

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NEWRISE HEALTHCARE PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **NEWRISER HEALTHCARE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether



due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2017, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 33 to the financial statements which describes proposed disposal of stake in the Company by its holding company, Panacea Biotec Ltd. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);

A handwritten signature in black ink is written over a circular, faded stamp. The signature appears to be a stylized 'L' or similar character. The stamp is mostly illegible but seems to contain some text around the perimeter.

Annexure to the Independent Auditors' Report

The Annexure referred to in our report to the members of **NEWRISE HEALTHCARE PRIVATE LIMITED** ("the Company") for the year ended on 31st March 2017. We report that:

(i) In Respect of Fixed Assets

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The title deeds with respect to the leasehold rights in the immovable properties are held in the name of the Company.

(ii) In Respect of Inventory

Not Applicable

(iii) Loans and advances granted to parties covered under section 189 of the Companies Act, 2013

The Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Sec 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.

(iv) Loans, investments, guarantees, and security under section 185 and 186 of the Companies Act, 2013

The Company has neither given any loan, nor make any investment or given any securities as per Sec 185 and 186 of the Act.

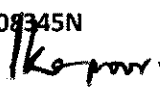
Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

(v) Rules followed while accepting Deposits

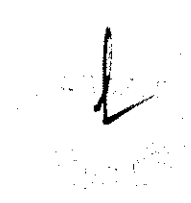
The Company has not accepted any deposit from public during the year. In our opinion and according to the information and explanation given to us the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules 2014 with regard to deposits from the public is not applicable in the current year. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.



- e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and.
 - iv. The company has provided requisite disclosures in its financial statements as to holding as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and the same are in accordance with books of accounts maintained by the Company.

For Sudhir Sunil & Co.
Chartered Accountants
FRN: 08345N

Per Sudhir Kapoor
Partner
Membership No.: 86840

Place: New Delhi
Date: 19th April, 2017



Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) Maintenance of cost records

The provisions of maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013 are not applicable.

Accordingly, the provisions of clauses 3(vi) of the Order are not applicable

(vii) According to the information and explanations given to us in respect of statutory dues

(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income tax, Service 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 income-tax, sales-tax, service tax or cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March, 2017 for a period of more than six months from the date they became payable.

(viii) Default in Repayment of Loans taken from Bank or Financial Institutions

Based on our audit procedure and as per information given by the management, we are of opinion that the Company has defaulted in repayment of dues to a bank as referred to in Note No.31 of the Financial Statements.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.

Accordingly, the provisions of clause 3(ix) of the Order are not applicable

(x) No Fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) The Company does not pay any remuneration to its Managerial Persons.
Accordingly, the provisions of clause 3(xi) of the Order are not applicable.

(xii) In our opinion, the Company is not a Nidhi Company.

Accordingly, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013.

(xiv) The Company has made preferential allotment or private placement of shares during the year in compliance with the provisions of section 42 of the Companies Act, 2013.


(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them as per the provisions of section 192 of the Act except the non-cash transactions as referred to in Note No. 3(g) to the Financial Statements.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sudhir Sunil & Co.
Chartered Accountants
FRN: 08345N



Per Sudhir Kapoor
Partner
Membership No.: 86840



Place: New Delhi
Date: 19th April, 2017

NewRise Healthcare Private Limited

Balance Sheet as at March 31, 2017

				Amount in Rs.	
	Note No.		As at March 31, 2017	As at March 31, 2016	
Equity and Liabilities					
Shareholder's funds					
Share capital	3	70,39,61,460		54,88,20,960	
Reserves & surplus	4	(15,08,32,936)	55,31,28,524	20,82,434	55,09,03,394
Non-current liabilities					
Long- term borrowings	5	78,08,51,809		88,19,51,808	
Long- term provisions	7	6,69,113	78,15,20,922	5,07,521	88,24,59,329
Current liabilities					
Short- term borrowings	6	6,92,53,263		2,50,22,519	
Trade payables	8	2,05,05,653		2,70,80,911	
Other current liabilities	8	17,32,07,388		10,74,39,927	
Short- term provisions	7	6,87,509	26,36,53,813	5,06,633	16,00,49,989
Total			1,59,83,03,259		1,59,34,12,712
Assets					
Non-current assets					
Fixed assets	9				
Tangible assets		16,83,42,600		17,03,03,238	
Intangible assets		-		-	
Capital work-in-progress		1,41,38,77,169	1,58,22,19,769	1,40,58,50,349	1,57,61,53,587
Non- current investments					
Deferred tax assets (net)		-		-	
Long- term loans and advances		-		-	
Other non current assets	13	1,43,916	1,43,916	1,32,814	1,32,814
Current assets					
Inventories		-		-	
Trade receivables	10	66,980		2,88,000	
Cash and cash equivalents	11	28,46,313		34,41,362	
Short- term loans and advances	12	1,30,26,281		1,33,96,949	
Other current assets	13	-	1,59,39,574	-	1,71,26,311
Total			1,59,83,03,259		1,59,34,12,712
Summary of significant accounting policies		2.1			

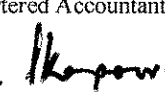
The accompanying notes (1 to 34) are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date.

Sudhir Sunil & Co.

Firm registration number: 8345N

Chartered Accountants


Per Sudhir Kapoor

Partner

Membership No. 86840

**For and on behalf of the Board of Directors
of NewRise Healthcare Private Limited**



Rajesh Jain

Director

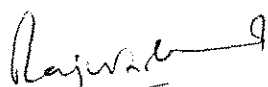
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Sunil Anand

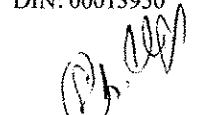
Managing Director

DIN: 00013950



Rajesh Kumar Maggu

Chief Financial Officer



Shalla Suryavanshi

Company Secretary

Place - New Delhi

Date - April 19, 2017

NewRise Healthcare Private Limited
Statement of Profit & Loss for the Year ended on March 31, 2017

	Note No.	For the year ended March 31, 2017		Amount in Rs. For the year ended March 31, 2016	
Income					
Revenue from operations	14	-	-	-	-
Other income	15	2,82,381	2,82,381	4,01,455	4,01,455
Total (a)			2,82,381		4,01,455
Expenditure					
Material & operating expenses		-	-	-	-
(Increase) / Decrease in inventories		-	-	-	-
Employee benefit expenses	16	42,26,051			51,40,699
Other expenses	17	1,64,94,194			2,77,37,815
Total (b)			2,07,20,245		3,28,78,514
Earnings before interest, tax, depreciation and amortization (EBITDA)	(a-b)		(2,04,37,864)		(3,24,77,059)
Finance costs	18		13,03,35,787		15,07,08,167
Depreciation and amortisation expense current year	9		19,60,638		20,05,512
Profit / (Loss) before tax			(15,27,34,289)		(18,51,90,738)
Current tax					
Current year		74,607		1,01,739	
Earlier year		1,06,474	1,81,081	-	1,01,739
Profit after tax			(15,29,15,370)		(18,52,92,477)
Basic earnings per share (in Rs.)	19		(18.20)		(22.05)
Diluted earnings per share (in Rs.)	19		(18.20)		(22.05)
Face / nominal value per share (in Rs.)			10		10
Summary of significant accounting policies	2.1				

The accompanying notes (1 to 34) are an integral part of the financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Sudhir Sunil & Co.
Firm registration number: 8345N
Chartered Accountants


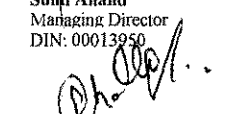
Per Sudhir Kapoor
Partner
Membership No. 86840

Place - New Delhi
Date - April 19, 2017

For and on behalf of the Board of Directors
of NewRise Healthcare Private Limited


Rajesh Jain
Director
DIN: 00013053


Rajesh Kumar Maggu
Chief Financial Officer


Sunil Anand
Managing Director
DIN: 00013950

Shailu Suryavanshi
Company Secretary

NewRise Healthcare Private Limited

Cash Flow Statement Annexed to Balance Sheet for the Year ended March 31, 2017

	Amount in Rs.	
	For the Year ended March 31, 2017	For the Year ended March 31, 2016
Cash flow from operating activities:		
Net operating Profit/(Loss) after tax & extraordinary items	(15,29,15,370)	(18,52,92,477)
Adjustment for :-		
Depreciation	19,60,638	20,05,512
Deferred Revenue Expenditure written off during the year	-	20,05,512
Operating Profit/(Loss) before working capital changes	(15,09,54,732)	(18,32,86,964)
(Increase)/Decrease in trade & other receivable	2,21,020	(1,83,000)
(Increase)/Decrease in short- term loans and advances	3,70,667	1,31,18,060
(Increase)/Decrease in other current assets	-	-
Increase/(Decrease) in trade payable	(65,75,257)	(5,60,33,950)
Increase/(Decrease) in income booked in current year	-	-
Increase/(Decrease) in long-term provisions	1,61,592	3,74,470
Increase/(Decrease) in other current liabilities	(2,94,898)	(9,09,587)
Increase/(Decrease) in short term provision	1,80,876	(3,00,159)
Cash generated from operations	(15,68,90,733)	(22,72,21,131)
Net direct tax paid	-	-
Net cash from operating activities	(15,68,90,733)	(22,72,21,131)
Cash flow from investing activities		
Interest income	-	-
Net cash inflow from fixed deposit	(1,50,377)	(1,44,710)
Loans & advances	-	-
Preoperative expenses	-	-
Non cash expenses	-	-
Increase in CWIP	(80,26,820)	(3,27,42,773)
Purchase of fixed assets	-	-
Net cash used in investment activities	(81,77,197)	(3,28,87,483)
Net cash from operating & investment activities	(81,77,197)	(3,28,87,484)
Cash flow from financing activities		
(Repayment) / Increase in preference share capital	15,51,40,500	33,77,46,000
(Repayment) / Increase in other non current assets	-	-
(Repayment) / Increase in long- term borrowings	(3,50,37,637)	(5,27,61,030)
(Repayment) / Increase in short- term borrowings	4,42,30,744	(2,43,82,879)
Term loan	-	-
Net cash from financing activities	16,43,33,607	26,06,02,091
Net Increase/(Decrease) in cash & cash equivalent (A+B+C)	(7,34,324)	4,93,476
Cash & cash equivalents at the beginning of the year	13,49,851	8,56,375
Cash & cash equivalents at the end of the year	6,15,527	13,49,851
Cash on hand	184	20,888
Balances with banks :		
a) Current accounts	6,15,343	13,28,963
b) Unpaid dividend accounts*	-	-
c) Fixed deposits	22,30,786	20,91,511
d) Exchange earner foreign currency current accounts	-	-
Total cash & cash equivalents (note 11)	28,46,313	34,41,362
Less: Fixed deposits not considered as cash equivalents	(22,30,786)	(20,91,511)
Cash & cash equivalents in cash flow statement	6,15,527	13,49,851

This is the Cash Flow Statement referred to in our report of even date.

Sudhir Sunil & Co.
Firm registration number: 8345N
Chartered Accountants

Per Sudhir Kapoor
Partner
Membership No. 86840

For and on behalf of the Board of Directors
of NewRise Healthcare Private Limited

Rajesh Jain
Director
DIN: 00013053

Sunil Anand
Managing Director
DIN: 00013950

Place : New Delhi
Date - April 19, 2017

Rajesh Kumar Maggu
Chief Financial Officer

Shallu Suryavanshi
Company Secretary

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

1) Corporate Information

NewRise Healthcare Private Limited, ("the Company") has been established with an object to inter-alia, manage, maintain, acquire, let out, run and operate hospitals, nursing homes, diagnostic centers etc.

2) Basis of Preparation

The financial statements have been prepared on going concern basis under the historical cost basis, in accordance with the Generally Accepted Accounting Principles in India and in compliance with the applicable accounting standards ("AS") as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Companies Act, 2013.

2.1) Summary of significant accounting policies

a) Uses of Estimates

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known or materialized.

b) Fixed Assets

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

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

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is de-recognized.



NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

c) Depreciation on Tangible Fixed Assets:

- (i) Depreciation on fixed assets is provided on written down value method as per the useful life of the assets mentioned in Part "C" of Schedule II of Companies Act, 2013.
- (ii) Leasehold land is amortized over the period of lease for 95 years.
- (iii) Leasehold Improvement are amortized over the initial period of lease or useful life, whichever is shorter.

d) Intangibles

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 amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Software and Website - Software and Websites are stated at cost of acquisition and include all attributable costs of bringing them to their working condition for their intended use.

The carrying value of intangible assets is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

e) Amortization of Intangible Assets

Amortization of intangibles is provided on straight line basis of the estimated useful lives as follows:-

- | | |
|----------|--------------------------------------|
| Software | - Amortized over a period of 5 years |
| Websites | - Amortized over a period of 2 years |

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

f) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating lease. Operating lease payments are recognized as an expense in the Profit & Loss account on a straight-line basis over the lease term.

g) Impairment of Fixed Assets

The carrying amounts of assets are reviewed at each Balance Sheet date as to whether if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

h) Borrowing Costs

Borrowing costs attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Borrowing costs, which are not relatable to qualifying assets, are recognized as an expense in the period in which they are incurred.

i) Inventories

Inventories of Medical Consumables, Pharmacy items, Stores & Spares are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

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

j) Revenue Recognition

Sales of products: IPD receipts shall be recognized at the time of discharge of patient & OPD receipts shall be recognized at the time of registration itself. Interest income is recognized on accrual basis i.e. according to the period involved for which money has been lent or any deposit has been made.

Interest income: Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

k) Retirement and Other Benefits

- i. Retirement benefit in the form of Provident Fund is a defined contribution schemes and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective funds.

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

- ii. Gratuity liability is defined benefit obligations and is provided for on the basis of an actuarial valuation using projected unit credit method made at the end of each financial year.
- iii. Short term compensated absences are provided for based on estimates. Long term compensated absences are provided for based on actuarial valuation done as per projected unit credit method.
- iv. Leave encashment payable /adjustable during the year is provided on the basis of last salary drawn by employees.
- v. Actuarial gains/losses are immediately taken to statement of profit & loss and are not deferred.

l) Income Tax

Tax expense comprises of Current and Deferred Tax. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income taxes reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing difference of earlier years.

Deferred Income Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realized against future taxable profits.

At each Balance Sheet date the Company re-assesses unrecognized deferred tax assets, if any. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

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 assets to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax assets 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 income will be available.

m) Cash & Cash Equivalent

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

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

n) Earnings Per Share

Basic Earnings per Share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares, if any, are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

o) Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for effects of transactions of non cash nature and any deferral or accruals of any past or future cash receipts or payments. The Cash Flows from regular revenue generating, financing and investing activity of the Company segregated.

p) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management's best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q) Project & Pre-operative expenses:

The Company is accumulating all the indirect expenses into pre-operative expenses, which are being capitalized at the time of commencement of Hospital project, same is in line with accounting policy of the Holding Company.

r) Preliminary Expenses

The cost incurred before starting up the hospital project, under the head Preliminary Expense, which would be amortized over a period of 5 years after the commencement of such hospital project.

s) Contingent Liabilities

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.

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

t) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

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NewRise Healthcare Private Limited
Notes to the Financial Statements for the year ended on March 31, 2017

	As at March 31, 2017	Amount in Rs. As at March 31, 2016
Note 3 - Share capital		
Authorised shares		
90,00,000 (Previous year 9,000,000) Equity shares of Rs. 10 each	9,00,00,000	9,00,00,000
71,00,000 (Previous year 56,000,000) Preference shares of Rs. 10 each	71,00,00,000	56,00,00,000
	<u>80,00,00,000</u>	<u>65,00,00,000</u>

Issued, Subscribed and paid-up shares

8,402,496 (Previous year 8,402,496) Equity shares of Rs. 10 each fully paid up.	8,40,24,960	8,40,24,960
61,993,650 (Previous year 46,479,600) 0.5% non-cumulative, non-convertible and non-participating redeemable preference shares of Rs. 10 each fully paid up.	61,99,36,500	46,47,96,000
	<u>70,39,61,460</u>	<u>54,88,20,960</u>
	<u>70,39,61,460</u>	<u>54,88,20,960</u>

a) 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. The Company declares and pays dividends in Indian Rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company has not declared any dividend for current year and previous year.

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.

b) Terms/right attached to 0.5% non cumulative non convertible and non participating redeemable preference shares:

During the year, the Company has issued 0.5% non-convertible, non-cumulative and non participating redeemable preference shares by converting unsecured loan to its Associate Company- PanEra Biotec Private Limited.

The Company has only one class of preference shares having a par value of Rs. 10 per share. The Company declares and pays dividends in Indian Rupees. The dividend if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The Company has not declared any dividend for current year.

The preference shares are issued for a period of 10 years with an option with the Company as well as preference shareholders for early redemption of preference shares. In the event of liquidation of the Company, the holders of preference shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in preference to the equity holders. The distribution will be in proportion to the number of preference shares held by the shareholders.

c) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting financial year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	No of shares	Amount	No of shares	Amount
At the Beginning of the period	84,02,496	8,40,24,960	84,02,496	8,40,24,960
Add: Issued during the year	-	-	-	-
Less: Buy-back during the year	-	-	-	-
Outstanding at the end of the period	<u>84,02,496</u>	<u>8,40,24,960</u>	<u>84,02,496</u>	<u>8,40,24,960</u>

d) Reconciliation of 0.5% non-cumulative, non-convertible and non participating redeemable preference shares outstanding at the beginning and at the end of the reporting financial year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	No of shares	Amount	No of shares	Amount
At the Beginning of the period	4,64,79,600	46,47,96,000	1,27,05,000	12,70,50,000
Add: Issued during the year	1,55,14,050	15,51,40,500	3,37,74,600	33,77,46,000
Less: Buy-back during the year	-	-	-	-
Outstanding at the end of the period	<u>6,19,93,650</u>	<u>61,99,36,500</u>	<u>4,64,79,600</u>	<u>46,47,96,000</u>

e) Details of equity shareholders holding more than 5% equity share capital in the Company:

Name of Persons	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% age of holding	No. of shares	% age of holding
Panacea Biotec Limited	74,59,516	88.78%	73,43,516	87.40%

f) Details of preference shareholders holding more than 5% of 0.5% non-convertible, non-cumulative and non participating redeemable preference share capital in the Company:

Name of Persons	As at March 31, 2017		As at March 31, 2016	
	No. of shares	% age of holding	No. of shares	% age of holding
PanEra Biotec Private Limited	6,19,93,650	100%	4,64,79,600	100%

The above information has been furnished as per the shareholders details available with the Company at the year end.

g) Aggregate number of equity/preference shares bought back, bonus shares issued, shares issued for consideration other than cash during the period five years immediately preceding the reporting date:

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Bonus share	-	-	-	-	-
0.5% Non-convertible non-cumulative redeemable preference shares issued for consideration other than cash by conversion of unsecured loan and interest thereon to PanEra Biotec Private Limited.	1,55,14,050	3,37,74,600	1,27,05,000	-	-
Equity shares bought back by the Company	-	-	-	-	-
Total	<u>1,55,14,050</u>	<u>3,37,74,600</u>	<u>1,27,05,000</u>	<u>-</u>	<u>-</u>

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

NewRise Healthcare Private Limited
Notes to the Financial Statements for the year ended on March 31, 2017

		Amount in Rs.	
		As at March 31, 2017	As at March 31, 2016
Note 4 - Reserves and surplus			
Securities Premium Reserve			
Balance as per last financial statements	41,07,07,173	41,07,07,173	
Add: Credited upon issue of equity shares	-	41,07,07,173	41,07,07,173
Surplus in the statement of profit and loss			
Balance as per last financial statements	(40,86,24,739)	(22,33,32,262)	
Accumulated depreciation adjusted to retained earnings	-	-	
Profit/(loss) for the year	(15,29,15,370)	(56,15,40,109)	(18,52,92,477)
Less: Appropriation	-	-	-
Transfer to general reserve	-	-	-
Total Appropriation	-	-	-
Total		(15,08,32,936)	20,82,434

		Amount in Rs.	
		Non- current portion as at March 31, 2017	Current Maturities as at March 31, 2017
		March 31, 2016	March 31, 2016
Note 5 - Long term borrowings			
Term Loan			
Indian rupee term loan from banks (secured)			
- Bank of Baroda	78,08,51,809	88,19,51,808	13,26,50,000
Total	78,08,51,809	88,19,51,808	13,26,50,000
The above amount includes			
Secured borrowings	78,08,51,809	88,19,51,808	-
Unsecured borrowings	-	-	-
Amount disclosed under the head "Note 8. Other current liabilities"	-	-	(13,26,50,000)
Net Amount	78,08,51,809	88,19,51,808	(7,57,25,000)

Notes :

Indian rupee term loan from Bank of Baroda carries interest @ base rate plus 3% p.a i.e. 12.6% at present on monthly rests with reset every year. The loan is repayable in 32 quarterly installments, starting from March, 2015 and ending on December, 2022. The said term Loan is secured by way of first charge on entire movable and immovable (land admeasuring 2.53 Acres at Plot no 3201, Sector 24, DLF Phase III, Gurgaon in the state of Haryana) fixed assets of the Company & by way of 1st charge on current assets (present & future) of the Company.

		Amount in Rs.	
		Non- current portion as at March 31, 2017	Current Maturities as at March 31, 2017
		March 31, 2016	March 31, 2016
Note 6 - Short term borrowings			
Loan from PanEra Biotec Private Limited			
Total			
	-	-	6,92,53,263
	-	-	2,50,22,519
The above amount includes			
Secured borrowings	-	-	-
Unsecured borrowings	-	-	6,92,53,263
			2,50,22,519

Notes :

Loan from PanEra Biotec Private Ltd carries interest @ 9% per annum

		Amount in Rs.	
		Long Term as at March 31, 2017	Short Term as at March 31, 2017
		March 31, 2016	March 31, 2016
Note 7 - Provisions			
Provision for employees benefits			
Provision for gratuity	6,69,113	5,07,521	30,516
Provision for leave encashment	-	-	26,939
Other provisions			
Provision for expenses	-	-	5,82,386
Provision for income tax	-	-	74,607
Total	6,69,113	5,07,521	6,87,509

		Amount in Rs.	
		As at March 31, 2017	As at March 31, 2016
Note 8 - Other current liabilities			
Trade payables (including acceptances)		2,05,05,653	2,70,80,911
Other liabilities			
Current maturity of long term borrowing (Refer Note 5)	13,26,50,000	7,57,25,000	
Interest accrued and due on borrowings	3,96,25,411	3,04,88,049	
Amount payable to employees	7,33,420	1,99,452	
Other liabilities	1,98,557	17,32,07,388	10,74,39,927
Total		19,37,13,041	13,45,20,837

NewRise Healthcare Private Limited
Notes to the Financial Statements for the year ended on March 31, 2017

Note 9 - Fixed assets

A. Tangible assets

A. Tangible assets						Amount in Rs.
Description	Land - Leasehold	Furniture & Fittings	Office Equipments	Computer Equipments	Vehicle	Total
Cost or Valuation						
At April 1, 2015	18,08,83,683	2,68,816	2,56,715	7,23,193	13,41,265	18,34,73,672
Additions	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-
At March 31, 2016	18,08,83,683	2,68,816	2,56,715	7,23,193	13,41,265	18,34,73,672
Additions	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-
At March 31, 2017	18,08,83,683	2,68,816	2,56,715	7,23,193	13,41,265	18,34,73,672
Denreciation						
At April 1, 2015	88,93,048	2,18,278	2,39,942	6,98,133	11,15,522	1,11,64,923
Charge for the year	19,00,996	18,456	3,595	-	82,464	20,05,511
Deduction & Adjustmt during the year	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-
At March 31, 2016	1,07,94,044	2,36,734	2,43,537	6,98,133	11,97,986	1,31,70,434
Charge for the year	19,00,996	10,071	299	-	49,272	19,60,639
Deduction & Adjustmt during the year	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-
At March 31, 2017	1,26,95,040	2,46,805	2,43,836	6,98,133	12,47,258	1,51,31,072
Net Block						
At March 31, 2016	17,00,89,639	32,082	13,178	25,060	1,43,279	17,03,03,238
At March 31, 2017	16,81,88,643	22,011	12,879	25,060	94,007	16,83,42,600
Capital work-in-progress						
At March 31, 2016						1,40,58,09,611
At March 31, 2017						1,41,38,36,431

B. Intangible assets

Description	Software	Total
Cost or Valuation		
At April 1, 2015	35,000	35,000
Additions	-	-
Sale/ Adjustment	-	-
Other Adjustments	-	-
At March 31, 2016	35,000	35,000
Additions	-	-
Revaluation	-	-
Disposals	-	-
At March 31, 2017	35,000	35,000
Depreciation		
At April 1, 2015	35,000	35,000
Charge for the year	-	-
Deduction & Adjustment during the year	-	-
At March 31, 2016	35,000	35,000
Charge for the year	-	-
Deduction & Adjustment during the year	-	-
At March 31, 2017	35,000	35,000
Net Block		
At March 31, 2016	-	-
At March 31, 2017	-	-
Intangible Assets under development		
At March 31, 2016	40,738	40,738
At March 31, 2017	40,738	40,738

Note:

Capital Work in Progress includes pre-operative expenditure upto March 31, 2014 (Refer note no.24).

NewRise Healthcare Private Limited
Notes to the Financial Statements for the year ended on March 31, 2017

		Non- current portion as at		Current portion as at		Amount in Rs.
Note 10 - Trade receivables		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Outstanding for a period exceeding six months from the date they are due for payment						
Unsecured, Considered good		-	-	-	-	
Doubtful		-	-	-	-	
Less : Provision for doubtful receivables	(a)	-	-	-	-	
Other receivables						
Unsecured, Considered good		-	-	1,71,980	3,93,000	
	(b)	-	-	1,71,980	3,93,000	
Less : Provision for doubtful debts		-	-	(1,05,000)	(1,05,000)	
Total (a)+(b)		-	-	66,980	2,88,000	

		Non- current as at		Current as at		Amount in Rs.
Note 11: Cash and cash equivalents		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Cash and cash equivalents						
i) Cash balance on hand		-	-	184	20,888	
ii) Balances with scheduled banks		-	-	6,15,343	13,28,963	
- On current accounts	(a)	-	-	6,15,527	13,49,851	
Other bank balances *						
Deposits with original maturity for more than 12 months		1,43,916	1,32,814	-	-	
Deposits with original maturity for more than 3 months but less than 12 months		-	-	22,30,786	20,91,511	
	(b)	1,43,916	1,32,814	22,30,786	20,91,511	
		(1,43,916)	(1,32,814)	-	-	
Amount disclosed under non-current assets		-	-	28,46,313	34,41,362	
Total (a+b)		-	-	28,46,313	34,41,362	

		Non- current as at		Current as at		Amount in Rs.
Note 12: Loan & advances (Unsecured, considered good, unless otherwise stated)		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Capital advances (Unsecured considered good)	(a)	-	-	59,37,363	59,37,363	
Security deposits (Unsecured considered good)	(b)	-	-	54,06,869	54,06,869	
	(c)	-	-	1,13,44,232	1,13,44,232	
Advances recoverable in cash or in kind						
Unsecured considered good		-	-	5,62,739	7,65,421	
Doubtful		-	-	-	-	
	(d)	-	-	5,62,739	7,65,421	
Other loan & advances						
Unsecured considered good		-	-	8,88,400	7,44,431	
Prepaid expenditures		-	-	3,31,362	5,40,460	
Staff loans & advances		-	-	23,298	21,354	
Mat credit		-	-	16,712	1,21,513	
Advance income tax		-	-	12,59,772	14,27,758	
Less : Provision for doubtful advances		-	-	(1,40,462)	(1,40,462)	
	(e)	-	-	11,19,310	12,87,295	
Total (c+d+e)		-	-	1,30,26,281	1,33,96,949	

		Non- current as at		Current as at		Amount in Rs.
Note 13 : Other assets		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	
Unsecured, Considered good unless stated otherwise						
Non current bank balances (Refer note 11)		1,43,916	1,32,814	-	-	
	(a)	1,43,916	1,32,814	-	-	
Interest accrued but not due on loans & deposits		-	-	-	-	
	(b)	-	-	-	-	
Less : Provision for doubtful receivables		-	-	-	-	
Total (a+b)		1,43,916	1,32,814	-	-	

NewRise Healthcare Private Limited
Notes to the Financial Statements for the year ended on March 31, 2017

		Amount in Rs.
Note 14 - Revenue from operations	For the year ended March 31, 2017	For the year ended March 31, 2016
Other operating revenue	-	-
Revenue from operations (gross)	-	-
Note 15 - Other income	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income on banks deposits	1,67,566	1,60,778
Rent received	1,08,000	2,40,677
	2,75,566	4,01,455
Excess provisions written back	6,815	-
Total	2,82,381	4,01,455
Note 16 - Employee benefit expenses	For the year ended March 31, 2017	For the year ended March 31, 2016
Salary, wages and bonus	41,88,920	48,77,755
Staff welfare expenses	37,131	2,62,944
Total	42,26,051	51,40,699
Note 17 - Other expenses	For the year ended March 31, 2017	For the year ended March 31, 2016
Power and fuel	75,94,334	75,83,973
Repair and maintenance:		
Buildings	7,96,053	2,81,216
Plant and machinery	4,31,777	13,84,192
Others	13,609	5,695
Rent	6,85,172	11,29,551
Statutory audit fees	38,115	37,785
Postage and communication	1,73,466	88,479
Insurance	10,19,811	11,74,373
Legal and professional charges	4,04,699	55,53,418
Security charges	24,37,411	23,87,215
Rates & taxes	18,65,755	69,69,623
Printing & stationery	4,204	35,200
Travelling and conveyance	2,01,961	1,53,812
Director's sitting fees	14,190	13,200
Training & development	-	16,500
Housekeeping charges	7,92,549	6,47,411
Provision for doubtful advances	-	2,45,462
Miscellaneous expenses	21,088	30,710
Total	1,64,94,194	2,77,37,815
Note 18 - Finance cost	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest expenses	12,96,33,928	15,00,70,533
Bank charges	7,01,859	6,37,634
Total	13,03,35,787	15,07,08,167
Note 19 - Earning per share (EPS)	For the year ended March 31, 2017	For the year ended March 31, 2016
Calculation of Profit for basic EPS		
Profit/(Loss) before tax	(15,27,34,289)	(18,51,90,738)
Less: Adjustment for tax expenses	1,81,081	1,01,739
Net Profit/(Loss) for calculation of basic EPS	(15,29,15,370)	(18,52,92,477)
Calculation of Profit for diluted EPS		
Adjusted Net Profit/(Loss) for calculating diluted EPS	(15,29,15,370)	(17,66,72,801)
Weighted average number of equity shares for calculating basic / diluted EPS (refer note no. 20)	84,02,496	84,02,496
Basic earnings per share (in Rs.)	(18.20)	(22.05)
Diluted earnings per share (in Rs.)	(18.20)	(22.05)
Face / nominal value per share (in Rs.)	10	10

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

20. Earnings per Share

(Amount in Rs.)

S. No.	Particulars	2016-17	2015-16
a)	Net profit after tax available for equity shareholders	(152,915,370)	(185,292,477)
b)	Opening no of equity shares	8,402,496	8,402,496
c)	Closing no of equity shares	8,402,496	8,402,496
d)	Weighted average number of equity shares in calculating basic / diluted EPS (based on no of days)	8,402,496	8,402,496
e)	Basic earnings per share - Shares of Rs. 10 each (fully paid up)	(18.20)	(22.05)
f)	Diluted earnings per share -Shares of Rs. 10 each (fully paid up)	(18.20)	(22.05)

21. Segmental Information

Based on the identical business dealt in by the Company, which have similar risks and returns, and also the similar economic conditions under which the Company operates, the entire business has been considered as a single segment in terms of Accounting Standard – 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.

22. Leases

Assets taken under Operating Lease Agreement:

- The Company has taken premises under operating lease agreement. These are generally cancellable and are renewable by mutual consent on mutually agreed terms.
- Lease payments for the year are Rs. 685,172/- (Previous year Rs.679,215/-)

Total of future minimum lease payments* under non-cancellable operating lease:

(Amount in Rs.)

Particulars	As at March 31, 2017	As at March 31, 2016
Payable within 1 year	535,857	543,357
Later than 1 year but not later than 5 years	2,023,428	2,023,428
Later than 5 years	41,986,131	42,491,988

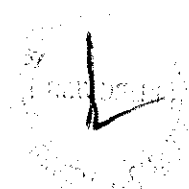
* excluding taxes, if any.

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

23. Related Party Disclosure

A. List of related parties:-

- a. Holding Company: Panacea Biotech Ltd. ("PBL")
- b. Subsidiaries of Holding Company (PBL):
- Radhika Heights Limited ("RHL") (Wholly-owned subsidiary (WOS) of PBL)
 - Radicura Infra Limited (Indirect WOS of PBL through RHL),
 - Nirmala Buildwell Private Limited (Indirect WOS of PBL through RHL)
 - Cabana Construction Private (Indirect WOS of PBL through RHL)
 - Sunanda Infra Limited (Indirect WOS of PBL through RHL).
 - Nirmala Organic Farms & Resorts Pvt. Ltd. (Indirect WOS of PBL through RHL)
 - Cabana Structure Limited (Indirect WOS of PBL through RHL)
 - Rees Investment Ltd., Guernsey (WOS of PBL) (Under liquidation)
 - Kelisia Holding Ltd., Cyprus (Indirect WOS of PBL thru Rees Investments Ltd.) (Liquidate on 4th January, 2017)
 - Panacea Biotech (International) S.A., (PBS), Switzerland (WOS of PBL)
 - Panacea Biotech Germany GmbH, (Indirect WOS of PBL through PBS).
- c. Associates Companies / Joint Venture of PBL
- PanEra Biotech Private Limited Associate Company
 - Adveta Power Pvt Ltd. Joint Venture
 - Chiron Panacea Vaccines Pvt. Ltd. Joint Venture
(Under Liquidation)
- d. Key Management Personnel:
- | | | |
|-----------------------|---|--------------------------------------------------------------------------------------------------------------------------------------|
| Mr.Sunil Anand | - | Managing Director
(7 th December, 2015 to 31 st March, 2016,
again w.e.f. 1 st October, 2016) |
| Mr.Rajesh Kumar Maggu | - | Chief Financial Officer (CFO)
(w.e.f. 1 st February, 2016) |
| Ms.Shallu Suryavanshi | - | Company Secretary
(w.e.f. 1 st October, 2015) |



NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

- B. During the year, the Company had the following transactions with its holding company – Panacea Biotech Ltd.:

	(Amount in Rs.)	
Particulars	2016-17	2015-16
Rent paid	103,436	102,538
Other payables (including loan taken over in respect of employee transferred from Panacea Biotech Ltd.	814,514	711,078

- C. During the year, the Company had the following transactions with PanEra Biotech Private Limited.:

	(Amount in Rs.)	
Particulars	2016-17	2015-16
Loan received (including reimbursement of expenses)	193,093,084	297,377,965
Interest paid/Accrued (net of TDS)	6,278,160	15,985,157
Unsecured loan and interest (net of TDS) thereon converted into 0.5% Non-Convertible Non-Cumulative Redeemable Preference Shares.	155,140,500	337,746,000
Year-end balance of loan payable (including accrued interest, net of TDS)	69,253,263	25,022,519
Year-end balance of 0.5% Non-Convertible Non-Cumulative redeemable Preference Shares (including conversion of loan into preference shares)	619,936,500	464,796,000

24. Details of Pre-operative expenses relating to Fixed Assets are as follows:

	(Amount in Rs.)			
Particulars	As at March 31, 2016	Addition/ Deduction during the year	Capitalized during the year	As at March 31, 2017
Accounting Charges	24,000	-	-	24,000
Additional Special Allowance	319,503	-	-	319,503
Advertisement Expense	730,515	-	-	730,515
Allowance	2,572,337	-	-	2,572,337
Amount Written off	87	-	-	87
Audit Fees	200,996	-	-	200,996
Bank Charges	1,072,186	-	-	1,072,186
Bhoomi Poojan Expenses	66,435	-	-	66,435
Bonus/ Ex- Gratia	21,963	-	-	21,963
Books & Periodicals	22,609	-	-	22,609

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

(Amount in Rs.)

Particulars	As at March 31, 2016	Addition/ Deduction during the year	Capitalized during the year	As at March 31, 2017
Brokerage- Property	156,111	-	-	156,111
Business Promotion	211,063	-	-	211,063
Computer Stationery	23,765	-	-	23,765
Consultancy- Architect	17,100,737	-	-	17,100,737
Consultancy Charges	13,349,963	(111,236)	-	13,238,727
Conveyance Pre-Operative	582,791	-	-	582,791
Depreciation	8,013,106	-	-	8,013,106
Diwali Sweets	7,000	-	-	7,000
Electricity Charges - Site	13,052,088	-	-	13,052,088
Electricity Charges - Guest House	298,920	-	-	298,920
Fees & Subscription (SIDBI)	125,551	-	-	125,551
Fringe Benefit Tax	29,180	-	-	29,180
General Expenses	18,319	-	-	18,319
Guest House Expenses	2,728,508	-	-	2,728,508
Hiring & Running Charges - Machinery	1,752,554	-	-	1,752,554
Insurance Charges	1,231,890	-	-	1,231,890
Interest On Loan	167,991,324	-	-	167,991,324
Interest Paid.	80,060	-	-	80,060
Land Excavation Expenses	2,566,104	-	-	2,566,104
Lease Rent	1,694,722	-	-	1,694,722
Legal & Professional Charges	16,286,635	-	-	16,286,635
Loan Processing Charges	7,961,894	-	-	7,961,894
LTA Allowance	1,282,741	-	-	1,282,741
Meeting & Conferences	448,620	-	-	448,620
Miscellaneous Expenses	34,491	-	-	34,491
Performance Pay	2,382,467	-	-	2,382,467
Postage & Courier Expenses	932	-	-	932
Printing & Stationery	550,655	-	-	550,655
Professional Charges	2,601,528	-	-	2,601,528
Professional Charges - Branding	579,123	-	-	579,123

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

(Amount in Rs.)

Particulars	As at March 31, 2016	Addition/ Deduction during the year	Capitalized during the year	As at March 31, 2017
Professional Charges - Others	49,126	-	-	49,126
Rates & Taxes	1,049,400	-	-	1,049,400
Recruitment Expenses	954,782	-	-	954,782
Rent- Guest House	1,779,384	-	-	1,779,384
Rent Office	400,799	-	-	400,799
Repair & Maintenance	304,554	-	-	304,554
Retainership Charges	23,099,775	-	-	23,099,775
Salary	78,176,160	-	-	78,176,160
Security Services	8,604,044	-	-	8,604,044
Site Development Charges	467,687	-	-	467,687
Site Expenses	1,610,200	-	-	1,610,200
Staff Welfare	495,025	-	-	495,025
Telephone Expenses	1,274,497	-	-	1,274,497
Travelling Expenses	1,115,685	-	-	1,115,685
Vehicle Hire Charges- Others	440,346	-	-	440,346
Housekeeping	1,712,860	-	-	1,712,860
Freight	37,231	-	-	37,231
Repair & Maintenance	189,722	-	-	189,722
Fuel Expenses	4,088,826	-	-	4,088,826
Staff Recreation & Welfare	155,766	-	-	155,766
Vehicle Hire Charges- Salary	2,401	-	-	2,401
Rent- DG Set	246,500	-	-	246,500
Uniform	65,665	-	-	65,665
Rent Nursing Hostel	748,581	-	-	748,581
Rent- Equipment	115,942	-	-	115,942
Linen	140,900	-	-	140,900
Outsource Manpower	703,246	-	-	703,246
Nursing Hostel Expenses	118,970	-	-	118,970
Gratuity	139,367	-	-	139,367
Electricity Charges- Nursing Hostel	19,657	-	-	19,657
Total	396,480,570	(111,236)	-	396,369,334

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

25. Auditors' Remuneration:

(Amount in Rs.)

Particulars	2016-17	2015-16
Statutory Auditors		
- Statutory Audit Fees*	38,115	37,785
- Income Tax Matters**	25,300	25,190
Total	63,415	62,298

* included in Audit Fees

** included in Legal & Professional Charges.

26. Estimated amount of contracts remaining to be executed on Capital Account, net of Advance and not provided in the books:

Particulars	As at March 31, 2017	As at March 31, 2016
Tangible Assets	NIL	NIL
Intangible Assets	NIL	NIL
Total	NIL	NIL

27. Value of Imports on CIF Basis (on accrual basis):

Particulars	2016-17	2015-16
Raw Materials & Packing Materials	NIL	NIL
Capital Goods	NIL	NIL

28. Expenditure in Foreign Currency (Other than RM) (On accrual basis) NIL NIL

29. Earning in Foreign Exchange NIL NIL

30. There is no due to Micro, Small & Medium Enterprise as per Micro Small and Medium Enterprise Development Act, 2006.

31. On account of non-continuance of business operations, the cash flows of the company have been adversely affected which has resulted in certain delays and defaults in repayment of loan installments and loan interest during the year. The following table summarize the details of amount and period of defaults:

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

a) Cases where repayments of loan installments have been delayed or defaulted during the year:

Loan	Installment amount (in Rs.)	Due date of Installment	Date of payments
Bank of Baroda- Term Loan	12,625,000	March 31, 2016	June 28, 2016
Bank of Baroda- Term Loan	15,775,000	June 30, 2016	Sept 22, 2016
Bank of Baroda- Term Loan	15,775,000	Sept 30, 2016	Dec 28, 2016
Bank of Baroda- Term Loan	15,775,000	Dec 31, 2016	Yet to be paid
Bank of Baroda- Term Loan	15,775,000	March 31, 2017	Yet to be paid

b) Cases where interest on long term loan have been delayed during the year

Loan	Amount of interest (in Rs.)	Period	Due date for payment	Period in which interest was paid
Bank of Baroda – Term Loan	31,697,198	January, 2016 to March, 2016	February 1, 2016 to March 31, 2016	Rs.468,149 paid on March 28, 2016. Out of balance payable of Rs.31,229,049, an amount of Rs.10,800,000 has been paid on 30 th April, 2016 and balance Rs.20,429,049 paid on May 27, 2016 & June 28, 2016.
	31,275,384	April, 2016 to June, 2016	May 1, 2016 to July 1, 2016	July 2016 to September, 2016
	31,023,483	July, 2016 to September, 2016	August 1, 2016 to October 1, 2016	October, 2016 to December, 2016
	30,734,506	October, 2016 to December, 2016	November 1, 2016 to January 1, 2017	January, 2017 to March, 2017. Balance interest of Dec, 2016 Rs 8,037,868 is yet to be paid as on Balance Sheet signing date.
	29,587,543	January, 2017 to March, 2017	February 1, 2017 to March 31, 2017	Yet to be paid as on Balance sheet signing date.

NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

32. The details of Specified Bank Notes ("SBNs") held and transacted during the period from 08/11/2016 to 30/12/2016 are as provided in the table below:

Particulars	SBNs			Other denomination notes			Total (in Rs.)
	Curr.	Nos.	Total	Curr.	Nos.	Total	
Closing cash in hand as on November 8, 2016	1,000	9	9,000	100	2	200	9,200
	500	32	16,000	10	2	20	16,020
				2	1	2	2
				1	1	1	1
Total			25,000			223	25,223
(+) Permitted receipts	1,000	-	-			-	-
(-) Permitted payments	500	-	-			-	-
(-) Amount deposited in Banks	1,000	9	9,000				9,000
	500	32	16,000				16,000
Total			25,000				25,000
Closing cash in hand as on December 30, 2016	1,000	-	-	100	2	200	200
	500	-	-	10	2	20	20
				2	1	2	2
				1	1	1	1
Total			-			223	223

33. The Company has set-up a hospital in Gurgaon, which could not be completed and commercialized due to non-availability of capital investment and is on hold. The Company's holding company, viz. Panacea Biotec Ltd. ("PBL") is exploring various options including disposal of its stake in the Company either in full or in part. PBL had entered into discussions with a third party and signed a Non-binding Memorandum of Understanding ("MoU") in December, 2016 to further pursue this matter. Since then, the due diligence process has been completed. Now the definitive transaction documents are under negotiation and are expected to be executed in due course.




NewRise Healthcare Private Limited
Notes to Financial Statements for the year ended March 31, 2017

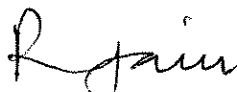
34. Previous year's figures have been rearranged and reclassified wherever necessary to make them comparable with the current year's figures.

For Sudhir Sunil & co.
FRN No. 8345N
Chartered Accountants



Per Sudhir Kapoor
Partner
Membership No.86840

**For and on behalf of the Board of Directors
of NewRise Healthcare Private Limited**



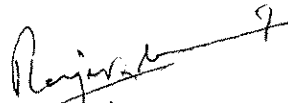
Rajesh Jain
Director
DIN: 00013053



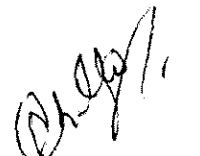
Sunil Anand
Director
DIN: 00013950



Place: New Delhi
Date: April 19, 2017



Rajesh Kumar Maggu
Chief Financial Officer



Shallu Suryavanshi
Company Secretary