INDEPENDENT AUDITOR'S REPORT

To the Members of Hometrail Estate Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Hometrail Estate Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and 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 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 also 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 the design, implementation and maintenance of adequate internal financial control 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 thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. 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 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 March 31, 2015, its profit, 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, 2015 ("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 1 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, 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) Rules, 2014;

(e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;

(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 26 to the financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Sd/-
per Manoj Kumar Gupta
Partner
Membership Number: 83906
Place of Signature: Gurgaon
Date: May 14, 2015

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.
Re: Hometrail Estate Private Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.

(b) The procedures of physical verification of inventory 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 is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account 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, related to the healthcare services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) 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, excise duty, value added tax, cess and other material statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

(viii) The Company's accumulated losses at the end of the financial year are less than fifty percent of its net worth and it has not incurred cash loss in the current year. In the immediately preceding financial year, the Company had incurred cash loss.

(ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks. The Company did not have any outstanding dues in respect of debenture holders during the year.

(x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Sd/
per Manoj Kumar Gupta
Partner
Membership Number:83906
Place of Signature: Gurgaon
Date: May 14, 2015

Hometrail Estate Private Limited
Balance sheet as at March 31, 2015 **(Rs. in Lacs)**

	Notes	As at March,31 2015	As at March,31 2014
Equity and liabilities			
Shareholders' funds			
Share capital	3	**1,295**	1,241
Reserves and surplus	4	**3,005**	917
		4,300	2,158
Non-current liabilities			
Long-term borrowings	5	**6,380**	8,070
Long-term provisions	6	**32**	16
		6,412	8,086
Current liabilities			
Short-term borrowings	7	**206**	200
Trade payables	8	**1,939**	1,830
Other current liabilities	8	**1,306**	994
Short-term provisions	6	**71**	32
		3,522	3,056
TOTAL		**14,234**	13,300
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	**11,246**	10,431
Intangible assets	9	**3**	4
Capital work-in- progress		**97**	286
Intangible assets under development		**11**	-
Long term loans and advances	10	**746**	73
		12,103	10,794
Current assets			
Inventories	11	**290**	208
Trade receivables	12	**1,186**	1,262
Cash and bank balances	13	**432**	611
Short term loans and advances	10	**71**	299
Other current assets	14	**152**	126
		2,131	2,506
TOTAL		**14,234**	13,300
Summary of signficant accounting policies	2.2		

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Sd/-
per Manoj Kumar Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 14, 2015

For and on behalf of the board of directors of
Hometrail Estate Private Limited

Sd/-
Sandeep Dogra
(Whole-Time Director)
DIN : 03606846

Sd/-
Yogesh Kumar Sareen
(Director)
DIN : 00884252

Sd/-
Rakesh Dumir
(Head Finance)

Sd/-
Priyanka Mishra
(Company Secretary)
M.No. : A27259

Place : New Delhi
Date : May 14, 2015

Hometrail Estate Private Limited

Statement of profit and loss for the year ended March 31, 2015 **(Rs. in Lacs)**

	Notes	For the year ended March,31 2015		For the year ended March,31 2014
Income				
Revenue from operations (net)	15	**18,765**		12,551
Other income	16	**18**		27
Total revenue (I)		**18,783**		12,578
Expenses				
Purchase of drugs,consumables and implants		**6,671**		4,403
(Increase)/decrease in inventory of drugs, consumables and implants		**(82)**		(34)
Employee benefit expenses	17	**2,592**		1,709
Depreciation and amortisation expense	18	**855**		593
Finance costs	19	**1,141**		1,032
Other expenses	20	**6,962**		5,536
Total expenses (II)		**18,139**		13,239
Profit/(loss) before tax (I-II)		**644**		(661)
Tax expense		-		-
Profit/(loss) for the year		**644**		(661)
Earnings per equity share [Nominal value of shares Rs.10 each (Previous year Rs. 10)]	21			
Basic and diluted		**5.27**	-	5.33
Summary of signficant accounting policies	2.2			

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Sd/-
per Manoj Kumar Gupta
Partner
Membership Number: 83906

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(Company Secretary)
M.No. : A27259

Place : Gurgaon
Date : May 14, 2015

Place : New Delhi
Date : May 14, 2015

Hometrail Estate Private Limited

Cash Flow statement for the year ended March 31, 2015

(Rs. in Lacs)

Particulars	For the year ended March,31 2015	For the year ended March,31 2014
A. Cash flow from operating activities		
Net profit/ (loss) before tax	**644**	(661)
Non cash adjustments :		
Depreciation and amortization expense	**855**	593
Loss on sale of fixed assets	**-**	6
Provision for doubtful debts	**70**	62
Bad debts/ sundry balances written off	**2**	-
Unclaimed Balances & excess provisions written back	**(13)**	-
Foreign exchange fluctuation loss	**3**	8
Interest income	**-**	(25)
Interest expense	**1,083**	994
Operating profit before working capital changes	**2,644**	**977**
Movements in working capital :		
Increase in trade payables, other liabilities and provisions	**244**	1,029
(Increase) in inventories	**(82)**	(34)
(Increase) / decrease in trade receivables	**7**	(763)
(Incraese) in loans and advances	**(32)**	(65)
(Incraese) in other assets	**(31)**	(100)
Cash generated from operations	**2,750**	**1,043**
Direct taxes (paid) / refund received	**(452)**	(212)
Net cash from operating activities (A)	**2,298**	**831**
B. Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, CWIP and capital advances	**(1,272)**	(1,015)
Investment in / Maturity of fixed deposits with banks (net)	**271**	(21)
Interest paid	**5**	24
Net cash (used in) investing activities (B)	**(996)**	**(1,012)**
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital including security premium, net of expenses incurred for shares issued	**1,498**	-
Proceeds from long-term borrowings	**(1,442)**	2,272
Repayments of long term borrowings (net)	**-**	(359)
Proceeds/ (repayments) of short-term borrowings	**6**	(733)
Interest paid	**(1,272)**	(826)
Net cash from/ (used in) financing activities (C)	**(1,210)**	**354**
Net increase in cash and cash equivalents (A + B + C)	**92**	**173**
Total cash and cash equivalents at the beginning of the year	**336**	163
Total cash and cash equivalents at the end of the year	**428**	**336**
Components of total cash and cash equivalents:		
Cash on hand	**44**	49
Cheques on hand	**8**	6
Balances with banks on current accounts	**104**	42
Balances with banks on escrow accounts	**272**	239
Total cash and cash equivalents (note 13)	**428**	**336**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

Sd/-
per Manoj Kumar Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 14, 2015

For and on behalf of the board of directors of
Hometrail Estate Private Limited

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(Whole-Time Director)
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(Head Finance)

Sd/-
Priyanka Mishra
(Company Secretary)
M.No. : A27259

Place : New Delhi
Date : May 14, 2015

1 Corporate Information

Hometrail Estate Private Limited, ('the Company') is a multi-speciality hospital with a state-of-art healthcare services and expertise in city of "Mohali" in State of Punjab.

The Company had entered into a triplicate long term concessional agreement dated February 20, 2009 along with its holding company, 'Max Healthcare Institute Limited' and Government of Punjab. As per the terms of concessional agreement, the company is to build and operate a hospital for a initial term of 50 years on public private partnership (PPP) mode.

The financial statements of the Company includes operation of the hospital. Healthcare facilities have a long gestation period from commencement of its operation and accordingly require significant cash outlay.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read togrether with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on the accrual basis and under historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

Healthcare is a long gestation business. The Company is still in gestation period. Company has started commercial operations in 2011. The Company has incurred a profit of Rs.644 Lacs (Previous Year loss of Rs.661 Lacs) in the current year, due to which accumulated loss has been posted at Rs.3,393 Lacs (Previous year Rs.4,037 Lacs) against share capital of Rs. 1,295 Lacs as of March 31, 2015 (Previous year Rs. 1,241 Lacs). The accumulated losses of the company is envisaged and are owing to the long gestation nature of operation towards development of infrastructure to support the long term growth plan. In the opinion of the management, in view of the commitment of continued financial support by holding company, and on the basis of the Company's future investment plans, the Company is continuing with a going concern assumption.Further, the Company doesnot anticipate that it will not be able realize its assets and discharge its liabilities in the normal course of business.

2.1 Change in accounting policy

Depreciation on fixed assets

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in Rs. NIL impact on depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the Company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, which are equal to rates as prescribed under Schedule II.

2.2 Summary of significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Tangible assets

Tangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing cost if capitalization criteria are met and other directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing tangible asset beyond its previously asssessed standard of performance. All other expenses on existing tangible assets, including day to day repair and maintenance expenditure and cost of replacing parts, are charged to statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of tanible assets 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 and loss when the asset is derecognised.

(c) Depreciation on tangible assets

Depreciation on tangible assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its tangible assets.

	Estimated useful lives (in years)
Leasehold Improvements	60 Years or remaining lease period or remaining period as per PPP agreement, which ever is less
Building	60 Years or remaining period as per PPP agreement, which ever is less
Fences, Wells & Tubewells	5 Years
Medical Equipments	13 Years
Lab Equipments	10 Years
Electric Installations and Equipments	10 Years
Plant and Equipment	15 Years
Office Equipment and Computers	5 Years
Computers - Servers & Networks	6 Years
Computers - End User Devices, i.e., Desktop, Laptop etc.	3 Years
Furniture and Fixtures	10 Years
Motor Vehicles - Company Cars	8 Years
Motor Vehicles - Ambulances	6 Years

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised on a straight line basis over the estimated useful economic life of two to six years.

Cost of internally generated intangible assets
Development expenditure incurred on an individual project is recognized as an intangible asset when the Company can demonstrate all the following:
(i) the technical feasibility of completing the intangible asset so that it will be available for use.
(ii) its intention to complete the asset
(iii) its ability to use the asset
(iv) how the asset will generate future economic benefits
(v) the availability of adequate resources to complete the development and to use the asset
(vi) the ability to measure reliably the expenditure attributable to the intangible asset during development.

The cost of internally generated intangible asset includes sum of expenditure incurred from the time the intangible asset first meet the development criteria and comprises all expenditure that can be directly attributed, or allocated on a reasonble and consistent basis, to create, produce and make the
The intangible assets are assessed for impairment whenever there is indication that the intangible asset may be impaired.The amortisation period and the amortisation method are reviewed atleast at each financial year end.

Gains or losses arising from dercognition 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 and loss when the asset is derecognised.

(e) Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalized.

A leased asset is depreciated on a straight-line basis over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalized asset is depreciated on a straight –line basis over the shorter of the estimated useful life of the asset.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(f) Borrowing costs

Borrowing cost includes interest and amortisation of ancilliary costs incurred in connection with arrangment of borrowings.

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 are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(g) Impairment of tangible and intangible 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) net selling price and its value in use. The 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 groups of assets. Where the carrying amount of 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company’s cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering 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.

An assessments is made at each reporting date as to whether is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indications exist, the Company estimates the asset’s or cash-generating unit’s recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(h) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.On initial recognition, all investments are measured at cost.The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees, and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long –term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(i) Inventories

Inventories are valued at lower of cost and net realizable value. Cost comprises of purchase price including duties, taxes and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Revenue from sale of pharmacy and pharmaceutical supplies is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer. The company collects value added taxes (VAT) and service tax on behalf of the government and, therefore, these are not economic benefits flowing to the company.Hence,they are excluded from revenue.

Income from Services

Revenue from healthcare services are recognized on the performance of related services and includes service for patients undergoing treatment and pending for billing, which is shown as unbilled under other current assets.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Incentive Income

Benefits under "Served from India Scheme" available for foreign exchange earned under prevalent scheme of Government of India are accrued when the right to receive these benefits as per the terms of the scheme is established and accrued to the extent there is no significant uncertainity about the measurability and ultimate utilization.

(k) Foreign currency translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items which are measured in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rates at the date when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

(l) Retirement and other employee benefits

Provident fund

Retirement benefit in the form of providend fund (Contributed to the Regional PF Commissioner) is a defined contribution scheme. The Company recognises contribution payable to the provident fund scheme as an expenditure, when an employee renders related Service. There are no other obligations other than contribution payable.

Gratuity

Gratuity liability is a non-funded defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year.

Compensated Absences

Accumulated leave,which is expected to be utilised within the next 12 months,is treated as short-term employee benefit .The Company measures the expected cost of such absences as the additional amount that it it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months,as long term employee benefit for measurement purposes.Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end .Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.The Company presents the leave as a current liability in the balance sheet,to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.Where Company has the unconditional legal and contractual right to defer the settlement for a period 12 months,the same is presented as non-current liability.

(m) Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted,at the reporting date.Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Deferred tax liabilities are recognised for all taxable timing differences.Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable profits will be available against which such deferred tax assets can be realised. In situation where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable profit will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable profits will be available against which deferred tax asset can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable profits will be available.

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 tax assets and deferred tax liabilities relates to the same taxable entity and the same taxation authority.

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year (including prior period items, if any) attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share,net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(o) Provisions

A provision is recognized when the Company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(p) Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(q) Cash & Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

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Hometrail Estate Private Limited

3. Share Capital

	As at March,31 2015	As at March,31 2014
	(Rs. in Lacs)	
Authorised		
13,000,000 (March 31, 2014: 13,000,000) equity shares of Rs.10/- each	**1,300**	1,300
	1,300	1,300
Issued, subscribed and fully paid-up		
12,947,634 (March 31, 2014: 12,410,000) equity shares of Rs.10/- each	**1,295**	1,241
Total issued, subsrcibed and fully paid-up share capital	**1,295**	1,241

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	March,31 2015		March,31 2014	
	No. of shares	(Rs. in Lacs)	No. of shares	(Rs. in Lacs)
Equity shares				
At the beginning of the year	**12,410,000**	**1,241**	12,410,000	1,241
Issued during the year				
- Fresh Issue	**537,634**	**54**	-	-
Outstanding at the end of the year	**12,947,634**	**1,295**	12,410,000	1,241

3.2 Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 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.

3.3 Shares held by holding company(Legal Ownership)

	As at March,31 2015	As at March,31 2014
	(Rs. in Lacs)	
Max Healthcare Institute Limited		
12,947,628 (March 31, 2014: 12,409,994) equity shares of Rs.10/- each fully paid up	**1,295**	1,241
	1,295	1,241

3.4 Details of shareholders holding more than 5% shares in the Company (Legal Ownership)

Name of the Shareholder	March,31 2015		March,31 2014	
	No. of shares	% held	No. of shares	% held
Equity Shares of Rs. 10 each fully paid				
Max Healthcare Institute Limited	**12,947,628**	**99.99%**	12,410,000	99.99%

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Hometrail Estate Private Limited

4. Reserves and surplus

(Rs. in Lacs)

	As at March,31 2015	As at March,31 2014
Securities premium account		
At the beginning of the year	**4,954**	4,954
Add: premium on issue of equity shares	**1,446**	-
Less: share issue expenses	**(2)**	-
Closing balance	**6,398**	4,954
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	**(4,037)**	(3,376)
Profit / (Loss) for the year	**644**	(661)
Net deficit in the statement of profit and loss	**(3,393)**	(4,037)
Total reserves and surplus	**3,005**	917

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Hometrail Estate Private Limited

5. **Long-term borrowings**

(Rs. in Lacs)

	Non-current portion		Current maturities	
	As at March,31 2015	As at March,31 2014	**As at March,31 2015**	As at March,31 2014
Term Loans (secured)				
From non-banking financial company	**5,470**	5,912	**407**	128
Other Loans and advances				
Finance lease obligation (secured)	**45**	111	**66**	64
Inter corportate deposits(unsecured)	**851**	2,043	**-**	-
Deferred payment liabilities(unsecured)	**-**	-	**45**	82
Vehicle loans (secured)	**14**	4	**7**	3
	6,380	8,070	**525**	277
The above amount includes				
Secured borrowings	**5,529**	6,027	**480**	195
Unsecured borrowings	**851**	2,043	**45**	82
Less:Amount disclosed under the head "other current liablities" (note 8)	**-**	-	**(525)**	(277)
	6,380	8,070	**-**	-

5.1 Term Loan from the non-banking financial company includes Rs. 5,647 lacs (March 31, 2014: Rs.5,753 lacs) is repayable in 32 quarterly installment commencing from January 2015. The loan obtained from L&T Infrastructure Finance Company Limited is secured by :

(i) Assignment by way of security of all rights, titles, interests, benefits, claims and demands under the concession agreement, project documents and other contracts.

(ii) First charge on movable fixed assets excluding vehicles, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures and all other movable assets.

(iii) First pari-passu charge on all the book debts, operating cash flows, receivables and revenue from the project, all current assets, commissions and revenue, present and future (subject to a prior charge in favour of working capital bankers restricted to the present working capital limits of Rs.1,000 Lacs, previously Rs.500 Lacs).

(iv) First charge on all intangibles.

(v) Corporate guarantee by the holding company.

5.2 Term Loan from non-banking financial company includes Rs. 230 lacs (March 31, 2014: Rs.287 lacs) is repayable in 28 quarterly installment commencing from November 2011. The loan obtained from Srei Equipment Finance Private Limited is secured by way of exclusive charge over the medical equipment acquired through this facility from November 2011.

5.3 Finance lease obligation is secured by hypothecation of medical equipments underlying the leases repayable in 20 quarterly installments beginning from December 2011.

5.4 Deferred payment liabilities are the payments to be made to foreign vendors for acquisition of capital assets over 31 to 35 months.

5.5 Vehicle Loan obtained from a bank is secured by way of hypothecation of underlying vehicles. The loan is repayble in 48 months installments.

5.6 Inter Corporate Deposits from Max Healthcare Institute Limited amounting to Rs. 851 lacs (March 31, 2014: Rs.2,043 lacs) is unsecured and will mature on October 31, 2016.

6 **Provisions**

(Rs. in Lacs)

	Long - term		Short - term	
	As at March,31 2015	As at March,31 2014	**As at March,31 2015**	As at March,31 2014
Provision for employee benefits				
Provision for leave encashment	-	-	**70**	32
Provision for gratuity(note 22)	**32**	16	**1**	-
	32	16	**71**	32

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Hometrail Estate Private Limited

7. Short term borrowings

	As at March,31 2015	As at March,31 2014
		(Rs. in Lacs)
Cash credit from banks (secured)	**206**	200
	206	200

Cash Credit facilities from bank is secured by:

1) First charge by way of hypothecation of the comapany's entire currents assets (present and future)except Escrow account with the Goverment of Punjab.
2) Second charge on entire movable fixed assets (excluding vehicle) both present and future.

8. Current Liablities

	As at March,31 2015	As at March,31 2014
		(Rs. in Lacs)
Trade Payables dues of other than micro and small enterprises	**1,939**	1,830
Trade Payables dues to micro and small enterprises*	-	-
	1,939	1,830
Other liabilities		
Current maturities of long-term borrowings (refer note 5)	**459**	213
Current maturitiy of finance lease obligation (refer note 5)	**66**	64
Interest accured but not due on borrowings	**1**	190
Others		
Capital Creditors	**308**	128
Advance from patients**	**34**	62
Concession fee payable	**328**	254
Statutory dues	**104**	81
Security deposits	**6**	2
	1,306	994
	3,245	2,824

*** Details of Dues to Micro and Small Enterprises as per MSMED Act, 2006**
As per the Act, the Company is required to identify the Micro and small suppliers and pay them interest on overdue amount beyond the specified period irrespective of the terms agreed with the suppliers. Based on the information available with the Company, none of the creditors have confirmed the applicability of Act on them. Hence, the liability of the interest and disclosure are not required to be disclosed in the financial statements.

** Outstanding for a aperiod of less than 365 days

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Hometrail Estate Private Limited

9. Fixed Assets

(Rs. in Lacs)

Particulars	Gross Block				Depreciation/amortisation				Net Block	
	As at	Additions	Deletions/ Adjustments	As at	As at	Additions	Deletions/ Adjustments	As at	As at	As at
	April 01,2014			March 31,2015	April 01,2014			March 31,2015	March 31,2015	March 31,2014
Tangible Assets										
Building	5,827	752		6,579	287	133		420	6,159	5,540
Medical equipments	3,448	648		4,096	538	298		836	3,260	2,910
Plant and Equipment	757	50	-	807	90	57		147	660	667
Office Equipment	104	16	-	120	15	35		50	70	89
Furniture and Fixture	517	38	-	555	119	53		172	383	398
Motor Vehicles	34	25		59	6	6		12	47	28
Computers & Data Processing Units	186	15	-	201	65	74		139	62	121
Electrical Installations & Equipments	506	2	-	508	64	63	-	127	381	442
Other Surgical Instruments	345	123	73	395	109	135	73	171	224	236
Total	**11,724**	**1,669**	**73**	**13,320**	**1,293**	**854**	**73**	**2,074**	**11,246**	**10,431**
Previous Year	11,127	654	57	11,724	752	592	51	1,293	10,431	
Intangible Assets										
Computer Software	6	-	-	6	2	**1**		3	3	4
TOTAL	**6**	**-**	**-**	**6**	**2**	**1**	**-**	**3**	**3**	**4**
Previous Year	6	-	-	6	1	1	-	2	4	

9.1 Land measuring 3.15 acres has been provided by Punjab Government on long term lease of 50 years without consideration.

9.2 Medical Equpment incudes medical equipment given on an finance lease:

	Mär 31, 2015 (Rs in Lacs)	Mär 31, 2014 (Rs in Lacs)
Gross Block	**411**	411
Depreciation charge for the year	**32**	29
Accumulated depreciation	**101**	69
Net book value	**310**	342

10. Loans and advances

(Rs. in Lacs)

	Non - Current		Current	
	As at March,31 2015	As at March,31 2014	**As at March,31 2015**	As at March,31 2014
Capital advances				
Unsecured, considered good	**19**	58	**-**	-
Security deposits				
Unsecured, considered good	**17**	15	**-**	-
Advances recoverable in cash or kind				
Unsecured, considered good	**-**	-	**12**	12
Other loans and advances (Unsecured, Considered good, unless otherwise stated)				
Tax deducted at source recoverable	**710**	-	**-**	258
Prepaid expenses	-	-	**59**	29
	746	73	**71**	299

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11. Inventories (valued at lower of cost and net realizable value)

(Rs. in Lacs)

	Current	
	As at March,31 2015	As at March,31 2014
Stock of pharmacy drugs, consumables and implants	**290**	208
	290	208

12. Trade Receivables

(Rs. in Lacs)

	Current	
	As at March,31 2015	As at March,31 2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**103**	103
Doubtful	**133**	62
	236	165
Provision for doubtful receivables	**(133)**	(62)
	103	103
Other receivables		
Unsecured, considered good	**1,083**	1,159
	1,186	1,262

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Hometrail Estate Private Limited

13. Cash and bank balances

(Rs. in Lacs)

	As at March,31 2015	As at March,31 2014
Cash and cash equivalents		
Balances with banks:		
On current accounts	**104**	42
On escrow accounts	**272**	239
Cheques/drafts on hand	**8**	6
Cash on hand	**44**	49
	428	336
Other bank balances		
Margin money deposits	**4**	275
	432	611

Margin Money Deposits given as Security

Rs.1 lacs (March 31, 2014: Rs.1 lacs) to secure bank guarantee given to sales tax authorities.
Rs.3 lacs (March31, 2014: Rs. 2 Lacs) to secure performance bank guarantee in favour of Employee State Insurance Corporation.
Rs.NIL (March 31,2014: Rs.61 lacs)to secure performance bank guarantee in favour of Govt of Punjab.
Rs.NIL(March 31,2014: Rs.211 lacs) to secure debt service a/c requirement of L& T Infrastructure Finance Company Limited

14. Other assets

(Rs. in Lacs)

	Current	
	As at March,31 2015	As at March,31 2014
Interest accrued on fixed deposits	**-**	5
Unbilled revenue	**137**	118
Receivable under duty credit scheme	**15**	3
	152	126

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15. Revenue from operations

(Rs. in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Revenue from healthcare services (net)	**18,097**	12,115
Sale of products		
Pharmacy and pharmaceuticals supplies	**648**	419
Other operation revenue		
Income from Cord Blood/ Plasma	**3**	1
Income from Rent	**17**	16
	18,765	12,551

16. Other income

(Rs. in Lacs)

	For the year ended Mär 31, 2015	For the year ended Mär 31, 2014
Interest Income on		
Bank deposits	-	25
Liabilities no longer required written back	**13**	-
Other non-operating income	**5**	2
	18	27

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17. Employee benefit expenses

(Rs. in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Salaries, wages and bonus	**2,366**	1,551
Contribution to provident and other funds	**120**	82
Gratuity expense(note 22)	**18**	10
Staff welfare expenses	**88**	66
	2,592	1,709

18. Depreciation and amortization expense

(Rs. in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Depreciation of tangible assets	**854**	592
Amortization of intangible assets	**1**	1
	855	593

19. Finance Cost

(Rs. in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Interest	**1,083**	994
Bank charges	**58**	38
	1,141	1,032

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20. Other expenses

(Rs in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Professional and consultancy fee	**3,815**	3,154
Outside lab investigation	**134**	85
Concession fee (note 20.1)	**940**	628
Patient catering expenses	**219**	158
Rent	**53**	27
Insurance	**39**	30
Rates and taxes	**18**	16
Facility maintenance expenses	**259**	189
Power and fuel	**373**	343
Repairs and maintenance:		
Building	**21**	27
Plant and equipments	**188**	94
Others	**65**	40
Printing and stationery	**87**	89
Travelling and conveyance	**49**	51
Communication	**23**	19
Legal and professional	**153**	135
IT support expense	**58**	43
Watch and ward	**62**	45
Advertisement and publicity	**294**	194
Recruitment expenses	**8**	25
Equipment hiring charges	**3**	3
Provision for doubtful debts	**70**	62
Debit balances written off	**2**	-
Loss on foreign exchange fluctuation	**3**	51
Miscellaneous expenses	**26**	28
	6,962	5,536

Payment to auditor (included in legal and professional fee)

(Rs in Lacs)

	For the year ended March,31 2015	For the year ended March,31 2014
Audit fee	**6.84**	5.05
Reimbursement of expenses	**0.26**	0.39

20.1 Note on Concessional Fee

The Company had entered into a triplicate long term concessional agreement dated February 20, 2009 along with its holding company, with the Government of Punjab. As per the terms of concessional agreement, the company is to build and operate a Hospital for a initial term of 50 years on public-private-partnership (PPP) mode. The company is obliged to pay concessional fee to Government of Punjab as per terms of arrangement.

21. Earnings per share (EPS)

(Rs. in Lacs)

	For the year ended March,31 2015		For the year ended March,31 2014
Profit/(loss) after tax	**644**		(661)
Weighted average number of equity shares in calculating basic and diluted EPS	**12,214,838**		12,410,000
Earnings per equity share	**5.27**	-	5.33
Basic and diluted [Nominal value of shares Rs.10 (Previous year Rs.10)]			

22. Gratuity

The company has a defined benefit gratuity plan. Under Gratuity Plan,every employee who has completed five years or more of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. Gratuity plan is not funded.

The following table summarises the component of net benefit expense recognised in statement of profit and loss, the funded status and the amount recognised in the balance sheet in respect of the Gratuity Plan.

Statement of profit and loss

Net employee benefit expense recognized in employee cost

(Rs. in Lacs)

	Gratuity	
	March,31 2015	March,31 2014
Current service cost	**12**	7
Past service cost	**-**	-
Interest cost on benefit obligation	**1**	1
Expected return on plan assets	**-**	-
Net actuarial(gain) / loss recognized in the year	**5**	2
Net benefit expense	**18**	**10**
Actual return on plan assets	**-**	-

Balance sheet

Benefit asset/ liablity

(Rs. in Lacs)

	Gratuity	
	March,31 2015	March,31 2014
Present Value of defined benefit obligation	**33**	16
Funded status	**(33)**	(16)
Fair value of plan assets	**-**	-
Plan asset / (liability)	**(33)**	**(16)**

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

(Rs. in Lacs)

	Gratuity	
	March,31 2015	March,31 2014
Opening defined benefit obligation	**16**	7
Interest cost	**1**	1
Past Service Cost	**-**	-
Current service cost	**12**	7
Benefits paid	**(1)**	(1)
Actuarial (gains) / losses on obligation	**5**	2
Closing defined benefit obligation	**33**	16

The principal assumptions used in determining benefit obligations for the gratuity is shown below:

	Gratuity	
	March,31 2015	March,31 2014
Discount rate	**7.8%**	9.1%
Retirement Age	**60 Years**	60 Years
Employee turnover	**30%**	30%

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.

Amounts for the current and previous four years are as follows:

(Rs. in Lacs)

	Gratuity				
	March,31 2015	March,31 2014	March 31, 2013	March 31, 2012	March 31, 2011
Defined benefit obligation	**33**	16	7	2	-
Plan assets	**-**	-	-	-	-
Surplus / (deficit)	**(33)**	(16)	(7)	(2)	-
Experience adjustments on plan liabilities	**(6)**	(3)	(1)	-	-
Experience adjustments on plan assets	**-**	-	-	-	-

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23. Leases

23.1 Finance lease: company as lessee

i. The Company has finance lease for certain medical equipments for a period of 5 years commencing from December 31, 2011. Future minimum lease payment (MLP) under the finance lease plan together with the present value of MLP are as follows :

ii. Future minimum lease payments and the payment profile of non-cancellable finance leases are as follows: **(Rs. In lacs)**

	March 31, 2015		March 31, 2014	
Particulars	**Minimum payments**	**Present value of MLP**	Minimum payments	Present value of MLP
Within one year	**73**	**66**	78	64
After one year but not more than five years	**47**	**45**	120	111
More than five years	**-**	**-**	-	-
Total minimum lease payments	**120**	**111**	198	175

23.2 Operating lease : company as lessee

The Company has entered into operating lease agreement for nursing hostel, rent paid is Rs.53 lacs (March 31, 2014 is Rs. 27 lacs). The Company also recover certain portion of rent from the employees.

ii. Future minimum lease payments and the payment profile of non-cancellable operating leases are as follows:

(Rs. In lacs)

	March 31, 2015	March 31, 2014
Within one year	**80**	30
After one year but not more than five years	**202**	135
More than five years	**24**	-
Total	**306**	165

24. Capitalisation of Expenditure

During the year company has capitalised the following expenses of revenue nature to the cost of fixed asset/capital work-in progress (CWIP). Consequently,

(Rs. in Lacs)

	March 31, 2015	March 31, 2014
Opening Balances	**29**	-
Add:		
Salaries, wages and bonus	**28**	27
Legal & Professional	**21**	2
Power and Fuel	**18**	-
Miscellaneous	**5**	-
Total	**101**	29
Preoperative expenses pending capitalisation		
Less: Capitalised during the year	**90**	-
Total	**11**	**29**

25. Capital and other commitments

a. Capital commitment **(Rs. in Lacs)**

	March 31, 2015	March 31, 2013
Estimated amount of contracts remaining to be executed on capital account and not	**2,099**	493
Less: Capital Advances	**19**	58
Balance Value of Contracts	**2,080**	435

b. Commitments relating to lease arrangements,refer note 23

26 Contingent Liabilities not provided for

(Rs. in Lacs)

S.No	**Particulars**	**As at March 31, 2015**	As at March 31, 2013
a.	Claims against the Company not acknowledged as debts -Civil Cases (refer note a)	**8**	8

Note:

a. Claims against the Company not acknowledged as debts represent the civil cases that are pending with various Consumer Disputes Redressal Commissions / Courts. Based on expert opinion obtained, the management believes that the Company has good chance of success in these cases. In addition to this, as a measure of good corporate governance the company has taken Professional Indemnity Insurance Policy for claims pending against the company to secure the company from any financial implication in case of claims settled against the company.

27 Related party disclosures

Names of related parties where control exist irrespective of whether transactions have occurred or not	
Holding Company	**Max Healthcare Institute Limited**
Names of other related parties with whom transactions have taken place during the year	
Fellow Subsidiaries	**Max Bupa Health Insurance Company Ltd.** (till November 10, 2014) **Max Life Insurance Company Limited.** (till November 10, 2014) **Max Medical Services Limited.** **Alps hospitals Limited.** **Max Speciality Films Limited.** (till November 10, 2014)
Key Management Personnel	**Mr. Sandeep Dogra - Whole Time Director**
Additional related parties as per Companies Act, 2013	
Key Management Personnel	**Mr. Rakesh Dhumir - Head Finance** **Ms. Priyanka Mishra - Company Secretary**

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27.1 Transaction with related party during the year

(Rs. in Lacs)

Particulars	For the year ended March 31,2015	For the year ended March 31,2014
Loans Taken		
Max Healthcare Institute Limited (Holding Company)	**333**	1,464
Loans Repaid		
Max Healthcare Institute Limited (Holding Company)	**1,515**	127
Interest expense		
Max Healthcare Institute Limited (Holding Company)	**284**	191
Services Renderd		
Max Bupa Health Insurance Ltd. (Fellow Subsidiary till November 10, 2014)	**46**	56
Max Speciality Films Limited (Fellow Subsidiary till November 10, 2014)	**-**	2
Services Received		
Max Bupa Health Insurance Ltd. (Fellow Subsidiary till November 10, 2014)	**-**	3
Max Life Insurance Company Limited (Fellow Subsidiary till November 10, 2014)	**2**	2
Max Healthcare Institute Limited (Holding Company)	**110**	67
Professional Services Received		
Max Healthcare Institute Limited (Holding Company)	**19**	27
Purchase of Goods (excluding Taxes)		
Max Healthcare Institute Limited (Holding Company)	**9**	194
Purchase of Fixed Assets		
Max Medical Services Limited (Fellow Subsidiary)	**-**	17
Alps Hospitals Limited (Fellow Subsidiary)	**-**	7
Security Deposit Taken		
Mr.Sandeep Dogra-Whole Time Director	**6**	-
Director's remuneration		
Mr. Sandeep Dogra - Whole Time Director	**50**	-
Share Capital Issued		
Max Healthcare Institute Limited (Including Security Premium)	**1,500**	-

Balance Outstanding at the year end

Particulars	As at March 31,2015	As at March 31,2014
Inter-corporate deposits repayable on demand (unsecured)		
Max Healthcare Institute Limited (Holding Company)	**851**	2,043
Interest Payable		
Max Healthcare Institute Limited (Holding Company)	**-**	189
Trade Payables		
Max Healthcare Institute Limited (Holding Company)	**-**	228
Hometrail Buildtech Private Limited	**-**	1
Security Deposit-Mr. Sandeep Dogra	**6**	-
Capital Creditors Payables		
Max Medical Services Limited (Fellow Subsidiary)	**-**	17
Alps Hospitals Limited (Fellow Subsidiary)	**-**	7
Trade Receivable		
Max Bupa Health Insurance Limited (Fellow Subsidiary till November 10, 2014)	**-**	4
Max Speciality Films Limited (Fellow Subsidiary till November 10, 2014)	**-**	1

28. Deferred Tax Asset/ (Liability)

The Company follows Accounting Standard (AS-22) “Accounting for taxes on Income”, as notified by Companies Accounting Standards Rules, 2006. Due to losses, the Company has deferred tax asset with loss and unabsorbed depreciation as a major component. However, deferred tax asset has been recognized only to the extent of deferred tax liability since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future, accordingly Company has prudently decided not to recognize deferred tax asset on such timing differences.

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29. Particulars of unhedged Foreign Currency as at the Balance Sheet date

(Rs. in Lacs)

	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Import trade payable(EUR)	**0.01**	0.01	0.69	0.83
Import trade payable(USD)	**0.70**	1.37	44.54	82.26

Closing rates are as under (Rupees)

	March 31, 2015	March 31, 2014
	TT Sell	TT Sell
USD	**63.63**	60.10
EUR	**68.98**	82.58

30 Value of Imports calculated on CIF Basis (Rs. in Lacs)

	March 31, 2015	March 31, 2014
Capital Goods	**295**	19
Consumable	**8**	4
	303	23

31 Expenditure in foreign currency (accrual basis) (Rs. in Lacs)

	March 31, 2015	March 31, 2014
Interest	**-**	10
	-	10

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As the Company's business activity primarliy falls within a single business and geographical segment, there are no additional disclosure to be provided in terms of Accounting Standard 17 on " Segment Reporting".

33 Previous year figures

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Co. LLP
ICAI Firm Registration Number: 301003E
Chartered Accountants

Sd/-
per Manoj Kumar Gupta
Partner
Membership Number: 83906

Place : Gurgaon
Date : May 14, 2015

For and on behalf of the board of directors of
Hometrail Estate Private Limited

Sd/-
Sandeep Dogra
(Whole Time Director)
DIN : 03606846

Sd/-
Yogesh Kumar Sareen
(Director)
DIN : 00884252

Sd/-
Rakesh Dumir
(Head Finance)

Sd/-
Priyanka Mishra
(Company Secretary)
M.No. : A27259

Place : New Delhi
Date : May 14, 2015