Profit and Loss, the Statement Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B';
  - 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.

Place : Ahmedabad  
Date : April 28, 2018

For **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Anuj Jain**  
Partner  
Membership No. 119140

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Hospitals Mundra Private Limited**

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(Referred to in Paragraph 1 of our Report of even date)

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended 31<sup>st</sup> March, 2018, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets, according to the practice of the Company, are physically verified by the management at reasonable intervals, in a phased verification programme, which, in our opinion, is reasonable, looking to the size of the Company and the nature of its business.
- (c) The company does not hold any immovable property. Accordingly the provisions of paragraph 3 (i)(c) of the Order are not applicable.
- (ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals.
- (b) On the basis of our examination of the records of inventory, we are of the opinion that the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt in the books of accounts.
- (iii) According to the information and explanation given to us and the records produced to us for our verification, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of paragraph 3(iii) (a) to (c) of the Order are not applicable.
- (iv) According to the information and explanations given to us and representations made by the Management, the Company has not done any transactions covered under section 185 and 186 in respect of loans, investments, guarantees and security. Accordingly the provisions of paragraph 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of cost records as prescribed by the Central Government under section 148(1) of the Act are not applicable to the company for the year under review.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, goods and service tax (GST), service tax, duty of customs, value added tax, cess and other material statutory dues have generally been deposited regularly during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, entry tax and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above mentioned statutory dues were in arrears as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the records of the Company and representations made by the Management, there are no statutory dues as mentioned in paragraph 3(vii)(a) which have not been deposited on account of any dispute.

**Annexure - A to the Independent Auditor's Report**  
**RE: Adani Hospitals Mundra Private Limited (Continue)**

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(Referred to in Paragraph 1 of our Report of even date)

- (viii) The Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly the provisions of paragraph 3(viii) of the Order are not applicable.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of material fraud by the company or on the company by its officers or employees, noticed or reported during the year.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid/provided. Accordingly the provisions of Clauses 3(xi) of the Order are not applicable.
- (xii) In our opinion, the Company is not a nidhi Company. Accordingly the provisions of Clauses 3(xii) of the Order are not applicable.
- (xiii) As per information and explanation given to us and on the basis of our examination of the records of the Company, all the transaction with related parties are in compliance with section 177 and 188 of Companies Act 2013 and all the details have been disclosed in Ind AS Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any preferential allotment or private placement or not issued any debenture during the year under review. Accordingly the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records, Company has not entered into any non-cash transactions with any director or any person connected with him. Accordingly the provisions of Clauses 3(xv) of the Order are not applicable to the Company.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable.

Place : Ahmedabad  
Date : April 28, 2018

For **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Anuj Jain**  
Partner  
Membership No. 119140

**Annexure – B to the Independent Auditor’s Report**  
**RE: Adani Hospitals Mundra Private Limited**

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(Referred to in Paragraph 2(f) of our Report of even date)

**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 the company as of 31<sup>st</sup> March, 2018 in conjunction with our audit of the Ind AS Financial Statements of the company for the year ended on that date.

**Management’s Responsibilities 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 judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

**Annexure – B to the Independent Auditor’s Report**  
**RE: Adani Hospitals Mundra Private Limited (Continue)**

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(Referred to in Paragraph 2(f) of our Report of even date)

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ahmedabad  
Date : April 28, 2018

For **DHARMESH PARIKH & CO.**  
Chartered Accountants  
Firm Reg. No. 112054W

**Anuj Jain**  
Partner  
Membership No. 119140

**Adani Hospitals Mundra Private Limited**  
**Balance Sheet as at March 31, 2018**

₹ in Lacs

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	220.22	248.86
Other Intangible assets	3	0.33	0.55
Income tax Assets ( net)	6	93.26	36.91
Deferred tax assets (net)	15	5.16	19.56
		<b>318.97</b>	<b>305.88</b>
<b>Current assets</b>			
Inventories	7	19.20	18.36
Financial assets			
(i) Trade receivables	4	150.67	197.99
(ii) Cash and Cash Equivalents	8	68.94	50.81
(iii) Bank balance other than (ii) above	9	59.23	66.30
(iv) Other financial assets	5	0.93	1.51
Other current assets	6	7.02	2.56
		<b>305.99</b>	<b>337.53</b>
<b>Total assets</b>		<b>624.96</b>	<b>643.41</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	10	30.00	30.00
Other equity			
Equity component of borrowing	11	93.40	93.40
Retained earnings	11	(65.75)	50.73
<b>Total equity</b>		<b>57.65</b>	<b>174.13</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	12	343.55	315.12
Provisions	14	2.06	2.19
		<b>345.61</b>	<b>317.31</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Trade payables	17	208.84	133.11
(ii) Other financial liabilities	13	6.89	7.26
Other current liabilities	16	5.43	10.62
Provisions	14	0.54	0.98
		<b>221.70</b>	<b>151.97</b>
<b>Total liabilities</b>		<b>567.31</b>	<b>469.28</b>
<b>Total equity and liabilities</b>		<b>624.96</b>	<b>643.41</b>
<b>Summary of Significant accounting policies</b>	2.1		

The accompanying notes form an integral part of financials statements  
As per our report of even date

**For Dharmesh Parikh & Co.**  
**Chartered Accountants**  
**Firm Registration Number : 112054W**

**For and on behalf of Board of Directors of**  
**Adani Hospitals Mundra Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Pankaj Doshi**  
Director  
DIN: 03600975

**Mukesh Saxena**  
Director  
DIN: 07337179

**Place: Ahmedabad**  
**Date: April 28, 2018**

**Place: Ahmedabad**  
**Date: April 28, 2018**

Adani Hospitals Mundra Private Limited  
Statement of Profit and Loss for the year ended March 31, 2018

Particulars	Notes	₹ in Lacs	
		March 31, 2018	March 31, 2017
<b>INCOME</b>			
Rendering of services	18	712.66	795.09
Other income	19	8.50	8.22
<b>Total income</b>		<b>721.16</b>	<b>803.31</b>
<b>EXPENSES</b>			
Operating expenses	20	210.72	233.33
Employee benefits expense	21	152.16	94.30
Depreciation and amortization expense	3	29.43	34.06
Finance costs	22	28.56	30.27
Other expenses	23	403.08	381.80
<b>Total expense</b>		<b>823.95</b>	<b>773.76</b>
<b>Profit/(loss) before exceptional items and tax</b>		<b>(102.79)</b>	<b>29.55</b>
Exceptional items		-	-
<b>Profit/(loss) before tax</b>		<b>(102.79)</b>	<b>29.55</b>
<b>Tax expense:</b>	24		
Current Tax		-	6.80
Adjustment of tax relating to earlier periods		0.97	-
Deferred Tax		13.25	(8.31)
<b>Income tax expense</b>		<b>14.22</b>	<b>-1.51</b>
<b>Profit/(Loss) for the year</b>		<b>(117.01)</b>	<b>31.06</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>			
Re-measurement gains/(losses) on defined benefit plans		0.72	(0.61)
Income Tax effect	24	(0.19)	0.16
		<b>0.53</b>	<b>(0.45)</b>
<b>Other comprehensive Income for the year</b>		<b>0.53</b>	<b>(0.45)</b>
<b>Total comprehensive Income for the year</b>		<b>(116.48)</b>	<b>30.61</b>
<b>Basic and diluted earnings per equity shares (in ₹) face value of ₹ 10 each</b>	27	<b>(39.00)</b>	<b>10.35</b>
<b>Summary of Significant accounting policies</b>	2.1		

The accompanying notes form an integral part of financials statements  
As per our report of even date

For Dharmesh Parikh & Co.  
Chartered Accountants  
Firm Registration Number : 112054W

For and on behalf of Board of Directors of  
Adani Hospitals Mundra Private Limited

Anuj Jain  
Partner  
Membership No. 119140

Pankaj Doshi      Mukesh Saxena  
Director            Director  
DIN: 03600975    DIN: 07337179

Place: Ahmedabad  
Date: April 28, 2018

Place: Ahmedabad  
Date: April 28, 2018



Adani Hospitals Mundra Private Limited  
Statement of Changes in Equity for the year ended March 31, 2018

₹ in Lacs

Particulars	Equity Share Capital	Other Equity		Total
		Equity component of borrowing	Reserves and Surplus Retained Earning	
Balance as on April 01, 2016	30.00	1.84	20.12	51.96
Profit for the year			31.06	31.06
Other Comprehensive Income			(0.45)	(0.45)
<b>Total Comprehensive Income for the year</b>			<b>30.61</b>	<b>30.61</b>
Impact of change in borrowing		91.56		91.56
<b>Balance as on March 31, 2017</b>	<b>30.00</b>	<b>93.40</b>	<b>50.73</b>	<b>174.13</b>
Balance as on April 01, 2017	30.00	93.40	50.73	174.13
Profit for the year			(117.01)	(117.01)
Other Comprehensive Income			0.53	0.53
<b>Total Comprehensive Income for the year</b>			<b>(116.48)</b>	<b>(116.48)</b>
Impact of change in borrowing				-
<b>Balance as on March 31, 2018</b>	<b>30.00</b>	<b>93.40</b>	<b>(65.75)</b>	<b>57.65</b>

For Dharmesh Parikh & Co.  
Chartered Accountants  
Firm Registration Number : 112054W

For and on behalf of Board of Directors of  
Adani Hospitals Mundra Private Limited

Anuj Jain  
Partner  
Membership No. 119140

Pankaj Doshi  
Director  
DIN: 03600975

Mukesh Saxena  
Director  
DIN: 07337179

Place: Ahmedabad  
Date: April 28, 2018

Place: Ahmedabad  
Date: April 28, 2018

Adani Hospitals Mundra Private Limited  
Statement of Cash Flows for the year ended March 31, 2018

₹ in Lacs

Particulars	March 31, 2018	March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before tax as per statement of profit and loss	(102.79)	29.55
Adjustments for:		
Excess provision written back	(1.45)	-
Depreciation and amortisation	29.43	34.06
Interest income	(6.89)	(4.53)
Interest expense	28.43	30.27
Provision for doubtful advances (net)	0.28	0.19
<b>Operating profit before working capital changes</b>	<b>(52.99)</b>	<b>89.54</b>
Movements in working capital :		
(Increase)/ Decrease in trade receivables	47.32	(72.80)
(Increase)/ Decrease in inventories	(0.84)	7.19
(Increase)/ Decrease in financial assets	-	(0.20)
(Increase)/ Decrease in other assets	(4.74)	8.13
Increase/ (Decrease) in trade payables	75.73	68.17
Increase/ (Decrease) in other liabilities	(3.59)	6.91
<b>Cash generated from operations</b>	<b>60.89</b>	<b>106.94</b>
Direct taxes paid (net)	(56.35)	9.83
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>4.54</b>	<b>116.77</b>
<b>Cash flows from investing activities</b>		
Purchase of Property, Plant and Equipment (Including capital work In progress and capital advances)	(0.95)	(2.56)
Interest received	7.47	3.22
Deposit/realisation of margin money	7.07	(66.30)
<b>Net cash inflow from/ (used in) investing activities (B)</b>	<b>13.59</b>	<b>(65.64)</b>
<b>Cash flows from financing activities</b>		
Repayment of intercorporate deposit (including short-term)		(17.50)
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>-</b>	<b>(17.50)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents (A + B + C)</b>	<b>18.13</b>	<b>33.63</b>
Cash & cash equivalents at the beginning of the year	50.81	17.18
<b>Cash &amp; cash equivalents at the end of the year (Refer note-08)</b>	<b>68.94</b>	<b>50.81</b>

**Notes:**

Component of Cash and Cash equivalents

Cash on hand	0.13	0.54
Balances with scheduled bank		
On current accounts	19.57	3.72
On deposit accounts	49.24	46.55
<b>Total cash and cash equivalents</b>	<b>68.94</b>	<b>50.81</b>

Summary of significant accounting policies 2.1

The accompanying notes form an integral part of financials statements

The Cash flow statement has been prepared under the indirect method as set out in the Indian Accounting Standard 7 on Statement of Cash Flows issued by the Institute of Chartered Accountants of India.

As per our report of even date

**For Dharmesh Parikh & Co.**  
Chartered Accountants  
Firm Registration Number : 112054W

**For and on behalf of Board of Directors of**  
Adani Hospitals Mundra Private Limited

**Anuj Jain**  
Partner  
Membership No. 119140

**Pankaj Doshi**  
Director  
DIN: 03600975

**Mukesh Saxena**  
Director  
DIN: 07337179

Place: Ahmedabad  
Date: April 28, 2018

Place: Ahmedabad  
Date: April 28, 2018

**1 Corporate information**

Adani Hospitals Mundra Private Limited was incorporated on November 01, 2013 as a 100% subsidiary Company of Adani Ports and Special Economic Zone Limited (APSEZ). The company is a special purpose company promoted by APSEZ and is incorporated with the objective to set up and run Hospitals, to provide all kinds of medical, surgical & maternity facilities in Mundra for the benefit and use of its employees and other units established in SEZ being developed by APSEZ.

The company has been accorded the status of a co-developer in the Mundra SEZ vide approval letter bearing reference No. F.2/11/2003-SEZ dated 25th April, 2014 issued by the Board of approval, Ministry of Commerce, Government of India, New Delhi to develop, operate, maintain and provide IPD/OPD services to patients at the 100 Bed Hospital in the non-processing area of APSEZ.

**2 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments (including derivative instruments) which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

**2 Summary of significant accounting policies**

**a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current,

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

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

**b) Inventories**

Inventories are valued at lower of cost or Net Realisable value. Cost of inventories have been computed to include all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a moving weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and estimated cost necessary to make the sale.

**c) Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

**d) Property, plant and equipment (PPE)**

Under the previous GAAP (Indian GAAP), Fixed assets (including Capital work in progress) are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met directly attributable cost of bringing the asset to its working condition for the intended use. The company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Property, plant and equipment (including Capital work in progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, The company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Depreciation is recognised based on cost of assets less their residual value on a straight-line basis over the estimated useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013. The Identified component of fixed assets are depreciated over their useful lives and the remaining components are depreciated over the life of the principal assets.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**e) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or infinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Intangible assets with infinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

A summary of the policies applied to the Company's intangible assets is, as follows:

<b>Intangible assets</b>	<b>Estimated Useful Life</b>
Software	5 Years or useful life whichever is less

**f) Revenue Recognition**

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

- (i) Income from services rendered is recognised as and when the work is performed.
- (ii) Sales of goods are recognised when the significant risk and rewards of ownership of the goods have been passed to the customer and net of Value added tax and return.
- (iii) Interest Income is recognised based on a time proportion basis taking into account the amount outstanding and the rate applicable.

**g) Employees Retirement Benefits**

**i) Defined benefit plans:** The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on remeasurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

**ii) Defined contribution plan:** Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the Project Development Expenditure Account till the commencement of commercial production otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

**iii) Compensated Absences:** Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

**iv) Short term employee benefits:** They are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are received.

**h) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**i) Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**The Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Operating lease payments/payables are recognised as an expense in the statement of profit and loss as per the terms of contracts.

**j) Taxes**

Tax expense comprises of current and deferred tax.

**i) Current income tax**

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**ii) Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except

> When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

> When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that The company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. Deferred tax include MAT Credit Entitlement.

**k) Impairment of non-financial assets**

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, The Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of The company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Intangible assets with infinite useful lives are tested for impairment annually as at year end at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

**l) Provisions, Contingent Liabilities and Contingent Asset**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent Assets are not recognised but disclosed in the financial statement when economic inflow is probable.

**m) Expenditure**

Expenditures are accounted net of taxes recoverable, wherever applicable.

**n) Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- > In the principal market for the asset or liability, or
- > In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

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

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

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

- > Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- > Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- > Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuers are involved for valuation of unquoted financial assets and financial liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the Management. Selection criteria includes market knowledge, reputation, independence and whether professional standards are maintained. The Management decides, after discussions with The Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per The Company's accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on a yearly basis.

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

**o) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Financial assets**

Initial recognition and measurement

All financial assets, except investment in subsidiaries, associates and joint ventures are recognised initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- > Debt instruments at amortised cost.
- > Debt instruments at fair value through other comprehensive income (FVTOCI).
- > Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL).
- > Equity instruments measured at fair value through other comprehensive income (FVTOCI).

**Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- (a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Equity Instrument**

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, The Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**Impairment of financial assets**

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

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances.
- b) Financial assets that are debt instruments and are measured as at other comprehensive income (FVTOCI).
- c) Lease receivables under Ind AS 17.
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- > Trade receivables or contract revenue receivables; and
- > All lease receivables resulting from transactions within the scope of Ind AS 17.

Under the simplified approach the Company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk said initial recognition. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cashflows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance ( or reversal) recognised during the period is recognised as income / (expense) in the statement of profit and loss (P&L). This amount is reflected under the head " Other Expense" in the P&L.

**Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

**Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, The Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at FVTPL.

**Loans and borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.



Adani Hospital Mundra Pvt Ltd.

Notes to Financials statements for the year ended March 31, 2018

Note 3 - Property, plant and equipment

₹ in Lacs

Particulars	Tangible assets				Intangible assets		Grand Total
	Computer Hardware	Office Equipments	Plant & Machinery	Furniture & Fixtures	Total	Software	
<b>Cost</b>							
<b>As at April 1, 2016</b>	<b>9.02</b>	<b>25.06</b>	<b>229.58</b>	<b>35.54</b>	<b>299.20</b>	<b>13.23</b>	<b>312.43</b>
Additions	0.35	-	7.08	-	7.43	-	7.43
Deductions/Adjustment	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>9.37</b>	<b>25.06</b>	<b>236.66</b>	<b>35.54</b>	<b>306.63</b>	<b>13.23</b>	<b>319.86</b>
Additions	-	0.57	-	-	0.57	-	0.57
Deductions/Adjustment	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>9.37</b>	<b>25.63</b>	<b>236.66</b>	<b>35.54</b>	<b>307.20</b>	<b>13.23</b>	<b>320.43</b>
<b>Depreciation/amortisation</b>							
<b>As at April 1, 2016</b>	<b>2.01</b>	<b>5.43</b>	<b>17.54</b>	<b>3.73</b>	<b>28.71</b>	<b>7.69</b>	<b>36.40</b>
Depreciation for the year	2.10	5.52	17.69	3.75	29.06	4.99	34.05
Deductions/(Adjustment)	-	-	-	-	-	-	-
<b>As at March 31, 2017</b>	<b>4.11</b>	<b>10.95</b>	<b>35.23</b>	<b>7.48</b>	<b>57.77</b>	<b>12.68</b>	<b>70.45</b>
Depreciation for the year	1.82	5.58	18.06	3.75	29.21	0.22	29.43
Deductions/(Adjustment)	-	-	-	-	-	-	-
<b>As at March 31, 2018</b>	<b>5.93</b>	<b>16.53</b>	<b>53.29</b>	<b>11.23</b>	<b>86.98</b>	<b>12.90</b>	<b>99.88</b>
<b>Net Block</b>							
As at March 31, 2017	5.26	14.11	201.43	28.06	248.86	0.55	249.41
As at March 31, 2018	3.44	9.10	183.37	24.31	220.22	0.33	220.55

Adani Hospitals Mundra Private Limited  
Notes to Financials statements for the year ended March 31, 2018

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
<b>4 Trade Receivables</b>		
<b>Current</b>		
Unsecured considered good unless stated otherwise		
Considered Good	63.76	61.28
Receivables from related parties	86.91	136.71
Considered doubtful	0.47	0.19
Provision for doubtful debts	(0.47)	(0.19)
	<b>150.67</b>	<b>197.99</b>
<b>5 Other Financial assets</b>		
<b>Current</b>		
Interest accrued on deposits and loans	0.73	1.31
Loans and advances to employees	0.20	0.20
	<b>0.93</b>	<b>1.51</b>
<b>6 Other Assets</b>		
<b>Non Current</b>		
Others, Unsecured, Considered good		
Advance income tax ( Net of Provision for taxation)	93.26	36.91
	<b>93.26</b>	<b>36.91</b>
<b>Current</b>		
Advances recoverable in cash or in kind		
Unsecured, considered good	0.63	1.22
	<b>(A) 0.63</b>	<b>1.22</b>
Others (Unsecured), considered good		
Prepaid Expenses	3.11	1.05
Balances with statutory/ Government authorities	3.28	0.21
Gratuity fund	-	0.08
	<b>(B) 6.39</b>	<b>1.34</b>
<b>Total - (A+B)</b>	<b>7.02</b>	<b>2.56</b>
<b>7 Inventories</b>		
(At lower of Weighted Average Cost or Net realisable Value)		
Medicines and other consumables	19.20	18.36
	<b>19.20</b>	<b>18.36</b>
<b>8 Cash and cash equivalents</b>		
<b>Balances with banks:</b>		
Balance in current account	19.57	3.72
Deposits with original maturity of less than three months	49.24	46.55
	<b>(A) 68.81</b>	<b>50.27</b>
<b>Cash on hand</b>	0.13	0.54
	<b>(B) 68.94</b>	<b>50.81</b>
<b>9 Bank balances other than cash and cash equivalents</b>		
Deposits with original maturity over 3 months but less than 12 months	59.23	66.30
	<b>59.23</b>	<b>66.30</b>
<b>10 Share capital</b>		
<b>Authorised</b>		
3,00,000 Equity Shares of ₹ 10 each ( 3,00,000 Equity Shares of ₹ 10 each as at March 31, 2017)	30.00	30.00
	<b>30.00</b>	<b>30.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
3,00,000 Equity Shares of ₹ 10 each ( 3,00,000 Equity Shares of ₹ 10 each as at March 31, 2017)	30.00	30.00
	<b>30.00</b>	<b>30.00</b>

**Adani Hospitals Mundra Private Limited**

**Notes to Financials statements for the year ended March 31, 2018**

**Notes:**

**(a) Reconciliation of the number of the shares outstanding as the beginning and end of the year:**

	March 31, 2018		March 31, 2017	
	No in Lacs	₹ in Lacs	No in Lacs	₹ in Lacs
At the beginning of the year	3.00	30.00	3.00	30.00
New Shares Issued during the year	-	-	-	-
At the end of the year	<b>3.00</b>	<b>30.00</b>	<b>3.00</b>	<b>30.00</b>

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

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Shares held by holding company**

Out of equity shares issued by the company, shares held by its holding company is as below

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
<b>Adani Ports and Special Economic Zone Limited, the holding company and its nominee</b> 3,00,000 equity shares (Previous year 3,00,000) of ₹ 10 each	30.00	30.00

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

**Equity shares of ₹ 10 each fully paid**

Adani Ports and Special Economic Zone Limited, the holding company and its nominee

Particulars	March 31, 2018	March 31, 2017
No in Lacs	3.00	3.00
% Holding	100.00%	100.00%

**11 Other Equity**

**Other Equity**

Equity component of borrowing  
Retained earnings

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Equity component of borrowing	93.40	93.40
Retained earnings	(65.75)	50.73
	<b>27.65</b>	<b>144.13</b>

**12 Borrowings**

**Non-Current**

Inter Corporate Deposit (refer note a) (Unsecured)

**The above amount includes**

Secured borrowings  
Unsecured borrowings

**Total borrowings**

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Inter Corporate Deposit (refer note a) (Unsecured)	343.55	315.12
<b>Total borrowings</b>	<b>343.55</b>	<b>315.12</b>
Secured borrowings	-	-
Unsecured borrowings	343.55	315.12
<b>Total borrowings</b>	<b>343.55</b>	<b>315.12</b>

**Note:**

Unsecured Loan from Adani Ports and Special Economic Zone Ltd, the holding company is interest free and is repayable by 03.03.2020.

**13 Other financial liabilities**

**Current**

Capital creditors, retention money and other payable

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Capital creditors, retention money and other payable	6.89	7.26
	<b>6.89</b>	<b>7.26</b>

**14 Provisions**

**Non-current**

Provision for gratuity (refer note 32)  
Provision for leave encashment

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Provision for gratuity (refer note 32)	0.90	-
Provision for leave encashment	1.16	2.19
	<b>2.06</b>	<b>2.19</b>

**Current**

Provision for gratuity (refer note 32)  
Provision for leave encashment

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Provision for gratuity (refer note 32)	0.04	-
Provision for leave encashment	0.50	0.98
	<b>0.54</b>	<b>0.98</b>

**Adani Hospitals Mundra Private Limited**

**Notes to Financials statements for the year ended March 31, 2018**

**15 Deferred tax liabilities/Assets (net)**

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
<b>Deferred tax liability</b>		
On difference between book balance and tax balance of fixed assets	(12.44)	(12.20)
<b>(A)</b>	<b>(12.44)</b>	<b>(12.20)</b>
<b>Deferred tax assets</b>		
On account of unabsorbed losses/depreciation	-	13.10
On account of Leave encashment	0.43	0.20
On account of bonus payable	-	0.56
On account of gratuity payable	0.25	-
Mat credit entitlement	16.92	17.90
<b>(B)</b>	<b>17.60</b>	<b>31.76</b>
<b>(A + B)</b>	<b>5.16</b>	<b>19.56</b>
<b>Deferred tax liabilities/Assets (net)</b>		
<b>Less:</b>		
Deferred tax assets not recognised	-	-
<b>Deferred tax liabilities/Assets (net)</b>	<b>5.16</b>	<b>19.56</b>

**16 Other Liabilities**

**Current**

Statutory liability (includes TDS, Service tax, PF Etc.)  
Advance from customers (refer note 31)

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Statutory liability (includes TDS, Service tax, PF Etc.)	5.34	9.99
Advance from customers (refer note 31)	0.09	0.63
	<b>5.43</b>	<b>10.62</b>

**17 Trade payables**

Payables to micro, small and medium enterprises (refer note 33)  
Other Trade payables

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Payables to micro, small and medium enterprises (refer note 33)	-	-
Other Trade payables	208.84	133.11
	<b>208.84</b>	<b>133.11</b>
Dues to related parties included in above (refer note 31)	80.37	

**18 Revenue from Operations**

Income from health care services  
Sale of Medicines

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Income from health care services	542.28	585.40
Sale of Medicines	170.38	209.69
	<b>712.66</b>	<b>795.09</b>

**19 Other Income**

**Interest Income from**

Bank deposits  
others  
Unclaimed liabilities / excess provision written back  
Scrap sale  
Miscellaneous Income

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Bank deposits	6.89	4.53
others	-	3.14
Unclaimed liabilities / excess provision written back	1.45	-
Scrap sale	0.13	0.13
Miscellaneous Income	0.03	0.42
	<b>8.50</b>	<b>8.22</b>

**20 Operating Expenses**

Consumptions of Materials and other consumables ( includes consumption towards sale of medicines)  
Direct operating expenses

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Consumptions of Materials and other consumables ( includes consumption towards sale of medicines)	165.35	209.68
Direct operating expenses	45.37	23.65
	<b>210.72</b>	<b>233.33</b>

**21 Employee benefit expense**

Salaries and Wages  
Contribution to Provident and Other Funds  
Gratuity (refer note 32)  
Staff Welfare Expenses

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Salaries and Wages	127.02	70.78
Contribution to Provident and Other Funds	6.62	3.65
Gratuity (refer note 32)	1.74	1.55
Staff Welfare Expenses	16.78	18.32
	<b>152.16</b>	<b>94.30</b>

**22 Finance Costs**

**Interest on**  
Inter Corporate Deposit  
Interest on Income Tax

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Inter Corporate Deposit	28.43	30.27
Interest on Income Tax	0.13	-
	<b>28.56</b>	<b>30.27</b>

## 23 Other Expenses

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Rent	0.13	-
Rates and Taxes	-	21.56
Insurance (net of reimbursement)	6.14	1.94
Selling and Distribution Expenses	0.20	0.06
<b>Repair &amp; Maintenance</b>		
- Plant & Machinery	11.43	14.09
- Building	0.32	1.02
- Others	20.82	26.50
Legal and Professional Expenses	218.15	216.48
Payment to Auditors (refer note 1 below)	1.07	0.55
Communication Expenses	2.92	2.62
Electric Power Expenses	34.62	3.16
Office Expenses	44.67	42.79
Travelling and Conveyance	28.48	26.43
Provision for Doubtful debts	0.28	0.19
Supervision and Testing Expense	28.57	17.56
Stationery and Printing Expenses	2.51	5.17
Miscellaneous Expenses	2.97	3.68
	<b>403.08</b>	<b>381.80</b>

## Note: 1

## Payment to Auditor

## As Auditor:

Audit fee

## In other Capacity

Other Services

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Audit fee	0.77	0.55
Other Services	0.30	-
	<b>1.07</b>	<b>0.55</b>

## 24 Income Tax

## (a) The major components of income tax expenses for the years ended March 31, 2018 and March 31, 2017

## Statement of profit and loss

## Current income tax:

Current income tax charge

Adjustment in respect of current income tax of previous years

## Deferred tax:

Relating to origination and reversal of temporary differences

## Income tax expenses reported in statement of profit and loss

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Current income tax charge	-	6.80
Adjustment in respect of current income tax of previous years	0.97	-
Deferred tax	13.25	(8.31)
	<b>14.22</b>	<b>(1.51)</b>

## (b) OCI section

## Deferred tax related to items recognised in OCI during the year

Net loss/(gain) on remeasurements of defined benefit plans

Fair value gain on FVTOCI financial asset

## Income tax charged to OCI

	March 31, 2018 ₹ in Lacs	March 31, 2017 ₹ in Lacs
Net loss/(gain) on remeasurements of defined benefit plans	0.19	(0.16)
Fair value gain on FVTOCI financial asset	-	-
	<b>0.19</b>	<b>(0.16)</b>

## 25 Fair Value Measurement

## a) The carrying value of financial instruments by categories as of March 31, 2018 is as follows :

Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative instruments not in hedging	Amortised Cost	₹ in Lacs
					Total
<b>Financial Asset</b>					
Trade receivables	-	-	-	150.67	150.67
Cash and Cash Equivalents	-	-	-	68.94	68.94
Other Bank balance	-	-	-	59.23	59.23
Others financial assets	-	-	-	0.93	0.93
	-	-	-	<b>279.77</b>	<b>279.77</b>
<b>Financial Liabilities</b>					
Borrowings	-	-	-	343.55	343.55
Trade payables	-	-	-	208.84	208.84
Other financial liabilities	-	-	-	6.89	6.89
	-	-	-	<b>559.28</b>	<b>559.28</b>

b) The carrying value of financial instruments by categories as of March 31, 2017 is as follows :

₹ in Lacs					
Particulars	Fair Value through other Comprehensive Income	Fair Value through Profit & Loss	Derivative instruments not in hedging relationship	Amortised Cost	Total
<b>Financial Asset</b>					
Trade receivables	-	-	-	197.99	197.99
Cash and Cash Equivalents	-	-	-	50.81	50.81
Other Bank balance	-	-	-	66.30	66.30
Others financial assets	-	-	-	1.51	1.51
	-	-	-	<b>316.61</b>	<b>316.61</b>
<b>Financial Liabilities</b>					
Borrowings	-	-	-	315.12	315.12
Trade payables	-	-	-	133.11	133.11
Other financial liabilities	-	-	-	7.26	7.26
	-	-	-	<b>455.49</b>	<b>455.49</b>

## 26 Financial Risk objective and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables, and financial guarantee contracts. The main purpose of these financial liabilities is to finance the Company's operations/projects and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's risk management activities are subject to the management, direction and control under the framework of Risk Management Policy as approved by the Board of Directors of the Company. The Management ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

In the Ordinary Course of business, the company is exposed to Interest risk and credit risk.

### Interest rate risk

The Company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company enters into interest rate swap contracts or interest rate future contracts to manage its exposure to changes in the underlying benchmark interest rates.

### Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive evaluation and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data.

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

## 27 Earnings per share

	March 31, 2018	March 31, 2017
	₹ in Lacs	₹ in Lacs
Profit attributable to equity shareholders of the company	(117.01)	31.06
Weighted average number of equity shares	3.00	3.00
Face value per share (in )	10.00	10.00
Basic and Diluted earning per share (in )	(39.00)	10.35

The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year.

## 28 Capital commitments & other commitment

₹ in Lacs		
Particulars	March 31, 2018	March 31, 2017
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	Nil	Nil

29 As per the information available with company there is no contingent liability as on March 31, 2018 ( previous Year ended on March 31, 2017:Nil).

## 30 Segment information

The Company is primarily engaged in providing the "Hospital Services". The entire business has been considered as a single segment in terms of Ind AS - 108 on Segment Reporting issued by the Institute of Chartered Accountants of India. There being no business outside India, the entire business has been considered as single geographic segment.

**Adani Hospitals Mundra Private Limited**  
**Notes to Financials statements for the year ended March 31, 2018**

**31 Related Party Disclosures**

The Management has identified the following entities and individuals as related parties of the Company for the year ended on March 31, 2018 for the purposes of reporting as per Ind AS 24 – Related Party Disclosures, which are as under:

Criteria	Name of the Company
<b>Holding Company</b>	Adani Ports And Special Economic Zone Limited
<b>Fellow Subsidiary</b>	MPSEZ Utilities Private Limited Adani Kandla Bulk Terminal Pvt Ltd
<b>Entities under common significant influence ( With whom transactions done during the year)</b>	Adani Power Mundra Limited Adani Wilmar Limited Mundra Solar Technopark Private Limited Mundra Solar Pv Limited Adani Foundation Shanti Sagar International Dredging Pvt Ltd
<b>Key Managerial Personnel (KMP)</b>	1.Dr Pankaj Doshi-Director 2.Mr Mukesh Saxena-Director 3.Mr Krishnamohan Rao-Director

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>(A) Volume of Transactions</b>		
<b>Inter Corporate Deposit Obtained</b>		
Adani Ports And Special Economic Zone Limited	-	7.50
<b>Inter corporate Deposit Repaid</b>		
Adani Ports And Special Economic Zone Limited	-	25.00
<b>Service Rendered</b>		
Adani Ports And Special Economic Zone Limited	17.41	27.41
MPSEZ Utilities Pvt. Ltd.		-
Adani Power Mundra Limited	136.68	100.00
Adani Wilmar Limited	4.24	5.60
Adani Foundation	131.92	179.94
Mundra Solar Technopark Private Limited	54.10	18.97
Mundra Solar Pv Limited	5.34	26.45
Adani Kandla Bulk Terminal Pvt Ltd	3.09	0.76
Shanti Sagar International Dredging Pvt Ltd	0.11	
<b>Service Received</b>		
Adani Ports And Special Economic Zone Limited	60.11	21.29
Adani Power Limited	0.75	0.62
<b>(B) Balance at the end of the year</b>	<b>31-Mar-18</b>	<b>31-Mar-17</b>
<b>Inter corporate deposit ( taken)</b>		
Adani Ports and Special Economic Zone Ltd	409.23	409.23
<b>Dues Payable</b>		
Adani Power Mundra Limited	0.13	0.04
Adani Ports And Special Economic Zone Limited	80.24	21.80
<b>Receivable</b>		
Adani Ports And Special Economic Zone Limited	6.39	13.23
Adani Power Mundra Limited	51.83	48.74
Adani Wilmar Limited	0.44	0.17
Adani Foundation	19.30	43.55
Mundra Solar Technopark Private Limited	7.34	12.74
Mundra Solar Pv Limited	-	18.26
Adani Kandla Bulk Terminal Pvt Ltd	1.50	0.02
Shanti Sagar International Dredging Pvt Ltd	0.11	
<b>Advances from Customer Closing Balance</b>		
Mundra Solar Pv Limited	0.09	

The above figures excludes the impact of IND AS.

## 32 Disclosures as required by Ind AS - 19 Employee Benefits

The company has a defined gratuity plan. Under the plan every employee who has completed at least five year of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Company of India (LIC) in form of a qualifying insurance policy for future payment of gratuity to the employees.

The following tables summarise the component of the net benefits expense recognised in the statement of profit and loss account and the funded status and amounts recognized in the balance sheet for the respective plan.

## Gratuity

## a) Changes in present value of the defined benefit obligation are as follows:

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the beginning of the year	3.58	-
Current service cost	1.75	1.62
Past Service Cost	-	-
Interest cost	0.27	0.11
Re-measurement (or Actuarial) (gain) / loss arising from:	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	(0.21)	-
- experience variance	(0.52)	0.46
Acquisition adjustment	-	1.39
Benefits paid	-	-
Present value of the defined benefit obligation at the end of the year	4.87	3.58

## b) Changes in fair value of plan assets are as follows:

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Fair value of plan assets at the beginning of the year	3.65	2.22
Investment income	0.28	0.17
Contributions by employer	-	1.41
Benefits paid	-	-
Return on plan assets, excluding amount recognised in net interest expense	(0.00)	(0.15)
Fair value of plan assets at the end of the year	3.92	3.65

## c) Net asset/(liability) recognised in the balance sheet

Contribution to	₹ in Lacs	
	March 31, 2018	March 31, 2017
Present value of the defined benefit obligation at the end of the year	4.87	3.58
Fair value of plan assets at the end of the year	3.92	3.65
Amount recognised in the balance sheet	(0.95)	0.07
Net (liability)/asset - Current	(0.04)	-
Net (liability)/asset - Non-current	(0.90)	0.07

## d) Expense recognised in the statement of profit and loss for the year

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Current service cost	1.75	1.62
Interest cost on benefit obligation	(0.00)	(0.06)
Total Expense included in employee benefits expense	1.75	1.55

## e) Recognised in the other comprehensive income for the year

Particulars	₹ in Lacs	
	March 31, 2018	March 31, 2017
Actuarial (gain)/losses arising from	-	-
- change in demographic assumptions	-	-
- change in financial assumptions	(0.21)	-
- experience variance	(0.52)	0.46
Return on plan assets, excluding amount recognised in net interest expense	0.00	0.15
<b>Recognised in comprehensive income</b>	<b>(0.72)</b>	<b>0.61</b>

## f) Maturity profile of Defined Benefit Obligation

Particulars	March 31, 2018	March 31, 2017
Weighted average duration (based on discounted cashflows)	22 Years	23 Years

## g) Quantitative sensitivity analysis for significant assumption is as below

Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	March 31, 2018		March 31, 2017	
	Discount rate			
	1% Increase	1% Decrease	1% Increase	1% Decrease
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	1.15	(0.89)	0.89	(0.68)

Particulars	March 31, 2018		March 31, 2017	
	Salary Growth rate			
	1% Increase	1% Decrease	1% Increase	1% Decrease
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	(0.91)	1.15	(0.69)	0.89

Particulars	March 31, 2018		March 31, 2017	
	Attrition rate			
	0.5% Increase	0.5% Decrease	0.5% Increase	0.5% Decrease
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	0.14	(0.13)	0.28	(0.27)

Particulars	March 31, 2018		March 31, 2017	
	Mortality rate			
	0.1% Increase	0.1% Decrease	0.1% Increase	0.1% Decrease
Sensitivity level	₹ in Lacs	₹ in Lacs	₹ in Lacs	₹ in Lacs
Impact on defined benefit obligations	-	-	-	-



**Adani Hospitals Mundra Private Limited****Notes to Financials statements for the year ended March 31, 2018****Sensitivity Analysis Method**

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

**h)The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:**

Particulars	March 31, 2018	March 31, 2017
Investments with insurer	100%	100%

**i)The principle assumptions used in determining gratuity obligations are as follows:**

Particulars	March 31, 2018	March 31, 2017
Discount rate	7.80%	7.60%
Rate of escalation in salary (per annum)	7.00%	7.00%
Mortality	100%	100%
Attrition rate	10% for 4 years & below and 1% thereafter	10% for 4 years & below and 1% thereafter

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

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario.

- 33** Management represents that, based on the information available, the company has not been informed by any supplier of being covered under the Micro, Small and Medium Enterprises Development Act 2006. As a result, no interest provision or payments have been made by the Company to such suppliers, if any and no related disclosures are made in these accounts.

**34 Capital Management**

For the purposes of the company's capital management, capital includes issued capital and all other equity reserves. The primary objective of the company's capital management is to maximize shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The company monitors capital using gearing ratio, which is net debt (total debt less cash and cash equivalents) divided by total capital plus net debt.

Particulars	Amount ₹ in Lacs	
	March 31, 2018	March 31, 2017
Net debt (total debt less cash and cash equivalents)	274.61	264.31
Total capital	30.00	30.00
Total capital and net debt	304.61	294.31
Gearing ratio	90.15%	89.81%

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

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2018 and March 31, 2017.

- 35** The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs("MCA") has issued certain amendments to Ind AS through (Indian Accounting Standards) Amendment Rules, 2018. These amendments maintain convergence with IFRS by incorporating amendments issued by International Accounting Standards Board(IASB) into Ind AS and has amended the following standards:

1. Ind AS 115-Revenue from Contract with Customers
2. Ind AS 21-The effect of changes in foreign exchanges rates
3. Ind AS 40-Investment Property
4. Ind AS 12-Income Taxes
5. Ind AS 28-Investment in Associates and Joint Ventures
6. Ind AS 112-Disclosure of Interest in Other Entities

These amendments are effective for annual periods beginning on or after April 01, 2018. Application of these amendments will not have any recognition and measurement impact. However, it will require additional disclosure in the financial statements.

The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from their applicability date.

**36 Approval of financial statements**

The financial statements were approved for issue by the board of directors on 28 April, 2018

- 37** Previous years' figures have been regrouped / reclassified, where necessary , to confirm to this year's classification.

The accompanying notes form an integral part of financials statements  
As per our report of even date

**For Dharmesh Parikh & Co.**  
**Chartered Accountants**  
**Firm Registration Number : 112054W**

**For and on behalf of Board of Directors of**  
**Adani Hospitals Mundra Private Limited**

**Anuj Jain**  
Partner  
Membership No. 119140

**Pankaj Doshi**  
Director  
DIN: 03600975

**Mukesh Saxena**  
Director  
DIN: 07337179

**Place: Ahmedabad**  
**Date: April 28, 2018**

**Place: Ahmedabad**  
**Date: April 28, 2018**