

# AWATAR & CO.

CHARTERED ACCOUNTANTS  
New Delhi - Alwar

## Head Office:

1203, Rohit House  
3, Tolstoy Marg  
New Delhi - 110 001  
Ph. : 23315870  
23320537  
Fax : 23358544

## INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF  
JAYPEE HEALTHCARE LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **JAYPEE HEALTHCARE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

### 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the period ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have 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 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.;
  - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

*Brijendra Agrawal*

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



Place : Noida  
Date : April 3, 2014

## ANNEXURE TO AUDITORS' REPORT

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

- (i) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the period under report and the going concern status of the Company is not affected.
- (ii) The Company does not have any inventory. Therefore, the provisions of clause (ii) of paragraph 4 of the Order are not applicable to the Company.
- (iii) (a) The Company has not granted loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (b), (c) and (d) of clause 4(iii) of the Order are not applicable to the Company.
  - (b) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the provisions of sub-clauses (f) and (g) of clause 4(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and services and supplies. During the course of our audit, we have not observed any continuing major weakness in such internal controls.
- (v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500,000 in respect of each party during the period under report have been made at prices which appear reasonable as per information available with the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from public during the period under report. Therefore, the provisions of clause 4(vi) of the Order are not applicable to the Company.
- (vii) According to the information and explanations given to us, this being the first financial period, the Company is in the process of implementing formal internal audit system. However, in our opinion, there are adequate internal control systems commensurate with the size and nature of its business.
- (viii) We were explained that the maintenance of cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, is not applicable to the Company.



- (ix) (a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, income-tax, wealth tax, sales-tax, service tax, custom duty, 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 income tax, wealth tax, service tax, sales tax, custom duty, cess or any other statutory dues were in arrears as on 31<sup>st</sup> March 2014 for a period more than six months from the date they became payable.
- (x) The Company has been registered for a period of less than five years. Therefore, provisions of clause 4(x) of the Order are not applicable to the Company.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank. The Company has not borrowed any amounts by issue of debentures.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from the banks or financial institutions. Therefore, provisions of clause 4(xv) of the Order are not applicable to the Company.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- (xvii) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- (xviii) The Company has during the year made preferential allotment of equity shares to the Holding Company at par, which in our opinion is prima facie not prejudicial to the interest of the Company.
- (xix) According to the information and explanations given to us, the Company has not issued any debentures during the period under audit report.
- (xx) During the period covered by our audit report, the Company has not raised any money by way of public issue.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the period under audit report.

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

*Brijendra Agrawal*

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



Place : Noida  
Date : April 3, 2014

# JAYPEE HEALTHCARE LIMITED

BALANCE SHEET AS AT 31.03.2014

Registered & Corporate Office  
Sector-128  
Noida -201304  
Dist. Gautam Budh Nagar  
Website  
[www.jaypeehealthcare.com](http://www.jaypeehealthcare.com)

JAYPEE HEALTHCARE LIMITED

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2014

₹

Particulars	Note No.	As at 31.03.2014	
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' Funds			
(a) Share Capital	2	2,500,000,000	
(b) Reserves and Surplus	3	-12,637,540	
(c) Money received against share warrants			2,487,362,460
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings - Secured	4	2,386,118,651	
(b) Long-term borrowings - Unsecured			
(c) Deferred tax liabilities (Net)			
(d) Other Long term liabilities	5		
(e) Long term provisions	6	1,831,710	
			2,387,950,361
(4) Current Liabilities			
(a) Short-term borrowings			
(b) Trade payables	7	40,766,058	
(c) Other current liabilities	8	340,379,938	
(d) Short-term provisions	9	46,310	
			381,192,306
<b>Total</b>			<b>5,256,505,127</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	250,978,765	
(ii) Intangible assets			
(iii) Capital work-in-progress	10A	4,746,023,352	
			4,997,002,117
(b) Non-current investments			
(c) Deferred tax assets (net)			
(d) Long term loans and advances	11		77,868,298
(e) Other non-current assets	12		60,356,395
(2) Current assets			
(a) Current investments			
(b) Inventories			
(c) Trade receivables			
(d) Cash and Bank balances	13	88,136,932	
(e) Short-term loans and advances	14	29,651,646	
(f) Other current assets	15	3,469,739	
			121,258,317
<b>Total</b>			<b>5,256,505,127</b>

Summary of Significant Accounting Policies

1

The Note Nos. 1 to 28 form an integral part of the Financial Statements

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

For and on behalf of the Board

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

*Bijendra Agarwal*  
(Bijendra Agarwal)  
Partner

M. No. 087787



*Manoj Gaur*

Manoj Gaur  
Chairman

*Rekha Dixit*

Rekha Dixit  
Director

Place: *Meerut*

Dated: *03.04.2014*

**JAYPEE HEALTHCARE LIMITED**

**Statement of Profit and Loss for the Period from 30th October, 2012 to 31<sup>st</sup> March, 2014**

₹

Particulars	Note No.	For the period from October 30, 2012 to March 31, 2014
<b>REVENUE</b>		
Revenue from Operations		
Other Income		
<b>Total Revenue</b>		0
<b>EXPENSES</b>		
Cost of Sales		
Employee Benefits Expenses		
Finance Costs		
Depreciation and Amortization Expenses		
Other Expenses	16	12,637,540
<b>Total Expenses</b>		12,637,540
<b>Profit/(Loss) before exceptional and extraordinary items and tax</b>		(12,637,540)
Exceptional Items		
<b>Profit/(Loss) before extraordinary items and tax</b>		(12,637,540)
Extraordinary Items		
<b>Profit/(Loss) Before Tax</b>		(12,637,540)
Tax Expense:		
- Current tax		0
- For earlier year		-
- Excess Provision for Income Tax Written Back		-
- Deferred Tax		-
<b>Tax expenses of continuing operations</b>		0
<b>Profit for the period from continuing operations</b>		(12,637,540)
Profit/(Loss) from discontinuing operations		
Tax expenses of discontinuing operations		
<b>Profit/(Loss) from discontinuing operations (after Tax)</b>		
<b>Profit for the period</b>		(12,637,540)
<b>Earning Per Equity Share (Face value of ₹ 10/- each)</b>	<b>17</b>	
(1) Basic		(0.08)
(2) Diluted		(0.08)

**Summary of Significant Accounting Policies**

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The Note Nos. 1 to 28 form an integral part of the Financial Statements

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

For and on behalf of the Board

For Awtar & Co.  
Chartered Accountants

Firm Registration No.000726N

*Bijendra Agarwal*  
(Bijendra Agarwal)  
Partner  
M. No. 087787



*[Signature]*  
Chairman

*[Signature]*  
Director

Place: *Noida*  
Dated: *03.04.2014*

**JAYPEE HEALTHCARE LIMITED**

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

**NOTE NO. 1**

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of accounting.**

The financial statements are prepared under historical cost convention, on accrual basis, on the principles of going concern, in accordance with the generally accepted accounting principles, the relevant accounting standards and the relevant guidance notes issued by the Institute of Chartered Accountants of India (ICAI) and the applicable provisions of the Companies Act, 1956.

**1.2 Revenue Recognition**

Revenue from healthcare services shall be recognized as and when related services are rendered i.e. on completed service contract method.

**1.3 Use of Estimates**

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

**1.4 Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction inclusive of freight, erection & commissioning charges, duties and taxes and other incidental expenses related thereto.

**1.5 Capital Work in Progress**

Capital work-in-progress represents ongoing capital expenditure on Hospital and is carried at cost. Cost includes construction costs, borrowing costs capitalized and other direct expenditure.

**1.6 Depreciation.**

Depreciation on Assets is provided on Straight Line Method as per the classification and in the manner specified in Schedule XIV to the Companies Act, 1956.





### 1.7 Employee Benefits.

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

- (i) Provident Fund and Pension contribution - as a percentage of salary / wages is a Defined Contribution Scheme.
- (ii) Gratuity and Leave Encashment is a defined benefit obligation. The liability is provided for on the basis of actuarial valuation made at the end of each financial year. The actuarial valuation is made on Projected Unit Credit method,

### 1.8 Foreign Currency Transactions:

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

### 1.9 Miscellaneous Expenditure

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

### 1.10 Earnings Per Share

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

### 1.11 Borrowing Costs

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

### 1.12 Provisions, Contingent Liabilities and Contingent Assets

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



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Note 2 Share Capital

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

Share Capital	As at 31.03.2014	
	Number	₹
<b>Authorised</b>		
Equity Shares of ₹10/- each	250,000,000	2,500,000,000
<b>Issued</b>		
Equity Shares of ₹10/- each	250,000,000	2,500,000,000
<b>Subscribed &amp; fully Paid up</b>		
Equity Shares of ₹ 10 each fully paid	250,000,000	2,500,000,000
<b>Total</b>	<b>250,000,000</b>	<b>2,500,000,000</b>

(ii) Reconciliation of shares outstanding at the beginning and at the end of the Period as at 31.03.2014

Particulars	Equity Shares	
	As at 31.03.2014	
	Number	₹
Shares outstanding at the beginning of the period	-	-
Shares Issued during the period	250,000,000	2,500,000,000
Shares bought back during the period	-	-
Any other movement	-	-
Shares outstanding at the end of the period	250,000,000	2,500,000,000

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

The company has only one class of Equity Shares at par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share and entitled for pro-rata dividend.

In terms of Project Transfer Agreement (PTA) dated 27th November, 2012, entered between Jaypee Healthcare Limited and Jaypee Infratech Limited, 175,883,440 equity shares of Rs. 10/- each were allotted to Jaypee Infratech Limited as full consideration towards acquisition of the Hospital Project so transferred to Jaypee Healthcare Limited

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

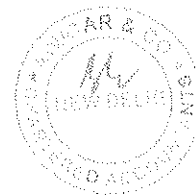
Particulars	Nature of Relationship	As at 31.03.2014
Equity Shares		
Jaypee Infratech Limited	Holding Company	250,000,000

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

Name of Shareholder	Equity Shares	
	As at 31.03.2014	
	No. of Shares held	% of Holding
Jaypee Infratech Limited	250,000,000	100

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

NA



JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

Note 3 RESERVES & SURPLUS

		As at 31.03.2014 ₹
<b>Surplus</b>		
Profit brought forward from Previous Year		
Add:	Profit for the Period	(12,637,540)
		(12,637,540)
		<u>(12,637,540)</u>

Note 4 LONG TERM BORROWINGS

		As at 31.03.2014 ₹
		Current
		Non Current
<b>Secured Loans</b>		
<b>Term Loans</b>		
	from Banks	2,386,118,651
		<u>2,386,118,651</u>

Note 4.1 Particulars of Term Loan

Amount Outstanding (including current maturities) as at 31.03.2014

Sl.No.	Banks	Terms of Repayment / Periodicity	₹
(i)	Oriental Bank of Commerce	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	443,000,159
(ii)	Union Bank of India	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	565,811,640
(iii)	Vijaya Bank	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	410,716,583
(iv)	Export Import Bank of India	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	445,000,000
(v)	Yes Bank - Buyers credit from HSBC	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	105,470,305
(vi)	Yes Bank - Bill discounting from HDFC	Repayable in 36 quarterly structured installments from 01.11.2017 to 01.08.2026	416,119,964
Total			<u>2,386,118,651</u>

Note 4.2

The Term Loan Facility of ₹325 crores sanctioned by Yes Bank (outstanding as on 31.03.2014 ₹ 238.61 crores) is secured by (i) first Pari Passu Charge by way of equitable mortgage on the Land & Building of the Phase-I Project along with all buildings and structures thereon alongwith Movable Fixed assets of the Project, (ii) second charge on all the current assets( both present & future), (iii) pledge by Holding Company (JIL) of 30% of paid up equity capital of the company in favor of lender during the tenor of loan,(iv) Non Disposal undertaking for 21% of paid up equity capital of the Company ( other than pledged shareholding), (v) Unconditional & Irrevocable Personal Guarantee of Mr Manoj Gaur .



JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

Note 5 OTHER LONG TERM LIABILITIES

		As at 31.03.2014 ₹
(i)	Trade Payables	
	- Dues to Micro, Small and Medium enterprises	
	- Others	

The disclosure as required under Notification No. G.S.R. 719 (E) dated 16th November, 2007 issued by the Department of Company Affairs (As certified by the Management ) is given below :

S. No	Particulars	As on 31.03.2014
a)	The principal amount and interest due thereon remaining unpaid to any supplier	
	-Principal Amount	Nil
	-Interest Amount	Nil
b)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of payment made to the supplier beyond the appointed day.	Nil
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid beyond the appointed date during year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil
d)	The amount of interest accrued and remaining unpaid	Nil
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil

Note 6 LONG TERM PROVISIONS

		As at 31.03.2014 ₹
Employee Benefits :		
(a)	Provision for Gratuity	741,013
(b)	Provision for Leave Encashment	1,090,697
		1,831,710
		<b>1,831,710</b>



JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

CURRENT LIABILITIES

Note 7 Trade Payables

	As at 31.03.2014 ₹
(i) Dues to Micro, Small and Medium enterprises	
(ii) Others (Also refer disclosure under Note No.5)	14,383,956
(iii) Expenses Payable	6,482,102
	40,766,058

Note 8 OTHER CURRENT LIABILITIES

	As at 31.03.2014 ₹
(i) Others Payables - Employees	19,558
(ii) Creditors for Capital Expenditure	311,848,491
(iii) Other Payables	9,311,889
	340,379,938

Note 9 SHORT -TERM PROVISIONS

	As at 31.03.2014 ₹
Employee Benefits	
(a) Provision for Bonus	-
(b) Provision for Gratuity	3,041
(c) Provision for Leave Encashment	43,269
	46,310
	46,310



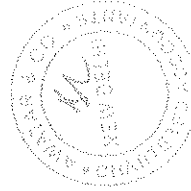
JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

Note 10 FIXED ASSETS

Description	Gross Carrying Value			Depreciation / Amortisation			Net Carrying Value	
	Transfer from Transferor Company as at Transfer Date	Additions during the period	Deductions/ Adjustments during the period	Total as at 31.03.2014	Transfer from Transferor Company	Provided during the period	Deductions/ Adjustments during the period	Total as at 31.03.2014
(a) TANGIBLE ASSETS								
Land - (Freehold)	-	230,711,500	-	230,711,500	-	-	-	230,711,500
Plant & Machinery	9,873,930	-	-	9,873,930	702,875	-	-	9,171,055
Motor Vehicles	-	8,416,617	-	8,416,617	-	2,191	-	8,414,426
Office Equipments	623,165	-	-	623,165	44,360	-	-	578,805
Medical Equipment & Appliances	345,184	371,434	-	716,618	-	30,505	-	686,113
Furniture & Fixture	-	515,250	-	515,250	32,745	36,956	-	918,001
Computers	1,282,992	-	-	1,282,992	311,675	-	-	971,317
Total	12,125,271	240,014,801	-	252,140,072	1,091,655	69,652	-	250,978,765
(b) Capital Work in progress including Incidental Expenditure During Construction Pending Allocation [Refer Note No.10A] -Tangible								4,746,023,352

\* Pursuant to Project Transfer Agreement dated 27th November, 2012 between Jaypee Healthcare Limited and Jaypee Infratech Limited, leasehold land admeasuring 18 acres along with buildings & structures, as shown under Capital Work in Progress were transferred to Jaypee Healthcare Limited. The leasehold land was capitalised in the books of the Company on the date of assignment effected through Deed of Assignment dated 29th November, 2012 between Jaypee Healthcare Limited and Jaypee Infratech Limited.



JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

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

		As at 31.03.2014 ₹
<b>I. CAPITAL WORK IN PROGRESS (TANGIBLE ASSETS)</b>		
(a)	Building	2,513,061,192
(b)	Plant & Machineries	619,092,884
(c)	Office Equipments	153,296,912
(d)	Medical Equipment & Electrical Appliances	774,765,993
(e)	Furniture & Fixtures	78,766,806
(f)	Computers	13,550,862
(g)	Stock & Spares of Building & Equipment	69,339,688
<b>Total CWIP (Tangible)</b>		<b>4,221,867,942</b>

		As at 31.03.2014 ₹
<b>II. INCIDENTAL EXPENDITURE DURING CONSTRUCTION PENDING ALLOCATION</b>		
<b>Opening Balance</b>		
(i)	Salary, Wages, Bonus and other benefits	100,417,334
(ii)	Contribution to Provident fund	4,418,718
(iii)	Staff Welfare Expenses	581,956
(iv)	Rates & Taxes	3,472,388
(v)	Consultancy & Advisory Charges	218,744,166
(vi)	Travelling & Conveyance Expenses	1,636,609
(vii)	Postage & Telephone Expenses	3,181,175
(viii)	Bank Charges	23,904,341
(ix)	Insurance Charges	845,301
(x)	Electricity, Power & Fuel Expenses	7,667,015
(xi)	Office and Camp Maintenance	22,598,672
(xii)	Vehicles Running & Maintenance	1,775,593
(xiii)	Repair & Maintenance - Machinery	3,397,797
(xiv)	Printing & Stationery	2,108,938
(xv)	Security Service Expenses	3,767,516
(xvi)	Finance Costs	115,108,364
(xvii)	Advertisement & Business Promotion Expenses	4,343,346
(xviii)	Depreciation	1,161,897
(xix)	Auditor's Remuneration	
	Audit Fee	337,080
(xx)	Miscellaneous Expenses	7,627,888
		<b>524,155,410</b>
<b>Less : Capitalized during period</b>		
<b>Balance</b>		<b>524,155,410</b>

Grand Total	<b>4,746,023,352</b>
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JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014  
NON CURRENT ASSETS

Note 11 LONG TERM LOANS & ADVANCES

		As at 31.03.2014 ₹
Unsecured, considered good		
(i)	Loans & Advances to Related parties	46,967,759
(ii)	Other Capital Advances	30,110,265
(iii)	Security Deposits	810,274
		77,888,298
		77,888,298

FDRs included in B.(i) above include FDRs worth Rs 25,000/- (previous year Nil) are pledged with Govt. bodies.

Note 12 OTHER NON - CURRENT ASSETS

		As at 31.03.2014 ₹
Other Bank Balances:		
	On Deposit Accounts	60,356,395
		60,356,395

FDRs included in (i)(b) above include FDRs worth Rs. 69,71,534/- (previous year NIL/-) are pledged with Yes Bank as Margin Money

Note 13 CASH AND BANK BALANCES

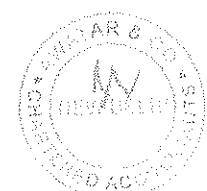
		As at 31.03.2014 ₹
CASH AND CASH EQUIVALENTS		
(i)	Balances with Banks :	
(a)	On Current Accounts	87,595,173
(b)	On Deposit Accounts	
		87,595,173
(ii)	Cash on hand	941,759
		88,136,932

Note 14 SHORT TERM LOANS AND ADVANCES  
(Unsecured, considered good)

		As at 31.03.2014 ₹
(i)	Loans and Advances to Other Suppliers & Contractors (including related parties)	21,804,681
(ii)	Loans and Advances to Employees	42,237
(iii)	Custom Duty Advance	7,257,139
(iv)	TDS Receivables	547,589
		29,651,646

Note 15 OTHER CURRENT ASSETS

		As at 31.03.2014 ₹
(i)	Interest Accrued on FDRs	2,348,511
(ii)	Prepaid Expenses	1,121,228
		3,469,739



JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

Note 16 OTHER EXPENSES

	As at 31.03.2014
(i) Preliminary Expenses	12,637,540
	12,637,540

Note 17 Earnings Per Share in accordance with Accounting Standard [AS - 20] for the period ended on 31.03.2014

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

	As at 31.03.2014
Net Profit after Tax (₹)	(12,637,540)
Weighted average number of Equity shares for Earnings per share computation.	
(i) Number of Equity Shares at the Beginning of the period	0
(ii) Number of Equity Shares allotted during the period.	250,000,000
(iii) Weighted average number of Equity Shares allotted during the period.	166,450,593
(iv) Weighted average number of Equity Shares at the end of the period.	166,450,593
Basic & diluted Earnings per share(₹)	(0.08)
Face Value per Share(₹)	10.00



-JAYPEE HEALTHCARE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2014

NOTE NO.18

Outstanding Letters of credit (including Foreign LCs): Rs. 37,05 Crores ) ( Margin Money - NIL)

NOTE NO.19

Estimated amount of contracts, remaining to be executed on capital account is Rs.36 Crores.

NOTE NO.20

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

NOTE NO.21

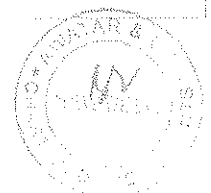
- (a) Provident Fund - Defined contribution Plan.

All employees are entitled to Provident Fund Benefit as per law. Amount included in Incidental Expenditure during Construction-Pending Allocation is Rs. 37,61,145/- during the period.

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

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

S. No.	Particulars	Amount in Rs.₹	
		Gratuity - Non Funded	Leave Encashment -Non Funded
1	Expenses recognized as Incidental Expenditure during Construction period as on 31 <sup>st</sup> March'2014		



	1. Current Service Cost.	7,44,054	10,52,580
	2. Interest Cost	-	9,182
	3. Employee Contribution	-	-
	4. Actuarial (Gains)/Losses	-	(-)35,815
	5. Past Service Cost	-	-
	6. Settlement Cost	-	-
	7. Total Expenses	7,44,054	10,25,947
ii	Net Asset/ (Liability) recognized in the Balance Sheet as at 31 <sup>st</sup> March 2014.	7,44,054	11,33,966
	1. Present Value of Defined Benefit Obligation.	-	-
	2. Fair Value of Plan Assets	-	-
	3. Funded Status (Surplus/ Deficit)	-	(-)11,33,966
	4. Net Asset/(Liability) as at 31 <sup>st</sup> March, 2014.	(-) 7,44,054	(-)11,33,966
iii	Change in Obligation during the period ended 31 <sup>st</sup> March, 2014.		
	1. Present value of Defined Benefit Obligation at the beginning of the period.		1,08,019
	2. Current Service Cost.		10,52,580

AUDITOR &  
 Chartered Accountant  
 Signature

	3. Interest Cost	9,182
	4. Settlement Cost	
	5. Past Service Cost.	
	6. Employee Contributions	
	7. Actuarial (Gains)/Losses	(-)35,815
	8. Benefit Paid	
	9 Present Value of Defined Benefit Obligation at the end of the period.	11,33,966
IV	Change in Assets during the Period ended 31 <sup>st</sup> March, 2014.	
	1. Plan Assets at the beginning of the period.	
	2. Assets acquired on amalgamation in previous year.	
	3. Settlements	
	4. Expected return on Plan Assets	
	5. Contribution by Employer	
	6. Actual Benefit Paid	
	7. Actuarial Gains/ (Losses)	
	8. Plan Assets at the end of the period.	



9. Actual Return on Plan Assets		
---------------------------------	--	--

V. Assets/Liabilities:

	As on	31.03.14			
			<u>Gratuity</u>		
A	PBO(C)	7,44,054			
B	Plan Assets	-			
C	Net Assets/ (Liabilities)	(-) 7,44,054			
			<u>Leave Encashment</u>		
A	PBO(C)	11,13,966			
B	Plan Assets	-			
C	Net Assets/ (Liabilities)	(-) 11,33,966			

VI. Enterprises best estimate of contribution during next year:

- (i) Gratuity : Rs.15,37,975  
(ii) Leave encashment : Rs. 12,83,290

VII. Actuarial Assumptions

- (i) Discount Rate : 8.50%  
(ii) Mortality Table : IALM (2006-08)  
(iii) Turnover Rate : Up to 30 years - 2%, 31-44years - 5%,  
Above 44 years -3%  
(iv) Future Salary Increase : 6.00%

NOTE NO.22

a. Earnings in Foreign Currency:

Particulars	Period ended 31.03.2014 ₹



b. Expenditure in Foreign Currency:

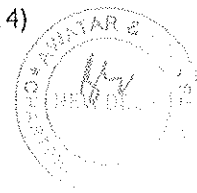
Particulars	Period ended 31.03.2014 ₹
Capital Goods	11,49,51,911

NOTE NO.23

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

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

- (a) **Holding Company** : Jaypee Infratech Limited (JIL)  
(Subsidiary of Jaiprakash Associates Limited)
- (b) **Holding of Holding Company** : Jaiprakash Associates Limited
- (c) **Fellow Subsidiary Companies:**
- (1) Jaiprakash Power Ventures Limited (JPVL)
  - (2) Jaypee Powergrid Limited (subsidiary of JPVL)
  - (3) Himalyan Expressway Limited
  - (4) Jaypee Agra Vikas Limited
  - (5) Jaypee Sports International Limited
  - (6) Jaypee Ganga Infrastructure Corporation Limited
  - (7) Bhilai Jaypee Cement Limited
  - (8) Bokaro Jaypee Cement Limited
  - (9) Gujarat Jaypee Cement & Infrastructure Limited
  - (10) Jaypee Assam Cement Limited
  - (11) Himalyaputra Aviation Limited
  - (12) Jaypee Arunachal Power Limited (subsidiary of JPVL)
  - (13) Sangam Power Generation Company Limited (subsidiary of JPVL)
  - (14) Prayagraj Power Generation Company Limited (subsidiary of JPVL)
  - (15) Jaypee Fertilizers & Industries Limited
  - (16) Jaypee Meghalaya Power Limited (subsidiary of JPVL)
  - (17) Jaypee Cement Corporation Limited (JCCL)
  - (18) Jaypee Cement Cricket (India) Limited
  - (19) Jaypee Cement Hockey (India) Limited
  - (20) Jaiprakash Agri Initiatives Company Limited (subsidiary of JCCL)
  - (21) Jaypee Uttar Bharat Vikas Private Limited (w.e.f.21.06.2010)
  - (22) Kanpur Fertilizers & Cement Limited (subsidiary of Jaypee Uttar Bharat Vikas Private Limited)
  - (23) Himachal Baspa Power Company Limited ( w.e.f.14.03.2014)
  - (24) Himachal Karcham Power Company Limited (w.e.f.14.03.2014)



(d) Associates Companies

- (1) Jaypee Infra Ventures (A Private Company with Unlimited Liability)(JIV)
- (2) Jaypee Development Corporation Limited (JDCL)(subsidiary of JIV)
- (3) JIL Information Technology Limited (JILIT)(subsidiary of JIV)
- (4) Andhra Cements Limited (subsidiary of JDCL)
- (5) Gaur & Nagi Limited (subsidiary of JILIT)
- (6) Indesign Enterprises Private Limited (IEPL)(subsidiary of JIV)
- (7) Madhya Pradesh Jaypee Minerals Limited
- (8) Jaiprakash Kashmir Energy Limited
- (9) Sonebhadra Minerals Private Limited
- (10) RPJ Minerals Private Limited
- (11) Jaypee International Logistics Company Private Limited (subsidiary of JIV)
- (12) Tiger Hills Holiday Resort Private Limited (subsidiary of JDCL)
- (13) Sarveshwari Stone Products Private Limited (subsidiary of RPJ Minerals Private Limited)
- (14) Rock Solid Cement Limited (subsidiary of RPJ Minerals Private Limited)
- (15) MP Jaypee Coal Limited
- (16) MP Jaypee Coal Fields Limited
- (17) Anvi Hotels Private Limited (subsidiary of JIV)

(e) Key Managerial Personnel:

- (1) Shri Manoj Gaur, Chairman .

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

Nature of Transactions	Referred in (a) above	Referred in (b) above	Referred in (c) above	Referred in (d) above	Referred in (d) above
Receipts/ Income					
Share Application Money received	250,00,00,000				
<b><u>Expenditure</u></b>					
Contract Expenses		131,32,18,053			
Cement/Goods Purchases/IT Services,				4,67,07,390	





supply & Installation				6,499	
Advertisement					
Others					
Investments (including Share Application Money)					

#### Outstanding

<b>Receivables</b>					
Advance Payment		4,69,67,759			
<b>Payables</b>					
Creditors				1,07,58,896	

#### Note No. 24

Deferred tax assets/ liabilities for timing difference has not been created in view of uncertainty of future taxable income against which such deferred tax can be realized.

#### Note No. 25

As per the information available from the Management there are no Small Scale Industrial Undertakings to whom the Company owes more than Rs. 1 Lakh outstanding for more than 30 days as on 31<sup>st</sup> March 2014.

#### Note No. 26

As per the information available with the company, the company has no dues to micro & Small Enterprises during the period ended 31<sup>st</sup> March 2014.

#### Note No. 27

Since these financial statements are for the first accounting period of the Company, there are no comparative figures for previous year.

#### Note No. 28

All the figures have been rounded off to the nearest rupee.



Signatures to Notes 1 to 28

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

*Brijendra Agrawal*

(Brijendra Agrawal)  
Partner  
M. No. 087787

Place: Noida  
Date: 03.04.2014



For and On behalf of Board

*Manoj Gaur*  
(Manoj Gaur)  
Chairman

*Rekha Dixit*  
(Rekha Dixit)  
Director

**JAYPEE HEALTHCARE LIMITED**

**CASH FLOW STATEMENT FOR THE PERIOD FROM 30TH OCTOBER 2012 TO 31ST MARCH, 2014**

For the Period ended  
March 31, 2014  
Amount in `

<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before Tax as per Statement of Profit & Loss	(12,637,540)
<b>Add Back:</b>	
(a) Depreciation	
Operating Profit before working capital Changes	(12,637,540)
<b>Deduct:</b>	
(a) Increase in Short Term Loans & Advances	29,651,646
(b) Increase in other Current Assets	3,469,739
	33,121,385
<b>Add</b>	
(a) Increase in Trade Payables	40,766,058
(b) Increase in Current Liabilities including Short Term Provisions	340,426,248
	381,192,306
Cash Generated from Operations	335,433,381
<b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>	<b>335,433,381</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>	
<b>Inflow:</b>	
<b>Outflow:</b>	
(a) Increase in Fixed Assets ( Including Capital work in Progress)	4,997,002,117
(b) Increase in Long Term Loan & Advances	77,888,298
	5,074,890,415
<b>CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>	<b>(5,074,890,415)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>	
<b>Inflow:</b>	
(a) Proceeds from issue of Share Capital	2,500,000,000
(b) Long Term Borrowings & Provisions	2,387,950,361
	4,887,950,361
<b>Outflow:</b>	
<b>CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES</b>	<b>4,887,950,361</b>
<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS "A+B+C"</b>	<b>148,493,327</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD</b>	
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD</b>	<b>148,493,327</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS :</b>	
In Balance with Schedule Banks	
In Current Accounts	87,595,173
In Deposit Account-Current	
In Deposit Account-Non Current	60,356,395
Cash and Cheque in Hand	541,759
	148,493,327
<b>Notes:</b>	
1 The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS - 3) "Cash Flow Statement".	



Notes:

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

For and on behalf of the Board

For Awtar & Co.  
Chartered Accountants

Firm Registration No.000726N

*Asijendra Agarwal*  
(Asijendra Agarwal)

Partner

M. No. 087787



*Manoj Gaor*  
Manoj Gaor  
Chairman

*Rekha Dixit*  
Rekha Dixit  
Director

Place: *Noida*

Dated: *03.04.2014*