

13th ANNUAL REPORT

2015-2016

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

Website : 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	: No.3282, 12 th Main, HAL II Stage Indiranagar, Bengaluru-560 038.
ADMINISTRATIVE OFFICE & RESORT	: Hemmandanahalli, Samethanahalli Post Whitefield, Bengaluru-560 067.
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: 3282, 12TH MAIN ROAD, HAL II STAGE, INDIRANAGAR, BENGALURU
560038**

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 13th Annual General Meeting of the Members of Ayurvedagram Heritage Wellness Centre Private Limited will be held at the registered office at No.3282, 12th Main, HAL II Stage, Indiranagar, Bengaluru-560 038, on the 1st day of Sept 2016 at 11.30 A.M to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2016 and Profit & Loss Account for the year ended on that date and the Report of the Directors' and Auditors' thereon.
2. 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 M/s. S V Sabareesan & Co (Firm Regn No. 013599S), 34, 1st Main, 5th Cross, Kumara Park West, Bengaluru.

Place: Bengaluru
Date: 29th April 2016

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 13th Annual Report on the business and operations of your company together with the Audited Accounts for the year ended 31st March 2016.

Financial Results

The Financial Results of the company for the year ended on 31st March 2016 as compared with the previous year are as under:

	Year ended 31 st March 2016 (Rs. in Lacs)	Year ended 31 st March 2015 (Rs. in Lacs)
Net Income from Sales /Services	704.10	551.12
Other Operational Income	17.00	20.28
Total Revenues	721.10	571.40
Profit before Interest, Depreciation and Tax (EBITDA)	241.00	179.05
Finance Charges	(30.34)	(52.40)
Depreciation	(137.14)	(46.26)
Profit before taxation	73.52	80.39
Deferred tax	(59.83)	11.92
Income Tax	(14.20)	(31.00)
MAT Credit	14.20	-
Net Profit/(Loss)	13.69	61.31

Performance Analysis

During the year under review, the company has achieved total revenues of Rs.721 Lacs against a turnover of Rs.571 Lacs of previous financial year. The Net profit of the company for the year, after providing for tax is Rs. 14 Lacs in the current year as compared to Rs.61 Lacs in previous year. The EBITDA has increased from Rs 179 Lacs to Rs 241Lacs, due to higher depreciation provision the PAT has come down.

Business Review

The company's performance during the year has clearly improved. The revenues grew by 26% on account of better occupancy and realisations. AyurvedaGram Heritage Wellness Centre has been recognised by TripAdvisor with a 2016, Certificate of Excellence! and is ranked 5th out of 723 Specialty lodging in Bengaluru.

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 31st March 2016, 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 judgements 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 31st March 2016 and of the profit and loss of the company for the year ended 31st March 2016.
- 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, 2016

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, 2016, 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

Five Board meetings were held during the year.

Extract of Annual Return

The details forming part of the extract of the Annual return in form MGT-9 is annexed herewith as **Annexure -1**.

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 2015-16.

Auditors

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: 29th April 2016
Place: Bengaluru

Ramesh Vangal
Director
DIN: 00064018

Anand Subramanian
Director
DIN: 00064083

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2016

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	NO.3282,12TH MAIN ROAD, HAL II STAGE,INDIRANAGAR, BANGALORE-560038 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	
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(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	93.36
2	Ayurvedic Medicines	21003	6.64

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
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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					
3					

IV. SHARE HOLDING PATTERN	
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(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	
A. Promoters									
(1) Indian									
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%	
Sub Total (A) (1)	-	2,250,000	2,250,000	100.00%	-	2,250,000	2,250,000	100.00%	0.00%
(2) Foreign									
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%	
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	
TOTAL (A)	-	2,250,000	2,250,000	100.00%	-	2,250,000	2,250,000	100.00%	0.00%
B. Public									
1. Institutions									
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) Fils			-	0.00%			-	0.00%	
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	
i) Others (specify)			-	0.00%			-	0.00%	
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	
2. Non-Institutions									
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%	
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	
Grand Total (A+B+C)	-	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)-NOT APPLICABLE

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):

SN	For each of the Top 10	Date	Reason	Shareholding at the beginning of the year	Cumulative Shareholding during the year
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	shareholders						
				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
Indebtedness at the beginning of the financial year				
i) Principal Amount	14,323,755.00	13,335,253.00		27,659,008.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	14,323,755.00	13,335,253.00	-	27,659,008.00
Change in Indebtedness during the financial year				
* Addition	2,560,526.00			2,560,526.00
* Reduction		11,426,461.00		11,426,461.00
Net Change		11,426,461.00	-	8,865,935.00
Indebtedness at the end of the financial year				
i) Principal Amount	16,884,281.00	1,908,792.00		18,793,073.00
ii) Interest due but not paid				-
iii) Interest accrued but not due				-
Total (i+ii+iii)	16,884,281.00	1,908,792.00	-	18,793,073.00

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		

4	Commission			-	
	- as % of profit			-	
	- others, specify			-	
5	Others, please specify			-	
		Total (A)	-	-	NIL
		Ceiling as per the Act			

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,				-	
	(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 - others, specify				-	
5	Others, please specify				-	
		Total	-	-	-	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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. - **NOT APPLICABLE**
2. Details of contracts or arrangements or transactions at Arm's length basis.

SI No	Name of the Related Party	Nature of Contract/ Transactions	Nature of relationship	Duration of the contract, Salient terms & Advance paid	Transaction Amount in Rs Lacs
1	KERALA AYURVEDA LIMITED	Loans and Advances given/(Returned)	Holding Company	NA	(3.36)
2	KATRA HOLDING PRIVATE LIMITED	Loans and Advances given/(Returned)	Common Director	NA	(119.43)
3	KERALA AYURVEDA LIMITED	Services rendered	Holding Company	NA	4.11
4	KATRA PHYTOCHEM (INDIA) PVT LTD.	Services rendered	Common Director	NA	210.95
5	KATRA HOLDING PRIVATE LIMITED	Services rendered	Common Director	NA	80.65
6	KERALA AYURVEDA LIMITED	Purchase of Medicines	Holding Company	NA	56.97
7	MASON AND SUMMERS LEISURE PVT LTD	Services received	Common Director	NA	20.33
8	KATRA HOLDING PRIVATE LIMITED	Loans and advances Payable	Common Director	NA	119.44
9	KERALA AYURVEDA LIMITED	Trade Payables	Holding Company	NA	17.01
10	MASON AND SUMMERS LEISURE PVT LTD	Trade Payables-	Common Director	NA	2.41
11	KATRA PHYTOCHEM (INDIA) PVT LIMITED	Trade receivables-	Common Director	NA	8.02
12	AYURVEDIC ACADEMY INC, USA	Trade receivables-	Fellow Subsidiary	NA	34.08

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 31st 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 238 Lacs
Out go	NIL

On behalf of the Board of Directors

Date: April 29, 2016

Ramesh Vangal

Anand Subramanian

Place: Bengaluru

Director

Director

DIN: 00064018

DIN: 00064083

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

Report on the Standalone Financial Statements

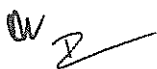
1. We have audited the accompanying standalone financial statements of **AYURVEDAGRAM HERITAGE WELLNESS CENTRE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the standalone financial statements

2. 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 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 Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 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; selection 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

3. 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 Rules made thereunder.
4. 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.
5. 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



S V SABAREESAN & CO, Chartered Accountants

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

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.

6. 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

7. 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
 - (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, 2016 (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 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.
 - (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.



S V SABAREESAN & CO, Chartered Accountants

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

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our knowledge 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.

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

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

Bengaluru, April, 29, 2016

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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, 2016.

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. as explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No discrepancies were noticed at the time of 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 explanations 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. According to the information and explanations given to us, the Company has not given loans, investments, guarantees, and security, therefore this clause is not applicable.
5. According to the information and explanations given to us, the Company has not accepted deposits within the meaning of section 73 to 76 of the Act during the year therefore this clause is not applicable.
6. According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under section 148(1) of the Act
7. According to the information and explanations given to us in respect of statutory dues:
 - a. the company is regular in depositing undisputed statutory dues including provident fund, luxury tax, value added tax, cess and any other statutory dues to the appropriate authorities. However, we have observed an instance of delay in remitting income tax and professional tax, the same were remitted in full prior to March 31, 2016.
 - 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 the information and explanations 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. Therefore, this clause is not applicable.

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S V SABAREESAN & CO, Chartered Accountants

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

10. to the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
11. to the best of our knowledge and according to the information and explanations given to us, the Company has not paid managerial remuneration.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, therefore this clause is not applicable
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act,2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company'has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. 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 him.
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, April, 29, 2016

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Ayurvedagram Heritage Wellness Centre Private Limited
CIN: U74140KA2003PTC031511
Balance Sheet as at 31st March, 2016

Amount in Rs

Particulars	Note No.	31st March, 2016	31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	22,500,000	22,500,000
(b) Reserves and surplus	4	23,853,375	22,484,835
2 Non-current liabilities			
(a) Long-term borrowings	5	1,908,792	13,335,253
(b) Deferred Tax Liability(Net)		10,923,578	4,940,541
(c) Long Term Provisions	6	1,556,070	1,397,614
3 Current liabilities			
(a) Short-term borrowings	7	16,884,281	14,323,755
(b) Trade payables	8	3,119,671	1,734,195
(c) Other current liabilities	9	3,994,342	13,901,401
(d) Short-term provisions	10	2,564,730	5,250,009
TOTAL		87,304,839	99,867,603
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	11	74,493,976	57,364,862
(b) Long-term loans and advances	12	1,951,745	563,304
(c) Other non-current assets	13	546,455	30,420,228
2 Current assets			
(a) Inventories	14	1,251,084	1,601,672
(b) Trade receivables	15	6,297,336	4,589,179
(c) Cash and cash equivalents	16	2,060,181	4,252,591
(d) Short-term loans and advances	17	704,062	1,075,767
TOTAL		87,304,839	99,867,603

The accompanying notes form an integral part of the financial statements

In terms of our report attached.
 For S V Sabareesan & Co.,
 Chartered Accountants

Sabareesan S.V.
 Sabareesan S V
 Proprietor

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 : April 29, 2016

Place : Bengaluru
 Date : April 29, 2016

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Ayurvedagram Heritage Wellness Centre Private Limited
CIN: U74140KA2003PTC031511
Statement of Profit and loss for the year ended 31st March, 2016

		Amount in Rs	
Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue from operations	18	72,110,254	57,140,348
III. Total Revenue (I + II)		72,110,254	57,140,348
IV. Expenses:			
Purchase	19a	8,322,862	7,905,342
Changes in inventories of Stock-in-Trade	19b	350,588	(548,458)
Employee benefits expense	20	23,163,638	17,695,281
Finance costs	21	3,033,530	5,240,695
Depreciation and Amortization expense	10	13,713,644	4,626,405
Other expenses	22	16,174,415	14,181,688
Total expenses		64,758,677	49,100,953
V. Profit before tax		7,351,577	8,039,395
VI. Tax expense:			
(1) Current tax		1,419,751	3,100,108
(2) Tax Expenses relating to earlier years		-	-
(3) MAT Credit Entitlement		(1,419,751)	-
(4) Deferred tax Expenses / (Income)		5,983,037	(1,192,148)
		5,983,037	1,907,960
VII. Profit (Loss) for the period		1,368,540	6,131,435
VIII. Earnings per equity share:			
Basic and diluted		0.61	2.73

The accompanying notes form an integral part of the financial statements

In terms of our report attached.
For S V Sabareesan & Co.,
Chartered Accountants

Sabareesan S.V.
Sabareesan S V
Proprietor

Place : Bengaluru
Date : April 29, 2016

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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 : April 29, 2016

Ayurvedagram Heritage Wellness Centre Private Limited

CIN: U74140KA2003PTC031511

Cash Flow Statement for the year ended 31st March, 2016

Amount in Rs

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	7,351,577	8,039,395
<i>Adjustments for:</i>		
Depreciation and amortisation	13,713,644	4,626,405
(Profit) / loss on sale / write off of assets	-	(70,202)
Finance costs	3,033,530	5,240,695
Operating profit / (loss) before working capital changes	24,098,751	17,836,293
 Changes in working capital:		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	350,588	(548,458)
Trade receivables	(1,708,157)	1,475,653
Short-term loans and advances	371,705	(563,122)
Long-term loans and advances	(1,388,441)	1,538,817
Other non current assets	(9,469)	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	1,385,476	(3,015,792)
Other current liabilities	(9,907,059)	254,417
Other long-term liabilities	158,456	298,659
Short-term provisions	(2,685,279)	525,613
Cash generated from operations	10,666,571	17,802,080
Net income tax (paid) / refunds	-	(3,100,108)
Net cash flow from operating activities (A)	10,666,571	14,701,972
 B. Cash flow from investing activities		
Capital expenditure on fixed assets, including capital advances	(959,516)	(2,136,861)
Proceeds from sale of fixed assets	-	250,000
Net cash flow from investing activities (B)	(959,516)	(1,886,861)
 C. Cash flow from financing activities		
Proceeds from long-term borrowings	-	4,881,745
Repayment of long-term borrowings	(11,426,461)	(8,952,761)
Proceeds from short-term borrowings	2,675,343	-
Repayment of short-term borrowings	(114,817)	(405,783)
Finance cost	(3,033,530)	(5,240,695)
Net cash flow from financing activities (C)	(11,899,465)	(9,717,494)
 Net increase / (decrease) in Cash and cash equivalents (A+B+C)	(2,192,410)	3,097,617
Cash and cash equivalents at the beginning of the year	4,252,591	1,154,974
Cash and cash equivalents at the end of the year	2,060,181	4,252,591
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 16)	2,060,181	4,252,591
 Cash and cash equivalents at the end of the year *		
* Comprises:		
(a) Cash on hand	1,322,758	2,203,402
(b) Balances with banks		
(i) In current accounts	569,404	1,936,765
(d) Others (Credit Cards Swiping)	168,019	112,424

The accompanying notes form an integral part of the financial statements

In terms of our report attached.
For S V Sabareesan & Co.,
Chartered Accountants

Sabareesan S.V.
Sabareesan S V
Proprietor

For and on behalf of the Board of Directors

Rvanganal
Ramesh Vanganal
Director
DIN 00064018

S. Anand
Anand Subramanian
Director
DIN 00064083

Place : Bengaluru
Date : April 29, 2016

Place : Bengaluru
Date : April 29, 2016

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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 treatment 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, 2016 (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 (ScheduleII)
Land	Nil
Building	30
Office Equipments	5
Computers & Peripherals	3
Vehicles	8
Furnitures & 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. Stock in trade purchased by the Company are carried at lower of cost and ner realizable value.

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 provision is made on arithmetical 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. Service income is recognised when service is rendered. Sales are recognized when the property in the goods is transferred and are recorded net of trade discounts, rebates and value added tax. Interest Income is recognized on a time proportion basis taking into account the amount outstanding and rate of interest applicable.

i) Foreign Currency Transaction

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Foreign currency assets and liabilities at the year end are translated into rupees at the rate of exchange prevailing on the date of balance sheet. All exchange differences are dealt with in the statement of Accounts

j) Taxes on Income

Current income tax expense comprises current tax and deferred tax. Current tax is determined a 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.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares

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 and in hand and deposits held with bank having maturity period of three months or less from the date of investment.



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:

Sl No	Name of the Related Party	Relationship
1	Katra Holdings Limited, Mauritius	Ultimate Holding Company
2	Kerala Ayurveda Limited	Holding Company
3	Nutraveda Inc., USA	Fellow Subsidiaries
4	Natural Medicine clinic PS,USA	
5	Ayurvedic Academy Inc.,USA	
6	CMS KH LLC,USA	
7	CMS K Nursing LLC,USA	
8	Nutraveda Ptc Ltd,Singapore	
9	Katra Phytochem (India) Private Limited	
10	Mason and Summers Leisure Private Limited	
11	Katra Holding Private Limited	
12	S K Arunkumar	Individuals owning directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
13	Sangeetha Arunkumar	

ii) Transactions during the year with related parties

Sl.No.	Nature of Transactions (Excluding Reimbursements)	Holding Co	Subsidiary /Fellow Subsidiary	Others	Total
1	Loans and Advances given / (Returned)				
	Kerala Ayurveda Limited	(336,606)			(336,606)
		<i>(1,300,654)</i>			<i>(1,300,654)</i>
	Katra Holding Private Limited			(11,943,801)	(11,943,801)
				<i>6,219,535</i>	<i>6,219,535</i>
2	Services rendered				
	Kerala Ayurveda Limited	411,363			411,363
		<i>23,283</i>			<i>23,283</i>
	Katra Phytochem India Private Limited			21,095,821	21,095,821
				<i>48,418</i>	<i>48,418</i>
	Katra Holding Private Limited			8065550	8,065,550
				<i>2,366,705</i>	<i>2,366,705</i>
3	Purchase of medicines				
	Kerala Ayurveda Limited	5,696,836			5,696,836
		<i>3,406,462</i>			<i>3,406,462</i>
4	Services received				
	Mason and Summers Leisure Private Limited			2,032,790	2,032,790
				<i>315,405</i>	<i>315,405</i>

iii) Balances as at 31st March, 2016

Sl.No.	Balances as at 31st March 2016	Holding Co	Subsidiary /Fellow Subsidiary	Others	Total
1	Loans and Advances Payable				
	Katra Holding Private Limited			-	-
				<i>11,943,801</i>	<i>11,943,801</i>
2	Trade payables				
	Kerala Ayurveda Limited	1,701,368			1,701,368
					-
	Mason and Summers Leisure Private Limited			240,860	240,860
				<i>93,671</i>	<i>93,671</i>
3	Trade receivables				
	Katra Phytochem India Private Limited			801,848	801,848
				<i>10,733,973</i>	<i>10,733,973</i>
	Ayurvedic Academy Inc.,USA		3,408,255		3,408,255
			<i>3,306,630</i>		<i>3,306,630</i>

Note :- Figures in Italic represents Previous Year's amounts.

Related party relationships have been identified by the management.

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- 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) **Payment to Directors** Amount in Rs

Particulars	31st March, 2016	31st March, 2015
Salaries & Allowances	Nil	Nil

q) **Traveling Expenses of Directors:** Amount in Rs

Particulars	31st March, 2016	31st March, 2015
Domestic Travel	Nil	Nil
Foreign Travel	Nil	Nil

- r) 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.4025/- 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	Amount in Rs		
	31st March, 2016	Movement	31st March, 2015
Depreciation	(11,404,404)	(6,032,001)	(5,372,403)
Expenses allowed on payment basis	480,825	-	431,863
	(10,923,579)	(6,032,001)	(4,940,540)

s) **Expenditure in Foreign Currency Paid & Payable** Amount in Rs

Particulars	31st March, 2016	31st March, 2015
Advertisement	Nil	56,163

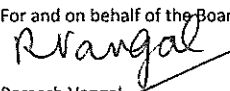
t) **Earnings in Foreign Currency** Amount in Rs

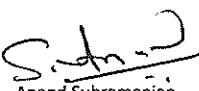
Particulars	31st March, 2016	31st March, 2015
Rendering of Services-Treatment	23,839,422	20519304

- u) 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 2016.

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 : April 29, 2016



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

Particulars	As at 31 March, 2016		As at 31 March, 2015	
	Number of shares	In Rs	Number of shares	In Rs
3 Share capital				
(a) Authorised Capital				
Equity shares of Rs. 10/- each with voting rights	2,500,000	25,000,000	2,500,000	25,000,000
(b) Issued Capital				
Equity shares of Rs. 10/- each with voting rights	2,250,000	22,500,000	2,250,000	22,500,000
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each with voting rights	2,250,000	22,500,000	2,250,000	22,500,000
	2,250,000	22,500,000	2,250,000	22,500,000

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

Equity shares with voting rights				
Opening Balance	2,250,000	22,500,000	2,250,000	22,500,000
Fresh issue	-	-	-	-
Buy back	-	-	-	-
Closing Balance	2,250,000	22,500,000	2,250,000	22,500,000

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

Kerala Ayurveda Ltd, the holding company and its nominees	1,665,000	1,665,000
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(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Kerala Ayurveda Ltd	1,664,996	73.99%	1,664,996	73.99%
Sangeetha Arunkumar	292,500	13%	292,500	13%
S K Arunkumar	292,500	13%	292,500	13%

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Particulars	Amount in Rs	
	As at 31st March, 2016	As at 31st March, 2015
4 Reserves and surplus		
(a) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	22,484,835	18,895,955
Add: Profit / (Loss) for the year	1,368,540	6,131,436
Less: Transfer to Depreciation reserve		2,542,556
Closing balance	23,853,375	22,484,835
5 Long-term borrowings		
(a) Term loans		
From banks		
Unsecured		
Kotak Prime Bank-Innova Car Loan	442,437	1,054,846
	442,437	1,054,846
(b) Loans and advances from related parties		
Unsecured		
Kerala Ayurveda Ltd	-	336,606
Katra Holding Pvt Ltd	1,466,355	11,943,801
	1,466,355	12,280,407
	1,908,792	13,335,253
6 Long-term Provisions		
(a) Others:		
(i) Gratuity Provision	1,556,070	1,397,614
	1,556,070	1,397,614
7 Short-term borrowings		
From banks		
Secured		
Over Draft-Kotak Mahindra Bank Limited (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)	14,208,938	14,323,755
Unsecured		
Kotak Mahindra Bank Limited	2,675,343	-
	16,884,281	14,323,755
8 Trade payables		
Dues to Micro enterprises and small enterprises	-	-
Dues to other than micro and small enterprises	3,119,671	1,734,195
	3,119,671	1,734,195

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Particulars	Amount in Rs	
	As at 31st March, 2016	As at 31st March, 2015
9 Other current liabilities		
(a) Other payables		
i) TDS Payable	274,904	353,219
ii) Composite tax Payable	2,240	2,240
iii) Hospital Tax Payable	67,902	86,311
iv) Provident fund payable	122,687	101,180
v) Professional Tax Payable	6,600	5,950
vi) Service Tax Payable	201,266	-
(b) Advances from customers	2,688,003	12,780,641
(c) Loan repayable within one year		
Axis Bank-Car Loan	252,548	226,158
Kotak Mahindra Prime Ltd-Car Loan	378,192	345,702
	3,994,342	13,901,401
10 Short-term provisions		
(a) Provision for Employee benefits:		
-Salaries and Wages Payable	861,581	934,531
(b) Provision - Others:		
(i) Provision for tax	1,506,727	4,070,447
(ii) Provision for Expenses	196,422	245,031
	2,564,730	5,250,009.00
12 Long-Term loans and advances		
(a) Security deposits	361,566	383,078
(b) MAT credit entitlement - Unsecured, considered good	1,590,179	180,226
	1,951,745	563,304
13 Other non-current assets		
(a) Others		
(i) Capital Advances	546,455	30,420,228
	546,455	30,420,228
14 Inventories		
(a) Pharmacy- Medicines	712,051	1,091,321
(b) Other Consumables	539,033	510,351
	1,251,084	1,601,672
15 Trade receivables		
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	223,960	86,422
Other Trade receivables		
Unsecured, Considered Good	6,073,376	4,502,757
	6,297,336	4,589,179
Note: Trade receivables include debts due from:		
Directors *	-	-
Other officers of the Company *	-	-
Private companies in which any director is a Director	801,848	421,380
Private companies in which any director is a member	-	-

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Particulars	Amount in Rs	
	As at 31st March, 2016	As at 31st March, 2015
16 Cash and cash equivalents		
(a) Cash on hand	1,322,758	2,203,402
(b) Balances with banks		
(i) In current accounts	569,404	1,936,765
(c) Others :		
(i) Credit Card collection due	168,019	112,424
	2,060,181	4,252,591
17 Short-term loans and advances		
(a) Loans and advances to employees		
Unsecured, Considered Good	224,560	330,211
(b) Prepaid expenses	-	17,193
(c) Balances with government authorities		
(i) Input VAT	121,168	168,651
(ii) TDS Receivable	-	14,654
(d) Other Advances		
(i) Advance to Suppliers	358,334	545,058
	704,062	1,075,767

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

Particulars	Amount in Rs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
18 Revenue from Operations		
(a) Sale of traded goods	4,788,401	3,518,160
(b) Treatment and Nursing	65,621,935	51,594,600
(c) Other operating revenue	1,699,918	2,027,588
	72,110,254	57,140,348
19 Purchases		
a) Purchase of Provisions and Consumables	5,056,717	4,557,491
Purchase of Medicine for resale	3,266,145	3,347,852
	8,322,862	7,905,342
b) Changes in inventories of Traded Items and Provision & Consumables		
<u>Inventories at the end of the year:</u>		
Stock of Provisions and Consumables	539,033	510,351
Stock of Medicines	712,051	1,091,321
	1,251,084	1,601,672
<u>Inventories at the beginning of the year:</u>		
Stock of Provisions and Consumables	510,351	276,712
Stock of Medicines	1,091,321	776,502
	1,601,672	1,053,214
Net (increase) / decrease	350,588	(548,458)
20 Employee benefits expense		
Salaries and wages	21,346,438	16,082,694
Contributions to provident funds	740,114	586,348
Gratuity	309,389	346,845
Staff welfare expenses	767,697	679,394
	23,163,638	17,695,281
21 Finance costs		
(a) Interest expense on:		
(i) Borrowings	2,085,697	4,486,497
(ii) Others		
- Bank Charges	277,802	18,923
- Other interest	670,031	735,275
	3,033,530	5,240,695

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Amount in Rs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
22 Other expenses		
Power and fuel	1,154,601	963,976
Repairs and maintenance - Buildings	1,821,281	1,568,054
Repairs and maintenance - Others	2,192,716	2,255,340
Rates and taxes	281,723	240,513
Communication	465,873	320,067
Marketing Expenses	1,338,508	727,064
Travelling and conveyance	952,885	332,232
Treatment Expense	4,848,854	5,344,494
Sales commission	749,132	524,996
Security Charges	805,443	717,815
Legal and professional	358,372	182,270
Miscellaneous expenses	1,205,027	1,004,867
	16,174,415	14,181,688

Notes:

(i) Payments to the auditors comprises (net of service tax, where applicable):

As auditors - statutory audit	50,000	50,000
For taxation matters	25,000	25,000
Out of pocket expense	5,725	4,000
Certification & Other Matters	2,500	-
	83,225	79,000

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

A. Tangible assets	Gross Block			Accumulated depreciation and impairment			Net block			
	Balance as at 31 March, 2015	Additions	Deletions	Balance as at 31 March, 2016	Balance as at 31 March, 2015	Depreciation / amortisation expense for the year	Other adjustments	On account of deletions	Balance as at 31 March, 2016	Balance as at 31 March, 2015
(a) Land	10,474,545	-	-	10,474,545	-	-	-	-	10,474,545	10,474,545
(b) Buildings	72,301,083	-	-	72,301,083	1,526,132	-	-	-	41,167,529	42,693,661
(c) Temporary Structure	-	29,883,242	-	29,883,242	9,463,027	-	-	-	20,420,215	-
(c) Furniture and Fixtures	6,466,376	-	-	6,466,376	270,280	-	-	-	280,160	550,450
(d) Vehicles	3,181,277	-	-	3,181,277	1,762,271	-	-	-	726,857	2,489,128
(e) Office equipment	5,965,371	885,111	-	6,850,482	509,324	-	-	-	1,350,984	975,197
(f) Others (Computers),	1,294,244	74,405	-	1,368,649	182,600	-	-	-	73,686	181,861
Total	99,682,896	30,842,758	-	130,525,654	13,713,644	-	-	-	74,493,876	57,364,862
Previous year	98,382,301	2,136,861	836,266	99,682,896	35,605,541	2,542,556	556,468	42,318,034	57,364,862	62,576,760

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