

# **14<sup>th</sup> ANNUAL REPORT**

## **2016-2017**

**AyurvedaGram Heritage Wellness Centre Private Limited**

**Hemmandanahalli, Samethanahalli Post**

**Whitefield, Bengaluru-560 067, India**

**Tel: 91-80-27945430-33 Fax: 91-80-27945427**

**E-mail : [response@ayurvedagram.com](mailto:response@ayurvedagram.com)**

**Website : [www.ayurvedagram.com](http://www.ayurvedagram.com)**

## BOARD OF DIRECTORS

CHAIRMAN	: Mr. Ramesh Vangal
DIRECTORS	: Mr. Ronald George Pearce Mr. Anand Subramanian Mr. S K Arunkumar Mrs. Sangeetha Arunkumar
REGISTERED OFFICE & RESORT :	: Hemmandanahalli, Samethanahalli Post Whitefield, Bengaluru-560 067.
CORPORATE OFFICE	: No.1134, 1st Floor, 100 Feet Road, HAL 2 <sup>nd</sup> Stage, Bangalore-560008
AUDITORS	: S V Sabareesan & Co Chartered Accountants #34, 1st Block, 5th Cross, Kumara Park West Bengaluru - 560020
BANKERS	: Kotak Mahindra Bank Ltd Axis Bank Ltd

**AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED**  
**Regd.Off: Hemmandanahalli, Samethanahalli Post, Whitefield, Bengaluru-560 067.**  
**Ph: +91 (80)27945430-33 Fax: +91(80)027945427**  
**Email: response@ayurvedagram.com Website: www.ayurvedagram.com**  
**CIN: U74140KA2003PTC031511**

## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 14th Annual General Meeting of the Members of **Ayurvedagram Heritage Wellness Centre Private Limited** will be held on Thursday, the 21<sup>st</sup> September, 2017 at 11.30 A.M at the registered office at Hemmandanahalli, Samethanahalli Post, Whitefield, Bengaluru-560 067 to transact the following business:

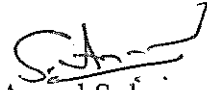
### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2017 and Profit & Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Ramesh Vangal, (DIN: 00064018), who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the members of the Company is hereby accorded to ratify the appointment of M/s. S V Sabareesan & Co (Firm Regn No. 013599S), 34, 1st Main, 5th Cross, Kumara Park West, Bengaluru.

Place: Bengaluru  
Date: 15<sup>th</sup> May, 2017

By order of the Board

  
Anand Subramanian  
Director  
DIN: 00064083

Notes:-

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend & on a poll, to vote instead of himself. Such a proxy need not be a member of the company.
- b) Proxies, in order to be valid and effective, must be delivered at the registered office of the company not later than forty-eight hours before the commencement of the meeting.

## AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED

### DIRECTORS' REPORT

Your directors have pleasure in presenting the 14th Annual Report on the business and operations of your company together with the Audited Accounts for the year ended 31st March 2017.

#### Financial Results

The Financial Results of the company for the year ended on 31st March 2017 as compared with the previous year are as under:

	Year ended 31 <sup>st</sup> March 2017 (Rs. in Lakhs)	Year ended 31 <sup>st</sup> March 2016 (Rs. in Lakhs)
Net Income from Sales /Services	766.77	704.10
Other Operational Income	29.67	17.00
<b>Total Revenues</b>	<b>796.44</b>	<b>721.10</b>
Profit before Interest, Depreciation and Tax (EBITDA)	205.63	241.00
Finance Charges	(18.13)	(30.34)
Depreciation	(115.74)	(137.13)
<b>Profit before taxation</b>	<b>71.76</b>	<b>73.52</b>
Deferred tax	(26.39)	(59.83)
Income Tax	(13.26)	(14.20)
MAT Credit	-	14.20
<b>Net Profit/(Loss)</b>	<b>84.90</b>	<b>13.69</b>

#### Performance Analysis

During the year under review, the company has achieved total revenues of Rs. 796.44 Lakhs against a turnover of Rs. 721 Lakhs of previous financial year reporting a growth of 10.46%. The Net profit of the company for the year, after providing for tax is Rs. 85 Lakhs in the current year as compared to Rs.14 Lakhs in previous year.

#### Business Review

The company's performance during the year has clearly improved. The revenues grew by 10.44% on account of better occupancy and realisations.

**Reserves:**

During the year under report, your directors do not propose to transfer any amount to any Reserves.

**Dividend**

Though the Company has posted net profit during the year, in order to conserve cash for further investment in the business, your Directors do not propose to recommend any dividend for the year.

**Directors Responsibility Statement**

In accordance with section 134(5) of the Companies Act, 2013, the Board confirms that:-

- a) in the preparation of the Annual Accounts for the year ended 31<sup>st</sup> March 2017, the applicable accounting standards had been followed along with proper explanations and there were no material departures.
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31<sup>st</sup> March 2017 and of the profit and loss of the company for the year ended 31<sup>st</sup> March 2017.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Material Changes and Commitments**

No material changes and commitments took place in the Company

**Change in the Nature of Business**

There was no change in the nature of business of the Company during the financial year ended 31st March, 2017.

**Names of Companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year**

During the financial year ended 31st March, 2017, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

**Deposits**

During the year under Review the Company has not accepted any deposits. There are no unclaimed deposit as on date.

#### **Labour Relations**

Labour relations have been excellent and harmonious throughout the year.

#### **Statement Concerning Development and Implementation of Risk Management policy of the company**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal

#### **Subsidiaries, Joint Ventures and Associate companies**

The Company does not have any Subsidiary, Joint venture or Associate Company during the year under review.

#### **Number of Board Meetings**

During the year Six Board Meetings were convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

#### **Extract of Annual Return**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure I.

#### **Particulars of Contracts or Arrangements with related parties**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso is attached as **Annexure 2**.

#### **Particulars of loans, guarantees or investments under section 186**

No loans or Guarantee has been given by the company during the Financial Year 2016-17.

#### **Directors**

##### **(Appointment/Reappointment/Resignation of Directors)**

Pursuant to the provisions of Section 152 of the Companies act, 2013 and in terms of Articles of Association of the Company, Mr. Ramesh Vangal, (DIN: 00064018), Director of the company retires by rotation at ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his reappointment.

## **Auditors**

M/s. S V Sabareesan & Co, Chartered Accountants, was appointed as Statutory Auditors of the company upto the conclusion of Annual General Meeting in 2019 subject to ratification at every Annual General Meeting. Company has received a letter, pursuant to Section 139 of the Companies Act, 2013, from M/s. S V Sabareesan & Co, Chartered Accountants, confirming consent and their eligibility for acting as Statutory Auditors of the Company, if the appointment is ratified at the ensuing Annual General Meeting. The Board also recommends their appointment as Statutory Auditors for the ensuing financial year.

## **Statutory Auditors' Report**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## **Energy Conservation, Research & Development, Technology Absorption, Foreign Exchange Earnings and Outgo**

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure 3** and forms part of this Report.

## **Acknowledgements**

Your Directors gratefully acknowledge the continued co-operation and support received from Bankers. Your Directors wish to express their appreciation for the dedicated and sincere efforts put in by employees, which has resulted in a strong performance by the company.

On behalf of the Board of Directors

Date: 15th May, 2017  
Place: Bengaluru

<i>Sd/-</i>	<i>Sd/-</i>
Ramesh Vangal	Anand Subramanian
Director	Director
DIN: 00064018	DIN: 00064083

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U74140KA2003PTC031511
2	Registration Date	27.01.2003
3	Name of the Company	Ayurvedagram Heritage Wellness Centre Private Limited
4	Category/Sub-category of the Company	Company Limited by Shares and Indian Non-Government Company
5	Address of the Registered office & contact details	Hemmandanahalli, Samethanalli Post, Whitefield, Bangalore 560067 E-Mail Id: response@ayurvedagram.com
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N/A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10% or more of the total turnover of the company shall be stated)			
S No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Health Care Services	86901	93.35
2	Ayurvedic Medicines	21003	6.64

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	KERALA AYURVEDA LIMITED	L24233KL1992PLC006592	Holding	74%	2(46)
2					
3					

IV. SHARE HOLDING PATTERN									
---------------------------	--	--	--	--	--	--	--	--	--

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF		585,004	585,004	26.00%		585,004	585,004	26.00%	0.00%
b) Central Govt			-	0.00%			-	0.00%	
c) State Govt(s)			-	0.00%			-	0.00%	
d) Bodies Corp.		1,664,996	1,664,996	74.00%		1,664,996	1,664,996	74.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	
f) Any other			-	0.00%			-	0.00%	
<b>Sub Total (A) (1)</b>	-	2,250,000	2,250,000	100.00%	-	2,250,000	2,250,000	100.00%	0.00%
<b>(2) Foreign</b>									
a) NRI Individuals			-	0.00%			-	0.00%	
b) Other Individuals			-	0.00%			-	0.00%	
c) Bodies Corp.			-	0.00%			-	0.00%	
d) Any other			-	0.00%			-	0.00%	
<b>Sub Total (A) (2)</b>	-	-	-	0.00%	-	-	-	0.00%	
<b>TOTAL (A)</b>	-	2,250,000	2,250,000	100.00%	-	2,250,000	2,250,000	100.00%	0.00%



<b>B. Public</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	0.00%			-	0.00%	
b) Banks / FI			-	0.00%			-	0.00%	
c) Central Govt			-	0.00%			-	0.00%	
d) State Govt(s)			-	0.00%			-	0.00%	
e) Venture Capital Funds			-	0.00%			-	0.00%	
f) Insurance Companies			-	0.00%			-	0.00%	
g) FIs			-	0.00%			-	0.00%	
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	
i) Others (specify)			-	0.00%			-	0.00%	
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian				0.00%			-	0.00%	
ii) Overseas			-	0.00%			-	0.00%	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh				0.00%			-	0.00%	
c) Others (specify)									
Non Resident Indians			-	0.00%			-	0.00%	
Overseas Corporate Bodies			-	0.00%			-	0.00%	
Foreign Nationals			-	0.00%			-	0.00%	
Clearing Members			-	0.00%			-	0.00%	
Trusts			-	0.00%			-	0.00%	
Foreign Bodies - D R			-	0.00%			-	0.00%	
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	
<b>Total Public (B)</b>	-	-	-	0.00%	-	-	-	0.00%	
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>			-	0.00%				0.00%	
<b>Grand Total (A+B+C)</b>	-	2,250,000	2,250,000	100.00%	-	2,250,000	2,250,000	100.00%	0.00%

## (ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	KERALA AYURVEDA LIMITED	1,664,996	74.00%		1,664,996	74.00%		0.00%
2	S K ARUNKUMAR	292,500	13.00%		292,500	13.00%		0.00%
3	SANGEETHA ARUNKUMAR	292,500	13.00%		292,500	13.00%		0.00%
4	ANAND SUBRAMANIAN	1	0.00%		1	0.00%		0.00%
5	ARVIND AGARWAL	1	0.00%		1	0.00%		0.00%
6	SURYA KAMAL KATHPALIA	1	0.00%		1	0.00%		0.00%
7	MANIKANDAN ACHUTHAN	1	0.00%		1	0.00%		0.00%
	TOTAL	2,250,000	100.00%		2,250,000	100.00%		0.00%

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)-NO CHANGE

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
					0.00%		0.00%
					0.00%		0.00%
	At the end of the year				0.00%		0.00%

## (iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs): NIL

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

## (v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Name MR S K ARUNKUMAR						
	At the beginning of the year			292,500	13.00%		0.00%
	Changes during the year			-	0.00%		0.00%
	At the end of the year			292,500	13.00%	292,500	13.00%
2	Name SANGEETHA						
	At the beginning of the year			292,500	13.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year			292,500	13.00%	292,500	13.00%

3	Name ANAND SUBRAMANIAN					
	At the beginning of the year		1	0.00%		0.00%
	Changes during the year		-	0.00%	-	0.00%
	At the end of the year				1	0.00%

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	14,208,938.00	4,584,135.00		18,793,073.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	<b>14,208,938.00</b>	<b>4,584,135.00</b>		<b>18,793,073.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	2,034,961.00			2,034,961.00
* Reduction		4,584,135.00		4,584,135.00
<b>Net Change</b>		<b>4,584,135.00</b>		<b>(2,549,174.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	16,243,899.00	-		16,243,899.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
<b>Total (i+ii+iii)</b>	<b>16,243,899.00</b>	<b>-</b>		<b>16,243,899.00</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

NIL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (Rs/Lac)
		Name	
		Designation	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) income- tax Act, 1961		-
2	Stock Option		-
3	Sweat Equity		-
	Commission		-
4	- as % of profit		-
	- others, specify		-
5	Others, please specify		-
	Total (A)		-
	Ceiling as per the Act		NIL

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors				-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				NIL
	Overall Ceiling as per the Act				

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		Name			
		Designation	CEO	CFO	CS
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option				-
3	Sweat Equity				-
4	Commission				
	- as % of profit				-
5	- others, specify				-
	Others, please specify				-
	Total		-	-	-
					NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

There were no penalties/punishment/compounding of offences under the Companies Act, 2013 for the year ending 31st March, 2017.

## ANNEXURE - 2

### FORM NO. AOC -2

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

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

#### 1. Details of contracts or arrangements or transactions not at Arm's length basis.

Serial No.	Particulars	Details
a)	Name of the related party & nature of relationship	KERALA AYURVEDA LIMITED
b)	Nature of contracts/arrangements/transaction	Purchase of Medicines
c)	Duration of contracts/arrangements/transaction	15.12.2014 to 14.12.2017
d)	Salient terms of contracts/arrangements/transaction including the value, if any	15% discount on MRP of KAL Products
e)	Justification for entering into such contracts/arrangements/transaction	Being a subsidiary of the company , KAL is offering such discount
f)	Date of approval by the Board	6 <sup>th</sup> August, 2014
g)	Amount paid as advances, if any	Nil
h)	Date on which the Special resolution was passed in General Meeting as required under first proviso to section 188	23 <sup>rd</sup> September,2014
i)	Total value of transaction during the year	41.19 lakhs

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

<b>Sl No</b>	<b>Name of the Related Party</b>	<b>Nature of Contract/ Transactions</b>	<b>Nature of relationship</b>	<b>Duration of the contract, Salient terms &amp; Advance paid</b>	<b>Transaction Amount in Rs Lacs</b>
1	KERALA AYURVEDA LIMITED	Services rendered	Holding Company	NA	5.36
2	KATRA HOLDING PRIVATE LIMITED	Services rendered	Common Director	NA	24.97
3	KATRA PHYTOCHEM (INDIA) PVT LTD.	Services rendered	Common Director	NA	57.00
4	GLOBAL AGRI SYSTEMS PRIVATE LIMITED	Services rendered	Common Director	NA	2.12
5	KERALA AYURVEDA LIMITED	Purchase of Medicines	Holding Company	NA	59.14
6	MASON AND SUMMERS LEISURE PVT LTD	Services received	Common Director	NA	2.08
7	KATRA HOLDING PRIVATE LIMITED	Trade receivables	Common Director	NA	48.78
8	KERALA AYURVEDA LIMITED	Trade Payables	Holding Company	NA	44.65
9	MASON AND SUMMERS LEISURE PVT LTD	Advance from customer	Common Director	NA	2.41
10	KATRA PHYTOCHEM (INDIA) PVT LIMITED	Advance from customer	Common Director	NA	2.02
11	AYURVEDIC ACADEMY INC, USA	Trade receivables-	Fellow Subsidiary	NA	34.32

### ANNEXURE - 3

Information in accordance with Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and forming part of the Board's Report for the year ended 31<sup>st</sup> March, 2016.

#### A. CONSERVATION OF ENERGY

- I. The Steps taken or Impact on conservation of energy- NIL
- II. The Steps taken By the Company for utilizing alternate source of energy -NIL
- III. The Capital Investment on energy conservation equipments – NIL

#### B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

- I. The efforts made towards technology absorption  
All developments were done indigenously
- II. The benefits derived like product improvement, cost reduction, product development or import substitution -NIL
- III. Details of imported technology  
During the year, company has not imported any technology. All developments were done indigenously.
- IV. The expenditure incurred on research and development- NIL

#### C. FOREIGN EXCHANGE EARNINGS & OUTGO

The details of foreign exchange earnings and outgo are as under:

Foreign Exchange earnings & outgo	Current year
Earnings	Rs 297 Lacs
Out go	Rs 4.33 Lacs

On behalf of the Board of Directors

Date: 15<sup>th</sup> May, 2017

Place: Bengaluru

*Sd/-*

Ramesh Vangal

Director

DIN: 00064018

*Sd/-*

Anand Subramanian

Director

DIN: 00064083

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED**

**Report on the Financial Statements**

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

**Management's responsibility for the financial statements**

The Company's Management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Act and in accordance with the accounting principles generally accepted in India. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; section and application of appropriate accounting policies; making judgements 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 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 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 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 judgement, 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of 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 on the financial statements.





# S V SABAREESAN & CO, Chartered Accountants

# 34, 1st Block, 5th Cross, Kumarapark West, Bengaluru 560020

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, cash flows of the Company for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2017 (the Order) issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 and 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit & Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - I. The company has disclosed the impact of pending litigations on its financial position in its financial statements.
    - 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 during the year.
    - IV. The Company has provided requisite disclosures in its financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company.

For S V Sabareesan & Co.,  
Chartered Accountants  
(FRN. 013995S)

*Sabareesan S.V.*  
Sabareesan S V  
Proprietor  
(Membership No. 208917)  
Bengaluru, May 15, 2017

*S.V.*

# S V SABAREESAN & CO, Chartered Accountants

# 34, 1st Block, 5th Cross, Kumarapark West, Bengaluru 560020

**Annexure referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of the independent auditors' report to the members of Ayurvedagram Heritage Wellness Centre India Private Limited on the accounts for the year ended March 31, 2017.**

1. In respect of its fixed assets:
  - a. the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b. these fixed assets have been physically verified by the management during the financial year and no material discrepancies were noticed on such verification;
  - c. the title deeds of immovable properties are held in the name of the company.
2. According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
3. According to the information and explanation given to us, the company has not granted loans, unsecured to companies covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").
4. During the year, the company has not granted any loan nor has furnished any guarantee nor provided any security. Hence reporting on compliance with provisions of section 185 and 186 of the Act does not arise.
5. The company has not accepted deposits within the meaning of section 73 to 76 of the Act during the year.
6. According to the information and explanation given to us, Central Government has not prescribed maintenance of cost records under section 148(1) of the Act.
7. According to the records provided to us:
  - a. The company is regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Service Tax, Value Added Tax, Cess and other statutory dues with the appropriate authorities.
  - b. As per information and explanations given to us, the Company does not have any disputes with respect to income tax or sales tax or wealth tax or service tax or value added tax or cess.
8. To the best of our knowledge and according to information and explanation given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Consequently reporting on utilization of such money does not arise.
10. Based on the audit procedures adopted and information and explanations given to us by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.
11. The company has not paid managerial remuneration during the year.
12. The company is not a Nidhi Company and as such this clause of the order is not applicable.

*SV*

## S V SABAREESAN & CO, Chartered Accountants

---

# 34, 1st Block, 5th Cross, Kumarapark West, Bengaluru 560020

13. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act.  
The details of transactions during the year have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures under Section 42 of the Act.
15. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S V Sabareesan & Co.,  
Chartered Accountants  
(FRN. 013995S)

*Sabareesan S.V.*  
Sabareesan S V  
Proprietor  
(Membership No. 208917)

Bengaluru, May 15, 2017

*Dr*  
*SV*

**Ayurvedagram Heritage Wellness Centre Private Limited**

CIN: U74140KA2003PTC031511

**Balance Sheet as at 31st March, 2017**

Particulars	Note No.	Amount in Rs	
		31st March, 2017	31st March, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	2,25,00,000	2,25,00,000
(b) Reserves and surplus	4	3,23,43,074	2,38,53,375
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	5	-	19,08,792
(b) Deferred Tax Liability(Net)		82,83,598	1,09,23,578
(c) Long Term Provisions	6	17,09,331	15,56,070
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	1,62,43,899	1,68,84,281
(b) Trade payables	8	53,60,419	31,19,671
(c) Other current liabilities	9	31,73,269	39,94,342
(d) Short-term provisions	10	46,33,460	25,64,730
<b>TOTAL</b>		<b>9,42,47,050</b>	<b>8,73,04,839</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	6,36,46,707	7,44,93,976
(b) Long-term loans and advances	12	21,89,332	19,51,745
(c) Other non-current assets	13	11,31,986	5,46,455
<b>2 Current assets</b>			
(a) Inventories	14	15,37,745	12,51,084
(b) Trade receivables	15	97,34,822	62,97,336
(c) Cash and cash equivalents	16	1,57,43,435	20,60,181
(d) Short-term loans and advances	17	2,63,023	7,04,062
<b>TOTAL</b>		<b>9,42,47,050</b>	<b>8,73,04,839</b>

The accompanying notes form an integral part of the financial statements

In terms of our report attached.

For S V Sabareesan & Co.,

Chartered Accountants

(FRN.0139955)

*Sabareesan S.V.*

Sabareesan S V

Proprietor

(Membership No. 208917)

For and on behalf of the Board of Directors

*R. Vangal*

Ramesh Vangal

Director

DIN 00064018

*S. Subramanian*

Anand Subramanian

Director

DIN 00064083

Place : Bengaluru

Date : May 15, 2017

Place : Bengaluru

Date : May 15, 2017

*SV*  
*SV*

**Ayurvedagram Heritage Wellness Centre Private Limited**

CIN: U74140KA2003PTC031511

**Statement of Profit and loss for the year ended 31st March, 2017**

Particulars	Note No.	Amount in Rs	
		Year ended 31st March, 2017	Year ended 31st March, 2016
I. Revenue from operations	18	7,96,44,116	7,21,10,254
<b>III. Total Revenue</b>		<b>7,96,44,116</b>	<b>7,21,10,254</b>
IV. Expenses:			
Purchase	19a	92,74,101	83,22,862
Changes in inventories of Stock-in-Trade	19b	(2,86,661)	3,50,588
Employee benefits expense	20	2,58,29,798	2,31,63,638
Finance costs	21	18,12,826	27,55,728
Depreciation and Amortization expense	10	1,15,74,440	1,37,13,644
Other expenses	22	2,42,63,831	1,64,52,217
<b>Total expenses</b>		<b>7,24,68,335</b>	<b>6,47,58,677</b>
<b>V. Profit before tax</b>		<b>71,75,781</b>	<b>73,51,577</b>
VI. Tax expense:			
(1) Current tax		13,26,062	14,19,751
(2) Tax Expenses relating to earlier years		-	-
(3) MAT Credit Entitlement		-	(14,19,751)
(4) Deferred tax Expenses / (Income)		(26,39,980)	59,83,037
		<b>(13,13,918)</b>	<b>59,83,037</b>
<b>VII. Profit (Loss) for the period</b>		<b>84,89,699</b>	<b>13,68,540</b>
VIII. Earnings per equity share:			
Basic and diluted		3.77	0.61

The accompanying notes form an integral part of the financial statements

In terms of our report attached.

For S V Sabareesan & Co.,

Chartered Accountants

(FRN.013995S)

*Sabareesan S.V.*

Sabareesan S V

Proprietor

(Membership No. 208917)

Place : Bengaluru

Date : May 15, 2017

For and on behalf of the Board of Directors

*R. Vangal*

Ramesh Vangal

Director

DIN 00064018

*S. Anand*

Anand Subramanian

Director

DIN 00064083

Place : Bengaluru

Date : May 15, 2017

*SR*

**Ayurvedagram Heritage Wellness Centre Private Limited**

CIN: U74140KA2003PTC031511

**Cash Flow Statement for the year ended 31st March, 2017**

Particulars	Amount in Rs	
	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	71,75,781	73,51,577
<i>Adjustments for:</i>		
Depreciation and amortisation	1,15,74,440	1,37,13,644
(Profit) / loss on sale / write off of assets	-	-
Finance costs	18,12,826	30,33,530
Operating profit / (loss) before working capital changes	2,05,63,047	2,40,98,751
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(2,86,661)	3,50,588
Trade receivables	(34,37,486)	(17,08,157)
Short-term loans and advances	4,41,039	3,71,705
Long-term loans and advances	(2,37,587)	(13,88,441)
Other non current assets	(5,85,531)	(9,469)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	22,40,748	13,85,476
Other current liabilities	(8,21,073)	(99,07,059)
Other long-term liabilities	1,53,261	1,58,456
Short-term provisions	20,68,730	(26,85,279)
Cash generated from operations	2,00,98,487	1,06,66,571
Net income tax (paid) / refunds	(13,26,062)	-
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>1,87,72,425</b>	<b>1,06,66,571</b>
<b>B. Cash flow from investing activities</b>		
Capital expenditure on fixed assets, including capital advances	(7,27,171)	(9,59,516)
Proceeds from sale of fixed assets	-	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(7,27,171)</b>	<b>(9,59,516)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	-
Repayment of long-term borrowings	(19,08,792)	(1,14,26,461)
Proceeds from short-term borrowings	(26,75,343)	26,75,343
Repayment of short-term borrowings	20,34,961	(1,14,817)
Finance cost	(18,12,826)	(30,33,530)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(43,62,000)</b>	<b>(1,18,99,465)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>1,36,83,254</b>	<b>(21,92,410)</b>
Cash and cash equivalents at the beginning of the year	20,60,181	42,52,591
<b>Cash and cash equivalents at the end of the year</b>	<b>1,57,43,435</b>	<b>20,60,181</b>
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	1,57,43,435	20,60,181
<b>Cash and cash equivalents at the end of the year</b>		
(a) Cash on hand	5,90,891	13,22,758
(b) Cheques / Drafts on hand & balances with banks in current accounts	1,50,76,346	5,69,404
(d) Others (Credit Cards Swiping)	76,198	1,68,019
	1,57,43,435	20,60,181

In terms of our report attached.

For S V Sabareesan & Co.,  
Chartered Accountants  
(FRN 013995S)

*Sabareesan S.V.*  
Sabareesan S V  
Proprietor  
(Membership No. 208917)

For and on behalf of the Board of Directors

Ayurvedagram Heritage Wellness Centre Private Limited

*R Vangal*

Ramesh Vangal  
Director  
DIN 00064018

*S. Anand*

Anand Subramanian  
Director  
DIN 00064083

Place : Bengaluru  
Date : May 15, 2017

Place : Bengaluru  
Date : May 15, 2017

*SV*

**Ayurvedagram Heritage Wellness Centre Private Limited**

**Notes forming part of the financial statements**

**1 Background**

Ayurvedagram Heritage Wellness Centre Private Limited was incorporated on 27th January 2003 and CIN is U74140KA2003PTC031511. The Company is into hospitality services located in Hemmandanahalli, Sametanahalli post, Whitefield, Bengaluru

**2 Significant Accounting Policies**

**a) Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India ( India GAAP), to comply in all material respects with the Accounting Standards notified under Sec 133 [Companies (Accounting Standards) Rules, 2006 (as amended)] and other relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

**b) Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**c) Share Capital**

The company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity share is entitled to one vote per share.

**d) Tangible Fixed Assets**

Fixed assets are stated at cost (or fair value, in case of acquisitions under slump sale) less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Interest and other financing costs relating to borrowed funds attributable to the construction or acquisition of fixed assets are capitalized to the extent they relate to the period till such assets are ready to be put to use.

**e) Depreciation**

i) Depreciation on all fixed assets is provided based on the useful lives of the asset as prescribed under Schedule II of the Companies Act 2013. Depreciation on additions has been calculated on prorata basis.

Assets	Useful life in years
Land	Nil
Building	30
Office Equipments	5
Computers & Peripheral	3
Vehicles	8
Furniture & Fittings	10

ii) Individual assets with cost not exceeding Rs. 5,000 are depreciated fully in the year of purchase.

**f) Inventories**

Raw Materials, are carried at lower of cost and net realizable value. Cost is determined on a weighted average basis. Stores and Spare parts are carried at cost, less provision for obsolescence. Finished goods produced or purchased by the Company are carried at lower of cost and net realizable value. Cost includes direct material and labour cost and a proportion of the manufacturing overheads.

**g) Retirement benefits**

Contributions to Provident Fund & Family Pension Scheme are accounted on accrual basis and charged to Profit and Loss Account for the year. Gratuity is provided for on arithmetic basis.

**h) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and no significant uncertainty exists regarding realization of the consideration. Sales are recognized when the property in the goods is transferred and are recorded net of trade discounts, rebates and value added tax. Sales are inclusive of Excise duty. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and rate of interest applicable.

W  
R

**i) Foreign Currency Transaction**

**Initial Recognition :**

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

**Conversion :**

Foreign currency monetary items are reported using the closing rate. Non-monetary items that are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

**Exchange Differences :**

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

**j) Taxes on Income**

Current income tax expense comprises current tax and deferred tax. Current tax is determined as the amount of tax payable in respect of taxable income for the period and computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized for future tax consequences arising out of the timing differences between the tax basis and the book profit. Deferred Tax assets are recognized only if there is reasonable certainty that they will be realized (except where there are unabsorbed depreciation and carry forward of business losses, it is recognized only if there is virtual certainty) and are reviewed every year. The tax affect is calculated on the accumulated timing differences based on the enacted or substantially enacted tax rates.

**k) Earnings per Share**

Basic earnings per share is calculated by dividing the profit or loss for the year 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.

**l) Provision and Contingent Liability**

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 to settle the obligation at Balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Liabilities which are material and whose outcome cannot be ascertained with reasonable certainty is treated as contingent and to the extent not provided for are disclosed by way of notes.

**m) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at bank in current account, cash in hand and includes cheques / drafts in hand.

*W*  
*Ⓟ*



n) **Details of Transactions with Related Parties**

As per Accounting Standard 18 Disclosure of transactions with the related parties are given below:

i) List if Related party where control exists and related parties with whom transactions have taken place and relationships:

SI No	Name of the Related Party	Relationship
1	Kerala Ayurveda Limited	Holding Company
2	Mason and Summers Leisure Private Limited	Companies under common control
3	Katra Holding Private Limited	
4	Global Agri Systems Private Limited	
5	Katra Phytochem (India) Private Limited	
6	Ayurvedic Academy Inc., USA	Fellow Subsidiaries

ii) Transactions during the year with related parties

Particulars	31 st March, 2017	31 st March 2016
Rendering of Services to- Kerala Ayurveda Limited	5,36,706	1,95,555
Rendering of Services to- Katra Holding Private Limited	24,97,305	80,65,550
Rendering of Services to- Katra Phytochem India Private Limited	56,99,958	2,10,95,821
Rendering of Services to-Global Agri Systems Private Limited	2,12,565	
Purchases from - Kerala Ayurveda Limited	1,00,33,227	32,86,302
Rendering of Services by- Mason and Summers Leisure Private Limited.	2,08,392	20,32,790
<b>Balances outstanding at the end of the year</b>		
Trade Payables- Kerala Ayurveda Limited	44,64,756	17,01,368
Trade Payables- Mason and Summers Leisure Private Limited.	-	2,40,860
Trade Receivables-Katra Holding Private Limited	48,77,994	-
Trade Receivables-Katra Phytochem India Private Limited	-	8,01,848
Trade Receivables-Ayurvedic Academy Inc., USA	34,32,315	34,08,255
Advance from customer - Katra Phytochem India Private Limited	2,01,982	-
Advance from customer - Mason and Summers Leisure Private Limited.	2,40,860	-

o) There are no Micro, Small & Medium Enterprises to whom the company owes dues. The Micro, Small & Medium Enterprises have been identified on the basis of information available with the company.

p) In compliance with the Accounting Standard AS - 22 relating to "Accounting for Tax on Income" issued by the Institute of Chartered Accountants of India, Deferred Tax Asset (Net) accruing during the year amounting to Rs.2639980/- has been recognized in the Profit and Loss Account.

Major components of deferred tax assets and liabilities arising on account of timing differences are:

Particulars	31st March, 2016	Movement	Amount in Rs 31st March, 2017
Depreciation	(1,14,04,404)	25,92,622	(88,11,782)
Expenses allowed on payment basis	480825	47,358	5,28,183
	<b>(1,09,23,579)</b>	<b>26,39,980</b>	<b>(82,83,598)</b>

q) Expenditure in Foreign Currency		
Particulars	31st March, 2017	31st March, 2016
Advertisement	2,29,427	-
Subscriptions	2,03,691	-
	<b>4,33,118</b>	-

r) Earnings in Foreign Currency		
Particulars	31st March, 2017	31st March, 2016
Rendering of Services-Treatment	2,97,04,550	2,38,39,422

Segment results: The company is primarily engaged in Treatment services and medicines. Accordingly there is no separate reportable segment in accordance with AS 17- Segment reporting prescribed under the Companies (Accounting Standards) Rules 2006.

s) Disclosure on Specified Bank Notes( SBNs)

During the year, the Company had specified Bank notes or other denomination note as defined in the MCA notification G.S.R 308(E ) dated March 30, 2017 on the details of Specified Bank Notes( SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBNs and other notes as per the notification is given below.

Particulars	SBNs*	Other notes	Total
Closing cash in hand as on November 8, 2016	1,72,500	26,839	1,99,339
(+)Permitted Receipts		11,80,707	11,80,707
(-)Permitted Payments	3,000	10,36,199	10,39,199
(-)Amount deposited in Banks	1,69,500		1,69,500
Closing cash in hand as on December 30, 2016	-	1,71,347	1,71,347


\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

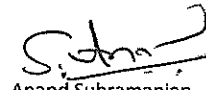
t) Contingent liabilities & Commitments

Particulars	31st March, 2017	31st March, 2016
Contracts remaining to be executed on Capital account and not provided for:	20,95,000	-

The figures of previous year have been reclassified wherever necessary in order to conform to current year figures.

For and on behalf of the Board of Directors

  
Ramesh Vangal  
Director  
DIN 00064018

  
Anand Subramanian  
Director  
DIN 00064083

Place : Bengaluru  
Date : May 15, 2017



**Ayurvedagram Heritage Wellness Centre Private Limited**  
**Notes forming part of the financial statements**

(Amount in Rs.)

Particulars	As at 31 March, 2017	As at 31 March, 2016
<b>3 Share capital</b>		
(a) Authorised Capital		
2500000 Equity shares of Rs. 10/- each with voting rights	2,50,00,000	2,50,00,000
	-	
(b) Issued Capital		
2250000 Equity shares of Rs. 10/- each with voting rights	2,25,00,000	2,25,00,000
	-	
(c) Subscribed and fully paid up		
2250000 Equity shares of Rs. 10/- each with voting rights	2,25,00,000	2,25,00,000
	-	
	<b>2,25,00,000</b>	<b>2,25,00,000</b>

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Equity shares with voting rights		
Opening Balance	22,50,000	22,50,000
Fresh issue	-	-
Buy back	-	-
Closing Balance	<b>22,50,000</b>	<b>22,50,000</b>

(ii) Details of shares held by the holding company, the ultimate holding company, their subsidiaries:

Kerala Ayurveda Ltd, the holding company and its nominees	16,65,000	16,65,000
---	-----------	-----------

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder		
Equity shares with voting rights( in Numbers)		
Kerala Ayurveda Ltd	16,64,996	16,64,996
% holding	73.99%	73.99%
Sangeetha Arunkumar	2,92,500	2,92,500
% holding	13%	13%
S K Arunkumar	2,92,500	2,92,500
% holding	13%	13%

Particulars	Amount in Rs	
	As at 31st March, 2017	As at 31st March, 2016
<b>4 Reserves and surplus</b>		
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	2,38,53,375	2,24,84,835
Add: Profit / (Loss) for the year	84,89,699	13,68,540
Closing balance	<b>3,23,43,074</b>	<b>2,38,53,375</b>
<b>5 Long-term borrowings</b>		
(a) Term loans		
From banks		
Unsecured		
Kotak Mahindra	-	4,42,437
	-	<b>4,42,437</b>
(b) Loans and advances from related parties	-	14,66,355
	-	<b>14,66,355</b>
		<b>19,08,792</b>
<b>6 Long-term Provisions</b>		
(a) Others:		
(i) Gratuity Provision	17,09,331	15,56,070
	<b>17,09,331</b>	<b>15,56,070</b>
<b>7 Short-term borrowings</b>		
From banks		
Secured		
Over Draft-Kotak Mahindra Bank Limited	1,62,43,899	1,42,08,938
(Exclusive charges on entire current assets of the Company both present & future and land belonging to chairman of the company and Personal Guarantee of One Director)		
Unsecured		
Kotak Mahindra Bank Limited	-	26,75,343
	<b>1,62,43,899</b>	<b>1,68,84,281</b>
<b>8 Trade payables</b>		
Dues to Micro enterprises and small enterprises	-	-
Dues to other than micro and small enterprises	53,60,419	31,19,671
	<b>53,60,419</b>	<b>31,19,671</b>
<b>9 Other current liabilities</b>		
(a) Other payables		
i) TDS Payable	2,15,120	2,74,904
ii) Composite tax Payable	49,892	2,240
iii) Hospital Tax Payable	1,07,250	67,902
iv) Provident fund payable	1,67,507	1,22,687
v) Professional Tax Payable	4,600	6,600
vi) Service Tax Payable	-	2,01,266
vii) ESI collected and Payable	48,136	-
(b) Advance from customers	21,38,327	26,88,003
(c) Loan repayable within one year		
Axis Bank-Car Loan	-	2,52,548
Kotak Mahindra Prime Ltd-Car Loan	4,42,437	3,78,192
	<b>31,73,269</b>	<b>39,94,342</b>

Ayurvedagram Heritage Wellness Centre Private Limited  
Notes forming part of the financial statements

Note: 11 Fixed assets

Tangible assets	Gross Block		Accumulated depreciation		Net block	
	As at 31 March, 2016	Additions	As at 31 March, 2017	Depreciation for the year	As at 31 March, 2017	As at 31 March, 2016
(a) Land	1,04,74,545		1,04,74,545	-	1,04,74,545	1,04,74,545
(b) Buildings	10,21,84,325		10,21,84,325	1,10,10,680	5,16,07,261	6,15,87,744
(c) Furniture and Fixtures	64,66,376		64,66,376	5,587	61,91,803	2,80,160
(d) Vehicles	31,81,277		31,81,277	1,13,276	25,67,696	7,26,857
(e) Office equipment	68,50,482	6,14,001	74,64,483	3,96,374	58,95,872	13,50,984
(f) Others (Computers),	13,68,649	1,13,170	14,81,819	48,523	13,43,486	73,686
<b>Total</b>	<b>13,05,25,654</b>	<b>7,27,171</b>	<b>13,12,52,825</b>	<b>1,15,74,440</b>	<b>6,76,09,118</b>	<b>7,44,93,976</b>
<b>Previous Year</b>	<b>9,96,82,896</b>	<b>3,08,42,758</b>	<b>13,05,25,654</b>	<b>1,37,13,644</b>	<b>5,60,31,678</b>	<b>5,73,64,862</b>

*Up*

Particulars	Amount in Rs	
	As at 31st March, 2017	As at 31st March, 2016
<b>10 Short-term provisions</b>		
(a) Provision for Employee benefits:		
- Salaries and Wages Payable	27,67,740	8,61,581
(b) Provision - Others:		
(i) Provision for tax	17,30,147	15,06,727
(ii) Provision for Expenses	1,35,573	1,96,422
	<u>46,33,460</u>	<u>25,64,730</u>
<b>12 Long-Term loans and advances</b>		
(a) Security deposits	3,87,666	3,61,566
(b) MAT credit entitlement - Unsecured, considered good	18,01,666	15,90,179
	<u>21,89,332</u>	<u>19,51,745</u>
<b>13 Other non-current assets</b>		
(a) Others		
(i) Capital Advances	11,31,986	5,46,455
	<u>11,31,986</u>	<u>5,46,455</u>
<b>14 Inventories</b>		
(a) Pharmacy- Medicines	7,98,359	7,12,051
(b) Other Consumables	7,39,386	5,39,033
	<u>15,37,745</u>	<u>12,51,084</u>
<b>15 Trade receivables</b>		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	1,21,150	2,23,960
Other Trade receivables		
Unsecured, Considered Good ( <i>refer 15(a) below</i> )	96,13,672	60,73,376
	<u>97,34,822</u>	<u>62,97,336</u>
<b>15(a) Trade receivables include debts due from:</b>		
Private companies in which any director is a Director	54,99,203	12,10,492
<b>16 Cash and cash equivalents</b>		
(a) Cash on hand	5,90,891	13,22,758
(b) Cheques / Drafts on hand & Balance in current accounts	1,50,76,346	5,69,404
(c) Others :		
(i) Credit Card collection due	76,198	1,68,019
	<u>1,57,43,435</u>	<u>20,60,181</u>
<b>17 Short-term loans and advances</b>		
(a) Loans and advances to employees		
Unsecured, Considered Good	90,001	2,24,560
(b) Balances with government authorities		
Input VAT	31,371	1,21,168
TDS Receivable	1,03,114	-
Service Tax Receivable	2,305	-
(c) Other Advances		
(i) Advance to Suppliers	36,232	3,58,334
	<u>2,63,023</u>	<u>7,04,062</u>

ve

**Ayurvedagram Heritage Wellness Centre Private Limited**  
Notes forming part of the financial statements

Particulars	Amount in Rs	
	Year ended 31st March, 2017	Year ended 31st March, 2016
<b>18 Revenue from Operations</b>		
(a) Treatment and Nursing	7,12,98,334	6,56,21,935
(b) Sale of traded goods	53,79,068	47,88,401
(c) Other operating revenue	29,66,714	16,99,918
	<b>7,96,44,116</b>	<b>7,21,10,254</b>
<b>19 Purchases</b>		
a) Purchase of Provisions and Consumables	51,29,590	50,56,717
b) Purchase of Medicine for resale	41,44,511	32,66,145
	<b>92,74,101</b>	<b>83,22,862</b>
<b>b) Changes in inventories of Traded Items and Provision &amp; Consumables</b>		
<u>Inventories at the end of the year:</u>		
Stock of Provisions and Consumables	7,98,359	5,39,033
Stock of Medicines	7,39,386	7,12,051
	<b>15,37,745</b>	<b>12,51,084</b>
<u>Inventories at the beginning of the year:</u>		
Stock of Provisions and Consumables	5,39,033	5,10,351
Stock of Medicines	7,12,051	10,91,321
	<b>12,51,084</b>	<b>16,01,672</b>
<b>Net (increase) / decrease</b>	<b>(2,86,661)</b>	<b>3,50,588</b>
<b>20 Employee benefits expense</b>		
Salaries and wages	2,42,55,672	2,13,46,438
Contributions to provident funds	8,86,353	7,40,114
Gratuity	2,45,591	3,09,389
Staff welfare expenses	4,42,182	7,67,697
	<b>2,58,29,798</b>	<b>2,31,63,638</b>
<b>21 Finance costs</b>		
(a) Interest expense on:		
(i) Borrowings	16,19,868	20,85,697
(ii) Others	1,92,958	6,70,031
	<b>18,12,826</b>	<b>27,55,728</b>
<b>22 Other expenses</b>		
Power and fuel	11,97,166	11,54,601
Repairs and maintenance - Buildings	40,45,371	18,21,281
Repairs and maintenance - Others	24,82,830	21,92,716
Rates and taxes	3,17,887	2,81,723
Communication	6,29,763	4,41,976
Marketing Expenses	14,58,855	13,62,405
Travelling and conveyance	5,92,319	9,52,885
Treatment Expense	85,58,886	48,48,854
Sales commission	13,31,797	7,49,132
Security Charges	12,87,126	8,05,443
Legal and professional (Refer Note i)	6,82,871	3,58,372
Miscellaneous expenses	16,78,960	14,82,829
	<b>2,42,63,831</b>	<b>1,64,52,217</b>
<b>Notes:</b>		
(i) Payments to the auditors comprises (net of applicable tax):		
Statutory audit	1,00,000	50,000
Tax audit	30,000	25,000
Re-imburement of expenses/ Others	-	5,725
Certification	6,825	2,500
	<b>1,36,825</b>	<b>83,225</b>

