Notes to the standalone Ind AS financial statements

1. REPORTING ENTITY

Thyrocare Technologies Limited (the "Company") is a company domiciled in India, with its registered office situated at D/37-1, TTC Industrial Area, MIDC Turbhe, Navi Mumbai – 400703, Maharashtra, India. The Company has been incorporated under the provisions of the Indian Companies Act and its equity shares are listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The Company primarily operates in healthcare segment and is primarily involved in providing quality diagnostic services at affordable costs to patients, laboratories and hospitals in India.

2. BASIS OF PREPARATION

A. Statement of compliance

These standalone Ind AS financial statements (hereinafter referred to as 'standalone financial statements') have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Company's standalone financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act. As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 39. The standalone financial statements were authorized for issue by the Company's Board of Directors on 28 April 2018. The details of the accounting policies are included in Note 3.

B. Functional and presentation currency

These standalone financial statements are prepared in India Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest million, unless otherwise indicated.

C. Basis of measurement

The standalone financial statements are prepared on the historical cost basis except for the following items :

Certain financial assets and liabilities	Fair value
Liabilities for cash-settled share-based payment arrangements	Fair value
Liabilities for employee benefit obligations	Fair value on the basis of actuarial valuation

D. Use of estimates and judgments

In preparing these standalone financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements is included in the following notes :

Note 3(l) and Note 35 – leases : whether an arrangement contains a lease;

Note 3(l) and Note 35 – lease classification;

Note 25 – revenue from imaging services : whether the Company acts as a principal rather than as an agent in a transaction; and

Note 38 (f) – recognition of exceptional expenditure and contribution from shareholder : whether the receipt from shareholder towards reimbursement of exceptional expenditure are contribution.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is includedin the following notes :

Note 4 and 5 - determining an asset's expected useful life and the expected residual value at the end of its life

Note 30 - determining the provision for income taxes;

Note 32 – measurement of defined benefit obligations : key actuarial assumptions;

Note 34 - Fair value measurement of financial instruments; and

Note 36 – recognition and measurement of provisions and contingencies : key assumptions about the likelihood and magnitude of an outflow of resources;

Notes to the standalone Ind AS financial statements

E. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company generally relies on the valuation certificates obtained from third party professionals for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as statements of asset management companies managing the mutual fund schemes, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuation meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues, if any, are reported to the Company's audit committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities (includes mutual funds that have quoted price/ declared NAV).
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the f air value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes :

- Note 4C – investment property;
- Note 33 – share-based payment arrangements; and
- Note 34 – financial instruments.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Current/ non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current. The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

Assets

An asset is classified as current when it satisfies any of the following creteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is expected to be realised within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria :

(i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(ii) it is due to be settled within twelve months from the reporting date;

(iii) it is held primarily for the purposes of being traded; or

(iv) the Company does not have an unconditions right to defer settlement of liability for atlease twelve months from the reporting date. All other liabilities are classified as non-current.

Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Notes to the standalone Ind AS financial statements

Based on the nature of operations and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non-current classifications of assets and liabilities.

b. Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities are translated at the rate at the date of the transaction. Exchange differences are recognised in profit or loss.

c. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI — equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest cost / income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI These assets are subsequently measured at fair value, Dividends are recognised as income in profit of loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Notes to the standalone Ind AS financial statements

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for - trading, or it is a derivative or it is designated as such on initial recognition

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire."

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

d. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment (see Note 39).

iii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iv. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the written down value method, and is generally recognised in the statement of profit and loss. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Notes to the standalone Ind AS financial statements

Assets	Management estimate of useful life	Useful life as per Schedule II
Buildings	60 Years	60 Years
Plant and equipment (diagnostic equipment)	13 Years	13 Years
Plant and equipment (others)	15 Years	15 Years
Office equipment	5 Years	5 Years
Furniture and fittings	10 years	10 years
Computers	3-6 years	3-6 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

v. Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

e. Other intangible assets

i. Other intangible assets

Other intangible assets including those acquired by the Compay are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

ii. Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Softwares - 5 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

f. Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Since the Company has leased part of its leasehold land and building to related party to conduct the business operation, based on technical evaluation and consequent advice, the management believes the indicative useful life of relevant type of asset mentioned in Part C of Schedule II to the Act, as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates portion of the investment properties constituting building over a period of 60 years on a written-down value basis and amortises portion of the investment properties constituting land over the period of lease. Any gain or loss on disposal of an investment property is recognised in profit or loss.

g. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the

Notes to the standalone Ind AS financial statements

ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials, components and other supplies held for use in the processing are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

h. Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit- impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or - the disappearance of an active market for a security because of financial difficulties. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due."

ii. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment. For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated

Notes to the standalone Ind AS financial statements

future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset). An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

i. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

iii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service

Notes to the standalone Ind AS financial statements

cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

vi. Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

j. Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

k. Revenue from operations

i. Sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and volume rebates. This inter alia involves discounting of the consideration due to the present value if payment extends beyond normal credit terms. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

ii. Rendering of services

Revenue from testing services is recognised once the testing samples are processed for requisitioned diagnostic tests. Revenue from imaging services is recognised once the services are rendered. Revenue from technical assistance and trade mark assignment is recognised once the Company's right to receive the revenue is established by the reporting date. Revenue from technical assistance and trademark is recognised as per the agreed percentage of the turnover of the respective entities, as per the terms of the agreement.

iii. Multiple deliverable arrangements

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable that is considered to be a separate unit of account is accounted for seperately. The allocation of consideration from a revenue arrangement to its seperate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item.

l. Leases

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying

Notes to the standalone Ind AS financial statements

asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets. Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

m. Recognition of rental income, dividend income, interest income or expense

Rental income from investment property is recognised as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Rental income from sub-leasing is also recognised in a similar manner and included under other income.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to :

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

n. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

Notes to the standalone Ind AS financial statements

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable/ no longer probable, respectively, that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

o. Discontinued operations

A discontinued operation is a component of the Company's business, the operation and cash flows of which can be clearly distinguished from those of the rest of the Company and which represents a separate major line of business and is part of a single co-ordinated plant to dispose of a separate major line of business. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

p. Events after reporting date

Where events occuring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

q. Operating segments

In accordance with Indian Accounting Standard 108 'Operating Segments', segment information has been given in the consolidated financial statements of the Company.

r. Recent accounting pronouncements

Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 Revenue from Contract with Customers, Appendix B to Ind AS 21 Foreign currency transactions and advance consideration and amendments to certain other standards. These amendments are applicable to the company from 1 April 2018. The Company will be adopting the amendments from their effective date.

a) Ind AS 115 Revenue from Contract with Customers

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue. Ind AS 115 requires an entity to report information regarding nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with customers. The principle of Ind AS 115 is that an entity should recognize revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standards can be applied either retrospectively to each prior reporting period presented or can be applied retrospectively with recognition of cumulative effects of contracts that are not completed contracts at

Notes to the standalone Ind AS financial statements

the date of initial application of the standard. Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

b) Appendix B to Ind AS 21 Foreign currency transactions and advance consideration

The Appendix clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration towards such assets,expenses or income. If there are multiple payments or receipts in advance,then an entity must determine transaction date for each payment or receipts of advance consideration.

The impact of the Appendix on the financial statements,as assessed by the Company, is expected to be not material.

Notes to the standalone Ind AS financial statements

4 PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS AND INVESTMENT PROPERTY

See accounting policies in Notes 3(d) and 3(f)

In millions of INR	Cost or deemed cost (gross carrying amount)				Accumulated depreciation and impairment losses				Carrying amounts (net)	
A Tangible assets	Balance as at 1 April 2017 Balance as at 1 April 2016	Addition	Disposal	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 1 April 2017 Balance as at 1 April 2016	Depreciation/ amortisation expense for the year	Disposal	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2018 Balance as at 31 March 2017	Balance as at 31 March 2017 Balance as at 1 April 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Leasehold Land	**155.96**	**-**	**-**	**155.96**	**2.40**	**2.40**	**-**	**4.80**	**151.16**	**153.56**
	155.96	-	-	155.96	-	2.40	-	2.40	153.56	155.96
Freehold Land	**-**	**43.80**	**-**	**43.80**	**-**	**-**	**-**	**-**	**43.80**	**-**
	-	-	-	-	-	-	-	-	-	-
Buildings Premises	**388.86**	**56.75**	**-**	**445.61**	**19.01**	**19.23**	**-**	**38.24**	**407.37**	**369.85**
	388.86	-	-	388.86	-	19.01	-	19.01	369.85	388.86
Plant and Equipment	**341.99**	**124.27**	**21.61**	**444.65**	**60.35**	**70.15**	**7.06**	**123.44**	**321.21**	**281.64**
	270.64	71.35	-	341.99	-	60.35	-	60.35	281.64	270.64
Furniture and Fixtures	**65.37**	**28.38**	**0.28**	**93.47**	**17.20**	**14.44**	**0.12**	**31.52**	**61.95**	**48.17**
	61.88	3.49	-	65.37	-	17.20	-	17.20	48.17	61.88
Vehicles	**5.62**	**2.53**	**1.49**	**6.66**	**1.90**	**1.38**	**1.31**	**1.97**	**4.69**	**3.72**
	5.86	-	0.24	5.62	-	1.90	-	1.90	3.72	5.86
Office equipment	**17.78**	**10.15**	**0.10**	**27.83**	**7.79**	**5.22**	**0.08**	**12.93**	**14.90**	**9.99**
	16.10	1.73	0.05	17.78	-	7.79	-	7.79	9.99	16.10
Computers, printers and scanners	**9.72**	**7.39**	**-**	**17.11**	**4.30**	**4.93**	**-**	**9.23**	**7.88**	**5.42**
	3.76	5.96	-	9.72	-	4.30	-	4.30	5.42	3.76
Total tangible assets	**985.30**	**273.27**	**23.48**	**1,235.09**	**112.95**	**117.75**	**8.57**	**222.13**	**1,012.96**	**872.35**
	903.06	**82.53**	**0.29**	**985.30**	**-**	**112.95**	**-**	**112.95**	**872.35**	**903.06**
B Tangible capital-work-in progress									-	-
									21.33	10.18
C Investment property	**13.86**	**-**	**-**	**13.86**	**0.59**	**0.57**	**-**	**1.16**	**12.70**	**13.27**
	13.86	-	-	13.86	-	0.59	-	0.59	13.27	13.86

Notes to the standalone Ind AS financial statements

Notes

i. Capital work-in-progress

During the previous year ended 31 March 2017 the Company acquired analysers with the intention of adding more tests and technologies for providing diagnostic services. The cost of acquisition was INR 21.33 million. The Company commenced the business operations only subsequent to end of the year during the current year; cost incurred upto the reporting date totalled INR 21.33 million.

ii. Reclassification of investment property

A portion of the leasehold land and building was reclassified as investment property (see Note 3(f)) on transition to Ind AS.

Disclosre pursuant to Ind AS 40 'Investment Property'

Amount recognised in Statement of profit and loss account for investment property

	31 March 2018	31 March 2017
Rental income derived from investment property	6.95	6.43
Direct operating expenses arising from investment property that generated rental income	0.41	0.41
Direct operating expenditure that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	**6.54**	**6.02**
Depreciation	0.57	0.59
Profit/ (loss) arising from investment properties before indirect expenses	**5.97**	**5.43**

Measurement of fair values

- As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment, intangible assets and investment property.
- The Company has sub-let part of premises to its subsidiary for business operations after getting an approval from the regulator. Since the premises is constructed on leasehold plot of land, the sub-let part of the premises is not saleable independently. The fair value of the investment property would be difficult to determine reliably. The premises is constructed on industrial leasehold plot of land and there are very few recent transactions. In case of the observed recent transaction for transfer of plot prices, the variations in the prices indicate that the transfer price is not indicative of market prices. Also the alternative reliable measurement of fair value are not available due to the regulatory restrictions as to usage, transfer, leasing and subletting of the property within the jurisdiction. The fair value of the investment property on the basis of recently observed transfer prices for the properties within the same jurisdiction, ranges from INR 25.50 million to 30.00 million.

iii. Transfer of business undertaking

The Company, pursuant to the business transfer agreement, transferred the water testing division on 31 January 2018 on a slump sale basis and discontinued water testing operations from that date. The cost of acquisition of the plant, equipment and other assets pertaining to water testing division accordingly has been reduced from the gross block (INR 26.72 million) and the accumulated depreciation thereon (INR 12.30 million). The profit aggregating to INR 78.85 million has been disclosed under other income for the year ended 31 March 2018. The depreciation on these assets charged to profit and loss account was INR 2.85 million for the current period (31 March 2017 : INR 4.23 million).

iv. Deemed cost exemption

On transition to Ind AS, the Company has elected to continue with the carrying value of all its PPE and Investment Property recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the PPE and Investment Property.

Notes to the standalone Ind AS financial statements

Deemed cost as at 1 April 2016

Property, plant and equipment	Gross block as on 1 April 2016	Gross block as on 1 April 2016 transferred to Investment Property [Refer note 39]	Accumulated depreciation/ amortisation till 1 April 2016	Accumulated depreciation/ amortisation till 1 April 2016 transferred to Investment Property [Refer note 39]	Net block treated as deemed cost upon transition
Leasehold Land	168.96	(4.41)	9.12	(0.53)	155.96
Buildings/ Premises	496.58	(15.96)	97.74	(5.98)	388.86
Plant and Equipment	393.82	-	123.18	-	270.64
Furniture and Fixtures	116.12	-	54.24	-	61.88
Vehicles	17.08	-	11.22	-	5.86
Office equipment	51.79	-	35.69	-	16.10
Computers, printers and scanners	41.32	-	37.56	-	3.76
Total	**1,285.67**	**(20.37)**	**368.75**	**(6.51)**	**903.06**

	Gross block as on 1 April 2016 transferred from PPE [Refer note 39(a)]	Accumulated depreciation/ amortisation till 1 April 2016 transferred from PPE [Refer note 39]	Net block treated as deemed cost upon transition
Investment Property	20.37	6.51	13.86
Total	**20.37**	**6.51**	**13.86**

Notes to the standalone Ind AS financial statements

5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

See accounting policies in Note 3(e)

In millions of INR		Gross block				Accumulated amortisation and impairment losses				Net block	
A	**Intangible assets**	**Balance as at 1 April 2017 Balance as at 1 April 2016**	**Addition**	**Disposal**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 1 April 2017 Balance as at 1 April 2016**	**Amortisation expense for the year**	**Disposal**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 31 March 2018 Balance as at 31 March 2017**	**Balance as at 31 March 2017 Balance as at 1 April 2016**
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
	Computer software	**9.81**	**-**	**-**	**9.81**	**3.37**	**2.51**	**-**	**5.88**	**3.93**	**6.44**
		8.86	0.95	-	9.81	-	3.37	-	3.37	6.44	8.86
	Trademark *	**-**	**5.20**	**5.20**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	-	-	-	-	-	-
	Total intangible assets	**9.81**	**5.20**	**5.20**	**9.81**	**3.37**	**2.51**	**-**	**5.88**	**3.93**	**6.44**
		8.86	**0.95**	**-**	**9.81**	**-**	**3.37**	**-**	**3.37**	**6.44**	**8.86**
B	**Intangible asset under development**									-	-
										-	3.37

** The trademark was capitalised at fair value on the date of assignment of the trademark in favour of the Company.*

Note

i. Deemed cost exemption

On transition to Ind AS, the Company has elected to continue with the carrying value of all its other intangible assets recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of other intangible assets.

Deemed cost as at 1 April 2016 — In millions of INR

	Gross block as on 1 April 2016	**Accumulated amortisation till 1 April 2016**	**Net block treated as deemed cost upon transition**
Computer software	25.03	16.17	8.86
Total	**25.03**	**16.17**	**8.86**

Notes to the standalone Ind AS financial statements

6. EQUITY ACCOUNTED INVESTEES

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Interest in associates			
Equity shares (unquoted) 429,185 (31 March 2017 : Nil; 1 April 2016 : Nil) equity shares of Equinox Labs Private Limited	200.00	-	-
5,440 (31 March 2017 : 5,440; 1 April : 5,440) equity shares of USD 0.1 each of Thyrocare International Holding Company, Mauritius at premium of USD 54.83 per share	16.15	16.15	16.15
Less : Provision for other than temporary diminution in the value of investments	(16.15)	(16.15)	-
	200.00	**-**	**16.15**

Associates

Equinox Labs Private Limited (Equinox)

The Company has acquired 30% stake in Equinox Labs Private Limited ('Equinox') vide the terms of the Share Subscription and Shareholder's agreement and Business Transfer agreement executed on 15 December 2017 and 31 January 2018 respectively, partially by subscribing to 214,592 equity shares of Equinox in cash and partially by subscribing to 214,593 equity shares of Equinox for consideration other than cash for a total purchase consideration of INR 200.00 million. The equity share holding in Equinox is disclosed under Equity accounted investees as at 31 March 2018. The information for the year ended 31 March 2018 presented in the table includes the results of Equinox for the period from 24 March 2018 to 31 March 2018.

In millions of INR	Year ended 31 March 2018
Revenue	42.53
Profit	0.85
Other comprehensive income	-
Total comprehensive income	0.85
Company's share of Profit (30%)	0.01
Company's share of OCI (30%)	-
	0.01*

*The Company has not recognised the profit amounting to INR 0.01 million, since the management believes that this amount is insignificant/ immaterial to the Group.

As such, no additional disclosure in relation to financial information of the associate has been disclosed."

Thyrocare International Holding Company is in the process of liquidation and already has applied to the Registrar of Companies, Mauritius to wind-up the business operations. The net worth of the associate is fully eroded. The Company has not recognised losses in relation to its interest in this associate, because the Company has no obligation in respect of these losses.

During the year ended 31 March 2018, the Company did not receive any dividend from its associates.

The associate does not have any contingent liabilities and capital commitments as at 31 March 2018.

Notes to the standalone Ind AS financial statements

7 INVESTMENTS

In millions of INR		31 March 2018	31 March 2017	1 April 2016
A	**Non-current investments**			
	Unquoted equity shares			
	Equity shares at cost			
	Investment in subsidiary			
	11,111,000 (31 March 2017 : 11,111,000; 1 April 2016 : 11,111,000) equity shares of INR 10 each of Nueclear Healthcare Limited	1,946.74	1,946.74	1,946.74
		1,946.74	1,946.74	1,946.74
	Aggregate value of unquoted investments	1,946.74	1,946.74	1,946.74
	Aggregate amount of impairment in value of investments	-	-	-
B	**Current investments**			
	Investments in Mutual Funds (Unquoted) measured at FVTPL	1,000.98	1,041.59	703.82
	Investments in Preference shares (Unquoted) measured at FVTPL	-	-	7.00
	Nil units (31 March 2017 : Nil units; 1 April 2016 : 700,000), 9.25% Compulsorily redeemable non convertible cumulative preference shares with maturity period of April 2016 of India Infoline Finance Limited fully paid-up [Market Value - INR Nil (31 March 2017 : INR Nil; 1 April 2016 : INR 7.00)]	-	-	7.00
		1,000.98	1,041.59	710.82
	Aggregate amount of unquoted investments - At cost	939.63	1,023.79	697.08
	Aggregate amount of unquoted investments - At market value	1,000.98	1,041.59	710.82

8 LOANS

(unsecured considered good unless otherwise stated)

A	**Non-current loans and advances**			
	Loans to subsidiary (see Note 38(i))	245.00	-	-
	Security deposits			
	To related parties	-	-	1.65
	To parties other than related parties	-	6.28	6.57
	Loans and advances to employees benefit trust	-	-	0.34
	Loans and advances to employees	-	-	0.05
		245.00	6.28	8.61
B	**Current loans and advances**			
	Amount recoverable from subsidiary (see Note 37)	-	98.04	79.57
	Security deposits			
		0.24	38.04	0.38
	Loans and advances to employees benefit trust	-	0.34	-
	Loans and advances to employees	-	0.05	0.11
		0.24	136.47	80.06

Notes to the standalone Ind AS financial statements

9 RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

See accounting policies in Note 3(n)

A. Deferred tax assets and liabilities are attributable to the following :

In millions of INR	Deferred tax assets			Deferred tax liabilities			Net deferred tax (assets)/ liabilities		
	31 March 2018	**31 March 2017**	**1 April 2016"**	**31 March 2018**	**31 March 2017**	**1 April 2016**	**31 March 2018**	**31 March 2017**	**1 April 2016**
Property, plant and equipment/ Intangible assets/ Investment property	-	-	-	2.13	5.27	8.53	2.13	5.27	8.53
Investments at fair value through profit or loss	-	-	-	21.22	15.99	14.64	21.22	15.99	14.64
Provisions - employee benefits	21.61	18.38	18.36	-	-	-	(21.61)	(18.38)	(18.36)
Other items	5.79	3.09	2.89	-	-	-	(5.79)	(3.09)	(2.89)
Deferred tax (assets) liabilities	27.40	21.47	21.25	23.35	21.26	23.17	(4.05)	(0.21)	1.92
Offsetting of deferred tax assets and deferred tax liabilities	-	-	-	-	-	-	-	-	-
Net deferred tax (assets) liabilities	**27.40**	**21.47**	**21.25**	**23.35**	**21.26**	**23.17**	**(4.05)**	**(0.21)**	**1.92**

B. Movement in temporary differences

In millions of INR	**Balance as at 1 April 2016**	**Recognised in profit or loss during 2016-2017**	**Recognsed in OCI during 2016-2017**	**Balance as at 31 March 2017**	**Recognised in profit or loss during 2017-2018**	**Recognsed in OCI during 2017-2018**	**Balance as at 31 March 2018**
Property, plant and equipment/ Intangible assets/ Investment property	8.53	(3.26)	-	5.27	(3.14)	-	2.13
Investments at fair value through profit or loss	14.64	1.39	-	15.99	5.23	-	21.22
Provisions - employee benefits	(18.36)	(0.19)	0.17	(18.38)	(4.13)	0.90	(21.61)
Other items	(2.89)	(0.20)	-	(3.09)	(2.35)	-	(5.79)
	1.92	**(2.26)**	**0.17**	**(0.21)**	**(4.39)**	**0.90**	**(4.05)**

Notes to the standalone Ind AS financial statements

10 OTHER TAX ASSETS

See accounting policies in Note 3(n)

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Advance income tax (net of provision for tax)	25.72	26.73	34.51
	25.72	**26.73**	**34.51**

11 OTHER NON-CURRENT ASSETS

Capital advances	-	-	2.44
Prepaid expenses	2.39	1.58	1.55
Security deposits	14.34	4.72	4.44
Balance with government authorities	5.23	5.22	2.09
	21.96	**11.52**	**10.52**

12 INVENTORIES

See accounting policies in Note 3(g)

Reagents, diagnostic material and consumables	164.31	133.53	98.42
Stock-in-trade - Glucose strips/ Gluco meter	0.41	4.08	0.47
	164.72	**137.61**	**98.89**

13 TRADE RECEIVABLES

Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Secured, considered good	0.34	0.03	0.34
Unsecured, considered good	2.66	0.51	21.60
	3.00	0.54	21.94
Other Trade receivables			
Secured, considered good	25.62	36.58	18.77
Unsecured, considered good	63.51	22.66	32.13
	89.13	**59.24**	**50.90**
	92.13	**59.78**	**72.84**
Trade receivables from related parties (refer Note 37)	13.29	16.11	31.61

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents			
Cash on hand	0.04	-	-
Balances with banks			
in current accounts	72.35	87.10	75.96
	72.39	**87.10**	**75.96**
Other bank balances			
in deposit accounts (with original maturity period exceeding 3 months but maturing within 12 months from reporting date)	20.37	19.10	0.50
	92.76	**106.20**	**76.46**

Notes to the standalone Ind AS financial statements

15 OTHER FINANCIAL ASSETS - CURRENT

In millions of INR	31 March 2018	31 March 2017	1 April 2016
Other receivables*	-	-	65.37
Interest accrued on deposits	-	1.36	0.03
	0.67	**1.36**	**65.40**

* Receivable towards IPO related expenses to be recovered from the selling shareholders offering their shares for sale in the proposed intial public offering (see Note 38(f))

16 PREPAYMENTS

Advances for supply of goods and services	13.22	5.25	65.68
Prepaid expenses	15.82	48.27	8.79
	29.04	**53.52**	**74.47**

17 SHARE CAPITAL

In millions of INR		31 March 2018		31 March 2017		1 April 2016	
		Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount	Number of shares (in thousands)	Amount
(a)	Authorised						
	Equity shares of ₹ 10 each with equal voting rights	100,000	1,000.00	100,000	1,000.00	100,000	1,000.00
(b)	Issued, subscribed and paid-up						
	Equity shares of ₹ 10 each with equal voting rights	53,724	537.24	53,724	537.24	53,724	537.24
	Total	**53,724**	**537.24**	**53,724**	**537.24**	**53,724**	**537.24**

All issued shares are fully paid-up

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

In millions of INR	31 March 2018		31 March 2017	
	Number of shares (in thousands)	Amount	"Number of shares (in thousands)	Amount
Equity shares				
At the commencement of the period	53,724	537.24	53,724	537.24
Shares issued on exercise of employee stock options	-	-	-	-
Shares issued for cash	-	-	-	-
At the end of the period	**53,724**	**537.24**	**53,724**	**537.24**
Issued and subscribed share capital	**53,724**	**537.24**	**53,724**	**537.24**

The Company has also issued share options plan for its employees. (see Note 33)

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights

Notes to the standalone Ind AS financial statements

of an equity shareholder on a poll (not on show of hands) are in proportion to his/ its share of the paid-up equity share capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

Employee stock option plan

Terms attached to stock options plan to employees are described in Note 33 regarding share-based payments.

Particulars of shareholders holding more than 5% shares of a class of shares

In millions of INR	31 March 2018		31 March 2017		1 April 2016	
	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held	Number of shares (in thousands)	% of total shares held
Equity shares of INR 10 each fully paid-up held by -						
Dr A Velumani	14,809	27.57%	14,809	27.57%	14,809	27.57%
Thyrocare Publications LLP (formely known as "Thyrocare Publications Private Limited")	6,535	12.16%	6,535	12.16%	6,535	12.16%
Thyrocare Properties and Infrastructue Private Limited	5,218	9.71%	5,218	9.71%	5,218	9.71%
Norwest Venture Partners Fund VIIA Mauritius	-	-	5,065	9.43%	5,065	9.43%
Agalia Private Limited	-	-	1,087	2.02%	11,295	21.02%

Shares reserved for issue under options

		31 March 2018		31 March 2017		1 April 2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
a.	Under Employees Stock Option Scheme, 2017 - at an exercise price of INR 10 per share (see Note 33)	47,610	0.48	-	-	-	-
b.	Under Employees Stock Option Scheme, 2016 - at an exercise price of INR 10 per share (see Note 33)	42,100	0.42	46,719	0.47	-	-
c.	Under Employees Stock Option Scheme, 2015 - at an exercise price of INR 10 per share (see Note 33)	34,714	0.35	38,743	0.39	39,188	0.39

Aggregate number of bonus shares issued, shares issued for consideration other than cash during the period of five years immediately preceding the reporting date :

a. Employees stock options

During the year ended 31 March 2015, the Company has approved Employees Stock Options Scheme on 20 September 2014 pursuant to which certain employees are entitled to 33,650 equity shares of INR 10 each.

These equity shares have been issued to the ESOP Trust pursuant to the approved terms of employees stock option scheme 2014, for which only the exercise price i.e. the face value of shares has been recovered in cash (See Note 33)."

b. During the year ended 31 March 2015, the Company has allotted 37,383,507 equity shares of INR 10 each fully paid up on 24 September 2014, as bonus shares in the ratio of 3 equity shares for every share held, by capitalisation of securities premiumaccount of INR 370.81 million and capital redemption reserve of INR 3.03 million.

Notes to the standalone Ind AS financial statements

c. During the year 31 March 2016 and 31 March 2015, the Company has allotted 3,187,562 and 691,295 equity shares of INR 10 each fully paid up respectively, to the equity shareholders of Nueclear Healthcare Limited ('NHL') in consideration for 4,611,000 and 1,000,000 equity shares of NHL respectively at a premium of INR 295.95 per share.

18 OTHER EQUITY

In millions of INR		31 March 2018	31 March 2017	1 April 2016
(a)	Capital reserve			
	At the commencement of the year	275.39	1.06	1.06
	Transfer of trademark by shareholder at no cost (see Note 38(h))	5.20	-	
	Capital contribution by reimbursement of expenses (see Note 38(f))	21.93	274.33	-
	At the end of the year	**302.52**	**275.39**	**1.06**
(b)	Securities premium			
	At the commencement of the year	1,232.93	1,232.93	1,232.93
	Transfer on exercise of stock option	39.35	-	-
	At the end of the year	**1,272.28**	**1,232.93**	**1,232.93**
(c)	Share options outstanding			
	At the commencement of the year	50.38	25.95	25.95
	Employee compensation expense for the year	17.10	24.43	-
	Transfer to securities premium account on exercise of stock option	(39.35)	-	-
	At the end of the year	**28.13**	**50.38**	**25.95**
(d)	General reserve			
	At the commencement and end of the year	**91.67**	**91.67**	**91.67**
(e)	Retained earnings			
	At the commencement of the year	1,992.17	2,010.12	1,865.04
	Profit for the year	962.07	467.01	-
	Adjustment due to IndAS transtion	-	-	145.08
	Appropriation			
	Final/ Interim dividend on equity shares	537.24	402.93	-
	Dividend distribution tax	110.06	82.03	-
	At the end of the year	**2,306.94**	**1,992.17**	**2,010.12**
		4,001.54	**3,642.55**	**3,361.73**

Capital reserve

Capital reserve is used to record the premium received in business combinations and to record the shareholder's contribution for consideration other than cash. (see Note 38(f) and (h)).

Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilized in accordance with the provisions of the Companies Act, 2013.

Share option outstanding account

The Company has established various equity-settled share-based payment plans for certain categories of employees of the Company. (See Note 33 for further details on these plans).

Notes to the standalone Ind AS financial statements

General reserve

General reserve is used to record the transfer from retained earnings of the Company. It is utilized in accordance with the provisions of the Companies Act, 2013.

Dividends

The following dividends were declared and paid by the Company during the year :

In millions of INR	31 March 2018	31 March 2017
Interim dividend	268.62	268.62
INR 5 per equity share (31 March 2017 : INR 5 per equity share)		
Final dividend of previous financial year	268.62	134.31
INR 5 per equity share (31 March 2016 : INR 5 per equity share)		
Dividend distribution tax on dividend to equity shareholders	110.06	82.03

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities in the respective years. Dividends attract dividend distribution tax when declared or paid.

INR 5 per equity share (31 March 2017 : INR 5 per equity share)	268.62	268.62

19 LOANS

In millions of INR			31 March 2018	31 March 2017	1 April 2016
A	**Non-current loans**				
	Trade/Security deposits received		70.24	60.17	54.90
	Security deposits received				
		from related parties	9.77	-	-
	Others		0.09	0.21	0.11
			80.10	**60.38**	**55.01**
B	**Current loans**				
	Security deposits received				
		from parties other than related parties	6.31	4.54	6.94
			6.31	**4.54**	**6.94**

20 PROVISIONS

See accounting policies in Note 3(i)

A	**Non-current provisions**				
	Long-term provisions				
	Provision for employee benefits:				
		Provision for compensated absences	38.37	32.36	34.59
		Provision for gratuity	12.99	11.08	8.74
			51.36	**43.44**	**43.33**

Notes to the standalone Ind AS financial statements

		31 March 2018	31 March 2017	1 April 2016
B	**Current provisions**			
	Short-term provisions			
	Provision for employee benefits:			
	Provision for bonus *	5.82	5.06	4.38
	Provision for compensated absences	4.52	3.81	3.42
	Provision for gratuity	0.18	0.14	0.15
	Others			
	Provision for refundable staff security deposits	0.06	0.38	1.51
		10.58	**9.39**	**9.46**
	*** Movement in provision for bonus**			
	Opening Balance	5.06	4.38	
	Add: Provision during the period	5.80	4.84	
	Less: Bonus paid	(4.85)	(4.16)	
	Less: Excess provision written back	(0.19)	-	
	Closing Balance	5.82	5.06	

21 TRADE PAYABLES

Trade Payables			
- total outstanding dues of micro enterprises and small enterprises (see note 38)	0.17	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	9.55	8.66	14.55
	9.72	8.66	14.55

22 OTHER FINANCIAL LIABILITIES

Employees dues	19.13	17.18	17.30
Statutory dues *	7.77	6.00	6.43
Expenses payable #	44.67	38.20	21.62
Unclaimed dividend	0.34	-	-
Payable to related party	-	16.15	-
	71.91	**77.53**	**45.35**

** Statutory dues include tax deducted at source, local body tax, profession tax, employees provident fund and ESIC.*
 # Expenses payable includes operating, administrative and marketing expenses.
Investor Education and Protection Fund ('IEPF') - As at 31 March there is no amount due and outstanding to be transferred to the IEPF by the Company. Unclaimed dividend, if any, shall be transferred to IEPF as and when they become due.

23 CURRENT TAX LIABILITIES (NET)

Provision for current tax (net of advance tax and tax deducted at source)	50.61	11.98	17.35
	50.61	11.98	17.35

24 OTHER CURRENT LIABILITIES

Advances received from customer	32.74	26.30	22.82
Contribution received for expenses	-	18.86	-
Others	1.49	0.53	19.10
	34.23	**45.69**	**41.92**

Notes to the standalone Ind AS financial statements

25 REVENUE FROM OPERATIONS

See accounting policies in Note 3(k)

In millions of INR	31 March 2018	31 March 2017
Sale of products (See Note (i) below)	28.44	27.53
Sale of services (See Note (ii) below)	3,234.74	2,860.36
	3,263.18	**2,887.89**
Other operating revenue	54.76	87.38
	3,317.94	**2,975.27**

Note:

(i)	**Sale of products comprises :**		
	Traded goods		
	Glucose strips/ Gluco meter	28.44	27.53
	Total	**28.44**	**27.53**

* The Goods and Service Tax (GST) has replaced the excise duty, sales tax/ VAT, etc. w.e.f. 1 July 2017. The revenue from sale of traded goods are excluding GST.

(ii)	**Sale of services comprises :**		
	Diagnostic Services	3,130.27	2,625.58
	Sale of consumables for providing diagnostic services	104.47	119.30
	Imaging Services *	-	115.48
	Total	**3,234.74**	**2,860.36**

*The outsourcing arrangement for imaging services from the subsidiary was discontinued w.e.f. 1 January 2017, the revenue from imaging services for the previous year therefore represents revenue of nine months of the previous financial year with no revenue recognised for the current financial year after discontinuance of the arrangement.

26 OTHER INCOME

Interest income (see Note (i) below)	11.18	1.65
Dividend income from current investment	36.34	42.29
Technical assistance/ trade mark assignment fees	6.16	1.47
Net gain on sale of current investments	6.25	4.62
Profit on disposal of business undertaking	78.85	-
Rental income from property subleases	6.95	6.43
Financial assets at FVTPL - net change in fair value :		
Mandatorily measured at FVTPL - held for trading	26.24	5.53
Mandatorily measured at FVTPL - others	0.57	0.55
Others (see Note (ii) below)	63.81	51.54
	236.35	**114.08**

Notes to the standalone Ind AS financial statements

Note:

In millions of INR		31 March 2018	31 March 2017
(i)	**Interest income comprises:**		
	Interest from banks on deposits	1.30	1.36
	Interest on deposit for electricity	0.65	0.29
	Interest on other advances	9.23	0.00
	Total - Interest income	**11.18**	**1.65**
(ii)	**Others comprises:**		
	Net gain on sale of property, plant and equipment	-	0.31
	Miscellaneous income	63.81	51.23
	Total - Others	**63.81**	**51.54**

27	**a.**	**Cost of materials consumed**		
		Opening stock	133.53	98.42
		Add: Purchases	911.46	792.59
			1,044.99	**891.01**
		Less: Closing stock	164.31	133.53
		Cost of material consumed	**880.68**	**757.48**
		Material consumed comprises:		
		Reagents/ Diagnostics material	796.73	686.72
		Consumables - laboartory	70.04	15.02
		Consumables - processing	13.91	55.74
27	**b**	**Purchase of Stock in trade**	**880.68**	**757.48**
		Glucose strips/ Gluco meter	24.10	25.61
			24.10	**25.61**
27	**c.**	**Changes in inventories of stock-in-trade**		
		Inventories at the end of the year:		
		Glucose strips/ Gluco meter	0.41	4.08
			0.41	**4.08**
		Inventories at the beginning of the year:		
		Glucose strips/ Gluco meter	4.08	0.47
			4.08	**0.47**
		Net change	**3.67**	**(3.61)**

Notes to the standalone Ind AS financial statements

28 EMPLOYEE BENEFITS EXPENSE

In millions of INR	31 March 2018	31 March 2017
Salaries, wages and bonus	252.48	228.90
Contributions to provident and other funds	24.44	18.28
Employees stock compensation expense	17.10	24.43
Gratuity	5.09	2.90
Compensated absences	13.80	17.05
Staff welfare expenses	11.98	10.65
	324.89	**302.21**

29 OTHER EXPENSES

Outlab processing	17.99	139.62
Power and fuel and water	48.29	46.52
Rent	113.64	107.24
Repairs and maintenance - Buildings	11.14	8.46
Repairs and maintenance - Machinery	16.51	16.24
Repairs and maintenance - Others	0.43	0.64
Insurance	0.94	1.74
Rates and taxes	10.37	21.38
Communication	7.69	5.12
Service charges	141.28	127.46
Postage and courier	29.21	29.91
Travelling and conveyance	4.34	2.49
Printing and stationery	31.59	43.52
Freight and forwarding	1.50	1.37
Sales incentive	95.20	70.24
Advertisement expenses	49.25	7.00
Accreditation expenses	4.71	3.38
Business promotion	50.94	61.93
Bank charges	2.43	1.75
Legal and professional fees	14.94	8.54
Payments to auditors (See Note (i) below)	4.09	5.27
Financial assets mandatorily measured at FVTPL - net change in fair value [See Note 34]	2.47	9.33
Net loss on sale of property, plant and equipment	0.22	-
Loss on foreign exchange fluctuation (net)	6.84	1.85
Provision for doubtful debts	-	6.48
Corporate social responsibility (See Note (ii) below)	20.05	13.51
Miscellaneous expenses	8.47	5.42
	694.53	**746.41**

Notes to the standalone Ind AS financial statements

Notes:

In millions of INR			31 March 2018	31 March 2017
(i)	**Payments to the auditors comprises**			
	Statutory audit fees		3.50	3.64
	Tax audit fees		0.24	0.47
	Others		0.35	1.16
			4.09	**5.27**
(ii)	**Details of corporate social responsibility expenditure**			
	(a)	Amount required to be spent by the Company during the year	18.22	15.16
	(b)	Amount spent during the year (in cash)		
		- construction / acquisition of any asset	-	-
		- on purpose other than above	20.05	13.51
			20.05	**13.51**

30 INCOME TAX

See accounting policies in Note 3(n)

		31 March 2018	31 March 2017
A.	**Amount recognised in profit or loss**		
	Current tax		
	Current period (a)	523.65	403.65
	Changes in estimates related to prior years (b)	-	(0.63)
	Deferred tax (c)		
	Attirbutable to -		
	Origination and reversal of temporary differences	(4.39)	(2.26)
		(4.39)	(2.26)
	Tax expense (a)+(b)+(c)	**519.26**	**400.76**
B.	**Amount recognised in other comprehensive income**		
	Re-measurement gains/ (losses) on defined benefit plans	(4.05)	0.17
	Revaluation of land and buildings	-	-
	Net (loss)/gain on FVTOCI equity Securities	-	-
	Tax expense in other comprehensive income	(4.05)	0.17

		31 March 2018		31 March 2017	
C.	**Reconciliation of effective tax rate**				
	Profit before tax	1,501.57		1,141.77	
	Tax using the Company's domestic tax rate	519.66	34.6%	395.14	34.6%
	Effect of :				
	Income which is taxed at special rates	(6.58)	-0.4%	(0.54)	0.0%
	Non-deductible expenses (net)	15.69	1.0%	21.79	1.9%
	Tax exempt income	(12.58)	-0.8%	(14.64)	-1.3%
	Tax on income not credited to profit and loss account	9.39	0.6%	-	0.0%
	Others	(6.32)	-0.4%	(0.37)	0.0%
	Total	**519.26**	**34.6%**	**401.39**	**35.2%**
	Adjustment in respect of current income tax of previous year	-		(0.63)	
	Tax expense as per statement of profit and loss	**519.26**		**400.76**	

Notes to the standalone Ind AS financial statements

31 EARRNING PER SHARE

In millions of INR		31 March 2018	31 March 2017
(i)	**Basic**		
	Net profit for the year attributable to equity shareholders	962.07	467.01
	Weighted average number of equity shares outstanding during the year	53,723,533	53,723,533
	Face value per share INR	10	10
	Earnings per share - Basic INR	17.91	8.69
(ii)	**Diluted**		
	Net profit for the year attributable to equity shareholders	962.07	467.01
	Weighted average number of equity shares for Basic EPS	53,723,533	53,723,533
	Add: Equity shares reserved for issuance on ESOP	173,445	83,927
	Weighted average number of equity shares - for diluted EPS	53,896,978	53,807,460
	Face value per share INR	10	10
	Earnings per share - Diluted INR	17.85	8.69

32 ASSETS AND LIABILITIES RELATING TO EMPLOYEE BENEFITS

A. Defined contribution plans

The Company makes Provident Fund, ESIC and Maharashtra Labour Welfare Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 17.96 million (31 March 2017 : ₹ 14.56 million) for Provident Fund contributions, ₹ 6.41 million (31 March 2017 : 3.65 million) for ESIC contributions and ₹ 0.07 million for Maharashtra Labour Welfare Fund (31 March 2017 : ₹ 0.07 million) in the Statement of Profit and Loss during the year (See note 28). The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company does not expect any further liability other than the specified contributions.

B. Defined benefit plans

The Company offers the following employee benefit schemes to its employees :

- Gratuity

The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

In millions of INR			31 March 2018	31 March 2017
a.	**Components of employer expense**			
.	i	Expenses recognised in profit or loss		
		Current service cost	2.96	2.20
		Interest cost	0.82	0.70
		Past service cost	**1.31**	**-**
	Total expense recognised in the Statement of Profit and Loss		**5.09**	**2.90**
	ii.	Expenses recognised in other comprehensive income		
		Actuarial (gain) loss on defined benefit obligations	(2.59)	(0.50)
	Total expense recognised in other comprehensive income		**(2.59)**	**(0.50)**

Notes to the standalone Ind AS financial statements

In millions of INR		31 March 2018	31 March 2017	1 April 2016
b.	**Net asset / (liability) recognised in the Balance Sheet**			
	Present value of unfunded obligation	(13.17)	(11.22)	(8.89)
	Net asset / (liability) recognised in the Balance Sheet	(13.17)	(11.22)	(8.89)
	Net asset/ (liability) is bifurcated as follows :			
	Current	(0.18)	(0.14)	(0.15)
	Non Current	(12.99)	(11.08)	(8.74)
	Net asset / (liability) recognised in the Balance Sheet	(13.17)	(11.22)	(8.89)
c.	**Change in defined benefit obligations (DBO) during the year**			
	Present value of DBO at beginning of the period	11.22	8.90	7.13
	Current service cost	2.96	2.20	1.91
	Interest cost	0.82	0.70	0.63
	Actuarial (gains) / losses	(2.59)	(0.50)	(1.40)
	Past service cost	1.31	-	0.90
	Prior period liability recognised in current year	-	-	-
	Benefits paid	(0.55)	(0.08)	(0.28)
	Present value of DBO at the end of the year	13.17	11.22	8.90
d.	**Actuarial assumptions**			
	Discount rate	7.78%	7.27%	7.86%
	Salary escalation	10%	10%	10%
	Rate of employee turnover	Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a.	"Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."	"Employees : For service 2 yrs. & below 25% p.a., For service 3 yrs. to 4 yrs. 10% p.a. & thereafter 2% p.a. Directors : 1% p.a."
	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

In millions of INR		31 March 2018	31 March 2017
e.	**Maturity analysis of the benefit payments from the employer**		
	Projected benefits payable in future years from the date of reporting		
	1st following year	0.18	0.14
	2nd following year	0.21	0.17
	3rd following year	0.24	0.19
	4th following year	0.35	0.22
	5th following year	0.30	0.29
	Sum of years 6 to 10	2.07	1.77
	Sum of years 11 and above	64.28	51.52
f.	**Sensitivity analysis**		
	Projected benefits obligation on current assumptions	13.17	11.23
	Delta effect of +1% change in rate of discounting	(2.04)	(1.83)
	Delta effect of -1% change in rate of discounting	2.57	2.31
	Delta effect of +1% change in rate of salary increase	2.27	1.82
	Delta effect of -1% change in rate of salary increase	(1.86)	(1.54)
	Delta effect of +1% change in rate of employee turnover	(0.47)	(0.41)
	Delta effect of -1% change in rate of employee turnover	0.55	0.49

Notes to the standalone Ind AS financial statements

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

33 SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements

During the year, the Company has offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2017” (ESOS2017) vide authorisation of shareholders in the annual general meeting held on 12 August 2017. The options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed two years of service as on 31 March 2017, subject to their continuous service till the vesting period.

During the earlier years, the Company had offered stock options to the eligible employees under “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2016” (ESOS2016), “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2015” (ESOS2015) and “THYROCARE EMPLOYEES STOCK OPTION SCHEME 2014” (ESOS2014) vide authorisation of shareholders in their meetings held on 12 September 2016, 26 September 2015 and 20 September 2014 respectively. Under the respective scheme, the options may be exercised either fully or partially in four equal instalments. The employees were identified as those who had completed certain years of service subject to their continuous service till the vesting period.

Additionally, in respect of ESOS2014, the Company formed a trust, ‘Thyrocare Employee Stock Option Trust’ wherein the shares to be issued under these options were allotted to the Trust. The Trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The identified employees are also entitled to purchase additional shares proportionately from the shares of employees who are not desirous to purchase the equity shares or who have left the organisation.

The key details of the various schemes are as under:

Scheme	Date of Grant	Numbers of options granted	Vesting Period	Exercise Period	Exercise Price (INR) per share	Weighted Average Exercise Price (INR) per share
ESOS2017	12-Aug-17	50,516	3 years	One year from vesting date	10	10
ESOS2016	12-Sep-16	50,537	3 years	One year from vesting date	10	10
ESOS2015	26-Sep-15	40,434	3 years	One year from vesting date	10	10
ESOS2014	20-Sep-14	134,600*	2.5 years	One year from vesting date	10	10

* Includes 100,950 bonus shares

Notes to the standalone Ind AS financial statements

B. Employee stock option activity under the respective schemes is as follows:

Scheme	31 March 2018 No of Options	31 March 2017 No of Options
ESOS2017		
Outstanding at 1 April	-	-
Granted during the year	50,516	-
Forfeited during the year	2,906	-
Exercised during the year	-	-
Outstanding at 31 March	47,610	-
ESOS2016		
Outstanding at 1 April	46,719	-
Granted during the year	-	50,537
Forfeited during the year	4,619	3,818
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	42,100	46,719
ESOS2015		
Outstanding at 1 April	38,473	39,188
Granted during the year	-	-
Forfeited during the year	3,759	715
Exercised during the year	-	-
Expired during the year	-	-
Outstanding at 31 March	**34,714**	**38,473**
ESOS2014		
Outstanding at 1 April	134,600	134,600
Granted during the year	-	-
Forfeited during the year	-	-
Exercised during the year	133,381	-
Shares vested and not exercised during the year	1,219	-
Expired during the year	-	-
Outstanding at 31 March	**-**	**134,600**

C. The key assumptions used to estimate the fair value of options are:

	31-Mar-18	31-Mar-17
Volatility	14.11%	14.11%
Expected life	1.5-2.5 years	1.5-2.5 years
Dividend Yield	100%	100%
Risk-free interest rate (based on government bonds)	6.25% to 6.61%	6.25% to 6.61%
Model Used	Black & Scholes	Black & Scholes

The expense arises from equity settled share based payment transaction amounting to INR 17.10 million and INR 24.43 million for the year ended 31 March 2018 and 31 March 2017 respectively.

Notes to the standalone Ind AS financial statements

34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classifications and fair values

In millions of INR	Note	Carrying amount				Fair value			
31 March 2018 31 March 2017 *1 April 2016*		**FVTPL**	**FVOCI**	**Amotised cost**	**Total carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets									
Investments	7A,7B	1,000.98	-	-	1,000.98	1,000.98	-	-	1,000.98
(other than in subsidiary)		1,041.59	-	-	1,041.59	1,041.59	-	-	1,041.59
		710.82	-	-	710.82	710.82	-	-	710.82
Loans	8A,8B	-	-	245.24	245.24	-	-	-	-
		-	-	142.75	142.75	-	-	-	-
		-	-	88.67	88.67	-	-	-	-
Trade receivables	13	-	-	92.13	92.13	-	-	-	-
		-	-	59.78	59.78	-	-	-	-
		-	-	72.84	72.84	-	-	-	-
Cash and cash equivalents	14	-	-	72.39	72.39	-	-	-	-
		-	-	87.10	87.10	-	-	-	-
		-	-	75.96	75.96	-	-	-	-
Other bank balances	14	-	-	20.37	20.37	-	-	-	-
		-	-	19.10	19.10	-	-	-	-
		-	-	0.50	0.50	-	-	-	-
Others	15	-	-	0.67	0.67	-	-	-	-
		-	-	1.36	1.36	-	-	-	-
				65.40	65.40	-	-	-	-
		1,000.98	**-**	**430.80**	**1,431.78**	**1,000.98**	**-**	**-**	**1,000.98**
		1,041.59	-	310.09	1,351.68	1,041.59	-	-	1,041.60
		710.82	-	303.37	1,014.20	710.82	-	-	710.83
Financial liabilities									
Loans	19A,19B	-	-	86.41	86.41	-	-	86.41	86.41
		-	-	64.92	64.92	-	-	64.92	64.92
		-	-	61.95	61.95	-	-	61.95	61.95
Trade payables	21	-	-	9.72	9.72	-	-	-	-
		-	-	8.66	8.66	-	-	-	-
		-	-	14.55	14.55	-	-	-	-
Others	22	-	-	71.91	71.91	-	-	-	-
		-	-	77.53	77.53	-	-	-	-
		-	-	45.35	45.35	-	-	-	-
		-	-	168.04	168.04	-	-	86.41	86.41
		-	-	151.11	151.11	-	-	64.92	64.92
		-	-	121.85	121.85	-	-	61.95	61.95

The above excludes investment in associates amounting to INR 200.00 million (31 March 2017 : INR Nil; 1 April 2016 : INR 16.15 million), which are accounted as per equity method.

Notes to the standalone Ind AS financial statements

B. Measurement of fair values

The Management assessed that cash and bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair value

a) The fair value of the quoted investments/units of mutual fund scheme are based on market price/net asset value at the reporting date.

b) The fair value of the remaining financial instrument is determined using discounted cash flow method. The discount rates used is based on management estimates.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (ii));
- liquidity risk (see (C) (iii))
- market risk (see (C) (iv)).

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans.

The Company has no significant concentration of credit risk with any counterparty.

Trade receivables and loans

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment delivery terms and conditions are offered. Sale limits are established for each customer and reviewed periodically. Any sales exceeding those limits require approval from the management.

The Company limits its exposure to credit risk from trade receivables by establishing a credit limit that is linked to either category of the customer or the security deposits paid by the customer to avail the services. In monitoring customer credit risk, customers are compared according to their credit characteristics, including whether

Notes to the standalone Ind AS financial statements

they are individuals or legal entities, whether they are a wholesale, retails or end-user customers, their geographic locations, industry, trading history with the Company and existence of previous financial difficulties.

The Company is monitoring the credit limits and is taking actions to limit

its exposure to customers including reduction in certain customer credit limits.

The Company's exposure to credit risk for trade receivables by type of counter party was as follows -

In millions of INR	Carrying amount		
	31 March 2018	**31 March 2017**	**1 April 2016**
Trade receivables			
Service providers and projects	64.92	33.89	31.09
Others	27.21	25.88	41.75
	92.13	59.78	72.84
Trade receivables			
India	78.71	50.10	41.03
Other regions	13.42	9.68	31.81
	92.13	59.78	72.84

Expected credit loss (ECL) assessment for individual customers as at 1 April 2016, 31 March 2017 and 31 March 2018

As per simplified approach the Company makes provision of expected credit losses on trade receivable using a provision matrix to mitigate the risk of default payment and make appropriate provision at each reporting date wherever. At March 31, 2018, the ageing of trade receivables that were not impaired was as follows.

In millions of INR	Carrying amount		
	31 March 2018	**31 March 2017**	**1 April 2016**
1-30 days past due	51.82	35.61	27.06
31-60 days past due	11.00	7.03	5.08
61-90 days past due	17.02	2.81	2.88
91-180 days past due	9.68	13.70	16.85
More than 180 days past due	2.61	0.62	20.98

Management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The Company has an exposure of INR 245 million as 31 March 2018 (31 March 2017 : INR Nil; 1 April 2016 : INR Nil) for loans given to subsidiaries. Such loans are classified as financial asset measured at amortised cost. The Company did not have any amounts that were past due but not impaired at 31 March 2018 or 31 March 2017. The Company has no collateral in respect of these loans.

Credit risk on cash and cash equivalents, deposits with banks is generally low as the said deposits have been made with the banks who have been assigned high credit rating by international and domestic credit rating agencies. Investments of surplus funds are made only with approved financial institutions. Investments primarily include investments in subsidiaries, mutual funds and preference shares. These mutual funds, preference shares and counterparties have low credit risk.

Movement in the allowance for impairment in respect of trade receivables and loans

Notes to the standalone Ind AS financial statements

The movement in the allowance for impairment in respect of trade receivables and loans is as follows :

In millions of INR	31 March 2018	31 March 2017
Balance at 1 April	-	-
Amounts written off	-	-
Net remeasurement of loss allowance	-	-
Balance at 31 March	-	-

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company uses product cost techniques to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflow on financial liabilities over the next twelve months. The ratio of cash and cash equivalents to outflows is 11 at 31 March 2018 (31 March 2017 : 10; 1 April 2016 : 11). The Company also monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. At 31 March 2018, the expected cash outflows on trade payables and loans maturing within six months are INR 16.03 millions (31 March 2017 : INR 13.20 million; 1 April 2016 : INR 21.49 million). This excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disaster.

Exposure to liquidity risk

The following are remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

In millions of INR	**Carrying amount as on 31 March 2018** 31 March 2017	**Total**	**6months of less**	**6-12 months**	**1-2 years**
Non-derivative financial liabilities					
Trade payables	**9.72**	**9.72**	**9.72**	**-**	**-**
	8.66	8.66	8.66	-	-
Employees dues	**19.13**	**19.13**	**19.13**	**-**	**-**
	17.18	17.18	17.18	-	-
Statutory dues	**7.77**	**7.77**	**7.77**	**-**	**-**
	6.00	6.00	6.00	-	-
Expenses payable	**44.67**	**44.67**	**44.67**	**-**	**-**
	38.20	38.20	38.20	-	-
Payable to related party	-	-	-	-	-
	16.15	**16.15**	**16.15**	**-**	**-**

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1 April 2016

In millions of INR	Carrying amount	Total	6months of less	6-12 months	1-2 years
Non-derivative financial liabilities					
Trade payables	14.55	14.55	14.55	-	-
Employees dues	17.30	17.30	17.30	-	-
Statutory dues	6.43	6.43	6.43	-	-
Expenses payable	21.62	21.62	21.62	-	-
Payable to related party	-	-	-	-	-

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the functional currency of Company. The functional currency for large number of transactions of the Company is INR and majority of the customers the Company dealt with operate from India only. The Company receives more than 98% of its revenue from the domestic operations only."

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances or enter into long term arrangement with the regular vendors to mitigate the currency rate fluctuations.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

In millions of INR/ USD	INR	USD
Trade receivables	13.29	0.07
	16.11	**0.25**
Trade payables	1.46	0.00
	0.92	0.01
Net exposure in respect of recognized assets and liabilities	11.83	0.07
	15.19	0.24
1-Apr-16		
Trade receivables	31.63	0.48
Trade payables	9.95	0.15
Net exposure in respect of recognized assets and liabilities	21.68	0.33

Notes to the standalone Ind AS financial statements

Sensitivity analysis

A reasonably possible strengthening (weakening) of the INR or US dollar at 31 March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in millions of INR	Profit or loss		Equity, net of tax	
	Strengthning	Weakening	Strengthning	Weakening
31-Mar-18				
INR (10% movement)	1.18	-1.18	1.18	-1.18
31-Mar-17				
INR (10% movement)	1.52	-1.52	1.52	1.52

35 OPERATING LEASES

See accounting policies in Note 3(l)

A. Leases as lessee

The Company has taken a number of offices and premises under operating leases. The leases typically run for a period of three to nine years, with an option to renew the lease after that period. Lease payments are renegotiated every three years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in specified local price indices. The lease for the land at central processing laboratory premises was transferred in the name of the Company about 9-10 years ago. The lease premium paid to the landlord on transfer of lease rights in favour of the Company, is capitalised in the books and amortised over the period of the lease. Further, part of the property on the said leased land, since no longer required for use by the Company has been sublet to it's subsidiary, after approval from the regulator. During the year, the Company has recovered sublease payments of INR 6.95 million (31 March 2017 : INR 6.43 million) in respect of this lease. The portion of the property thus sub-leased was recognised as investment property (see Note 3(f) and note to Note 4).

i. Future minimum lease payments

At 31 March, the future minimum lease payments to be made under non-cancellable operating leases are as follows :

In millions of INR	31-Mar-18	31-Mar-17	1-Apr-16
Payable in less than one year	20.60	10.72	9.79
Payable between one and five years	63.08	49.56	33.39
Payable after more than five years	8.59	16.53	16.22
	92.27	**76.81**	**59.40**

ii. Amounts recognized in profit or loss

In millions of INR	31-Mar-18	31-Mar-17
Lease expenses – minimum lease payments	23.88	21.04
Contingent rent expense	-	-
Sub-lease income	6.95	6.43

B. Equipment placement arrangements

The Company uses testing equipment (analysers) under a number of reagent rental arrangements. Some of these arrangements provide the Company with option to purchase the equipment at the end of lease term at mutually negotiated price. These arrangements are not in the legal form of lease, but is accounted for as such based on its terms and conditions. The Company has recognised part of the consideration paid/ agreed to be paid to these vendors for reagents as operating lease consideration for use of equipment. The Company has recognised INR 89.76 million (31 March 2017 : INR 86.20 million) as lease rental towards use of equipment and balance towards cost of reagents.

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36 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

	In millions of INR	31-Mar-18	31-Mar-17	1-Apr-16
	Contingent liabilities			
	Claims against the Company not acknowledged as debts			
a.	Property tax demand (see note (i))	101.48	82.90	67.59
b.	Income tax demands - TDS matter (see note (ii))	368.52	368.52	368.52
c.	Other income tax assessments (see note (iii))	-	3.48	1.43
d.	Employees provident fund matter (see note (iv))	5.23	5.23	5.23

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgments/ decisions pending with various forums/ authorities.

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position.

Notes :

i. Navi Mumbai Municipal Corporation (NMMC) raised a claim on the original owner of the corporate office premises at D/37 -3 located at Turbhe on account of arrears arising from retrospective amendment in the property tax rates. The Company has not received any reply to the letters filed from time to time with NMMC for the said matter. A writ petition has been filed before the H'ble High Court at Mumbai seeking intervention against the arbitrary assessment of the property tax with retrospective effect for the stated premises. The H'ble High Court vide an order directed NMMC to decide the representation as early as possible and positively within four months after granting an opportunity of hearing to the Company. However, the Company till date has not received any representation / proposal from NMMC to resolve the grievance as regards to the illegal tax demand. The total amount of dues payable to NMMC is INR 121.54 million (31 March 2017: INR 93.24 million; 1 April 2016 : INR 71.04 million). Of the total amount of dues payable, the Company has provided for property tax dues of INR 13.79 million (31 March 2017: INR 10.34 million; 1 April 2016 : INR 3.45 million) for the said premises on the basis of the constructed area and the rates charged for the adjacent plot towards property tax. The balance outstanding amount of INR 101.48 million (31 March 2017: INR 82.90 million; 1 April 2016 : INR 67.59 million) as per NMMC for the corporate office premises has not been acknowledged as debts in the books of the Company.

ii. The Company had received income tax demand of INR 368.52 million (31 March 2017 : INR 368.52 million; 1 April 2016 : INR 368.52 million) on account of TDS survey proceedings initiated by the Income tax department for the FY 2008-09 to 2011-12. The Company has filed an appeal before the H'ble High Court at Mumbai and the H'ble High Court, Mumbai vide their order dated 11 September 2017, set aside the income tax demands. The H'ble High Court, Mumbai further directed the Income Tax Tribunal to hear the Appeals afresh on merits and in accordance with law after giving complete opportunity to both sides to place their versions and arguments. The Company till date however has not received any intimation from Income Tax Tribunal for the date of hearing to decide on the stated tax demands. On the basis of the order of the H'ble High Court, in view of the management no provision is considered necessary as at 31 March 2018.

iii. The CIT (Appeals) vide its order dated 22 March 2017 dismissed an appeal filed by the Company for the Assessment year 2012-13 challenging the Income Tax demand of INR 3.48 million (included under contingent liability as at 1 April 2016). The Company has not preferred further appeal against the stated order and accordingly, the Company has allowed the department to adjust the unpaid demand for the said appeal against the refund due to the Company for AY 2014-15.

iv The Company received an order for Provident Fund demand of ₹ 5.23 million (31 March 2017: INR 5.23 million; 1 April 2016 : INR 5.23 million) on account of an inquiry u/s 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Company has already filed an appeal before the Tribunal and requested for condonation of delay and stay of the demand raised by the Regional Provident Fund Commissioner. The tribunal has passed an order dismissing the appeal in default to which the Company has filed an application for restoring the appeal. The appeal is restored back and is currently pending for hearing. As per the direction of the Provident Fund Appellate Tribunal, the Company has paid 40% of disputed amount aggregating ₹ 2.09

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million (31 March 2017: ₹ 2.09 million; 1 April 2016 : INR 2.09 million) to the Provident Fund organisation. Meanwhile, the Regional Provident Fund Commissioner has proceeded to recover the balance amount in dispute. The Company has filed an application before the Tribunal for refunding the recovery amount, inspite of the stay granted by the Tribunal. The matter is pending for hearing and in view of the management no provision is considered necessary as at 31 March 2018.

In millions of INR	31-Mar-18	31-Mar-17
Commitments		
a. Estimated amount of contracts remaining to be executed on capital account	-	-
b. Commitments relating to long term arrangement with vendors (see note (i))	3,648.77	2,631.38

i. The Company has entered into Reagent Rental Arrangements for periods ranging from 2 years to 6 years with some of its major reagent supplieINR As per the terms of the agreement, these reagent suppliers have placed the analysers / diagnostic equipments at no cost in the processing laboratory. The analysers / diagnostic equipments are programmed by the manufacturers to be used only against the reagent supplier's brand of reagent kits. The commitments as per these arrangements are either purchase commitments or rate commitments based on the workloads. The value of purchase commitments for the remaining number of years are INR 3,648.77 million (31 March 2017: INR 2,631.38 million) of which annual commitment for next year is INR 856.68 million (31 March 2017 : INR 593.26 million) as per the terms of these arrangements.

37 RELATED PARTIES

A. Details of related parties:

Description of relationship	Names of related parties
Subsidiary	Nueclear Healthcare Limited
Associates	Equinox Labs Private Limited (From 28 March 2018)
	Thyrocare International Holding Company Limited, Mauritius
Enterprise over which directors and their relatives exercise control or influence, where transactions have taken place during the year	Thyrocare Gulf Laboratories WLL
	Sumathi Infra Project LLP
	Sumathi Construction Private Limited
	Mahima Advertising LLP
	Thyrocare Properties & Infrastructure Private Limited
	Thyrocare Publications LLP
Key Management Personnel (KMP)	Dr A Velumani, Managing Director
	A Sundararaju, Director
	Amruta Velumani, Director
Relatives of KMP	Dr A Velumani HUF (HUF in which Dr A Velumani is Karta)
	Amruta Velumani (daughter of Dr A Velumani)
	Anand Velumani (son of Dr A Velumani)
	A Sundararaju HUF (HUF in which A Sundararaju is Karta)
	S Susila (sister of Dr A Velumani)

Notes to the standalone Ind AS financial statements

B. Transactions with key management personnel

i. Key management personnel compensation

In millions of INR	Year ended	Year ended	Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Dr A Velumani	(0.00)*	16.00	0.00	0.65	1.40
A Sundararaju	6.00	8.00	0.35	0.36	0.65
	6.00	24.00	0.35	1.01	2.05

* Amount less than ₹ 0.01 million

Compensation of the Company's key managerial personnel includes salaries, non – cash benefits and contributions to post-employment defined benefit plan.

ii. Transactions with key management personnel including directors

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Dividend paid					
Dr A Velumani	148.09	111.07	-	-	-
A Sundararaju	2.49	1.87	-	-	-
Amruta Velumani	7.53	5.64	-	-	-
Assignment of trademark (see note (ii) below)					
Dr A Velumani	0.00	-	-	-	-
Royalty payment					
Dr A Velumani	-	0.03	-	-	-
Waiving of royalty payment (see note (ii) below)					
Dr A Velumani	-	0.03	-	-	-

C. Related party transaction other than those with key management personnel

In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Rent Paid / payable					
Sumathi Construction Private Limited	3.31	2.82	-	-	-
Nueclear Healthcare Limited	1.37	0.90	-	-	-
Rent received / receivable					
Nueclear Healthcare Limited	6.90	6.43	-	13.51	-
Outlab processing charges paid / payable					
Nueclear Healthcare Limited	-	104.50	-	-	-
Equinox Labs Private Limited	0.22	-	0.22	-	-

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In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Transfer of Whaters division					
Equinox Labs Private Limited	100.00	-	-	-	-
Subscription paid for equity shares					
Equinox Labs Private Limited	100.00	-	-	-	-
Revenue from operations					
Thyrocare Gulf Laboratories WLL	19.29	26.35	9.04	9.63	24.63
Other income					
Thyrocare Gulf Laboratories WLL	-	0.19	-	-	-
Provision for other than temporary diminution in the value of long-term investments					
Thyrocare International Holding Company Limited, Mauritius	-	16.15	16.15	16.15	-
Provision for doubtful trade receivables					
Thyrocare Gulf Laboratories WLL	-	6.48	6.48	6.48	-
Sale of non-current investments					
S Susila	-	16.15	-	-	-
Loans to subsidiary					
Nueclear Healthcare Limited	245.00	-	245.00	-	-
Interest received					
Nueclear Healthcare Limited	9.22	-	-	-	-
Reversal of sale of non-current investments					
S Susila	-	16.15	-	-	-
Balances written off					
" Thyrocare International Holding Company Limited, Mauritius"	-	0.03	-	-	-
Expenses incurred on behalf of the company					
Nueclear Healthcare Limited	4.38	5.16	-	-	-
Thyrocare Gulf Laboratories WLL	1.78	0.80	-	-	-

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In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Expenses incurred by					
Nueclear Healthcare Limited	0.79	0.67	-	-	-
Sumathi Construction Private Limited	0.47	0.37	-	-	-
Technical assistance fees income					
Thyrocare International Holding Company Limited, Mauritius"	2.10	1.47	-	-	-
Thyrocare Gulf Laboratories WLL	4.25	-	4.25	6.48	6.98
Dividend paid					
Anand Velumani	6.33	4.75	-	-	-
Dr A Velumani HUF	9.12	6.84	-	-	-
A Sundararaju HUF	24.16	18.12	-	-	-
Sumathi Infra Project LLP	15.76	11.82	-	-	-
Mahima Advertising LLP	12.60	9.45	-	-	-
Thyrocare Properties & Infrastructure Private Limited	52.18	39.13	-	-	-
Thyrocare Publications LLP	65.35	49.01	-	-	-
Amount recovered/ recoverable					
Nueclear Healthcare Limited	82.80	-	-	84.53	79.57
Thyrocare International Holding Company Limited, Mauritius"	-	-	-	-	0.03
Amount payable					
Nueclear Healthcare Limited	-	-	-	-	9.64
Sumathi Construction Private Limited		-		-	0.08
Thyrocare Gulf Laboratories WLL	-	-	-	-	4.75
S Susila				16.15	-
Investment in equity instruments					
Equinox Labs Private Limited	200.00	-	200.00	-	-
Nueclear Healthcare Limited	-	-	1,946.74	1,946.74	1,946.74
Thyrocare International Holding Company Limited, Mauritius"	-	-	16.15	16.15	16.15

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In millions of INR	Transaction value		Balance outstanding		
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	1 April 2016
Security deposit taken					
Nueclear Healthcare Limited	11.50	-	11.50	-	-
Security deposit given					
Nueclear Healthcare Limited	-	-	1.86	1.86	1.86

Notes :

i. The key management personnel, or their related parties, hold position in other entities that result in them having control or significant influence over these entities. These entities transacted with the Company during the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel entities on an arm's length basis.

ii. The Company was providing for royalty based on the terms of the agreement for using the trademark. During the previous year, as Dr. A. Velumani has decided to transfer the assigned trademark to the Company, he has decided to waive the royalty payable to him for use of the trademark until the transfer takes effect.

Further during the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has tranferred the rights in the trademark - “”Whaters”” in favour of the company [subsequently disposed off with the water testing business], for a token money of INR 1. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to capital reserves as shareholder's contribution.

38 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

a. Due to Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the Management, the outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are set out in following disclosure. This has been relied upon by the auditors.

In millions of INR		31 March 2018	31 March 2017
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	0.17	-
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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b. The Company completed Initial Public Offer through an offer for sale of 10,744,708 equity shares of ₹ 10 each at a price of ₹ 446 by the Selling shareholders. Accordingly, the Company has not raised money by way of initial public offer, and hence no funds received by the Company.

The equity shares of the Company got listed on NSE and BSE on 9 May 2016.

c. In accordance with Indian Accounting Standard 108 'Operating Segment', segment information has been given in the consolidated financial statements of the Company.

d. The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2017. The Company will undertake a study for transactions upto 31 March 2018 and an independent opinion will be obtained for the same. Management believes that the Company's international transactions and domestic transactions with related parties post 31 March 2017 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of provision for taxation.

e. The disclosure regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made since the requirement does not pertain to financial year ended 31 March 2018. Corresponding amounts as appearing in the audited financial statements for the period ended 31 March 2017 has been disclosed.

In millions of INR	**SBN**	**Other**	**Total**
Closing cash in hand as on 8 November 2016	0.30	0.21	0.51
Transaction between 9 November 2016 to 30 December 2016			
Add: Withdrawal from bank accounts	-	0.38	0.38
Add: Receipts from permitted transactions (see Note 1)	-	38.63	38.63
Add : Receipts for non-permitted transactions			
- TSP related receipts (see Note 2)	13.62	-	13.62
- Others (see Note 1)	1.28	-	1.28
Less : Paid for permitted transactions (see Note 3)	-	(0.31)	(0.31)
Less : Paid for non-permitted transactions (see Note 3)			
Less: Deposited in bank accounts	(1.58)	(7.24)	(8.82)
Less: TSP related direct deposits (see Note 2)	(13.62)	(30.93)	(44.55)
Closing cash in hand as on 30 December 2016	-	0.74	0.74

Note:

1. The Company is into healthcare related services. The consideration towards diagnostic services and imaging services was received in SBN. The Company has deposited the same, without incurring any expenditure out of these received SBN into KYC complied current bank account of the group. The company has collected appropriate details including PAN etc of the patients.

2. The receipts from authorised service providers towards diagnostic services availed and as deposited directly by the service providers in the Company's current banking account is disclosed/prepared to the extent of information available and details as provided by the bank.

3. The Company has not made any direct payment, out of the SBN received, towards either permitted/non-permitted transactions. The payment towards permitted transactions have been incurred outof withdrawal of non SBN currency.

Notes to the standalone Ind AS financial statements

f. Pursuant to the IPO, in the previous year, Agalia Private Limited ('APL' or the selling shareholder) divested part of its share-holding in the Company. At the instance of APL, the Company entered into contracts for advertisements in various media with the intention to promote the 'Thyrocare' brand. Since these contracts aggregating ₹ 304.85 million were entered into at the specific instance of APL, APL has fully reimbursed the Company in respect of the payments made towards these contracts. During year ended 31 March 2018, the Company has incurred advertising costs aggregating to ₹ 21.93 million (31 March 2017 : ₹ 274.33 million) in this respect. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to Capital Reserves to the extent of reimbursement received from APL post IPO.

In millions of INR	31 March 2018	31 March 2017
Advertisement expenses	21.93	274.33
(debited to Profit and Loss Account under exceptional items)		
Reimbursement received towards the above from shareholder	21.93	274.33
(added to the Capital Reserves as shareholder's contribution under IndAS)		

g. On 28 April 2018, the Board of directors has recommended a final dividend of ₹ 5 per equity share for the financial year ended 31 March 2018. As per the provisions of Companies (Accounting Standards) Amendment Rules, 2016 proposed dividend is not recognised as a liability as at 31 March 2018. Post approval of proposed dividend by shareholders in the ensuing Annual General Meeting, there will be cash outflow of ₹ 323.83 million including dividend distribution tax.

h. During the current year, vide the terms of the trademark assignment agreement, Dr. A. Velumani has transferred the rights in the trademark - "Whaters" in favour of the Company [subsequently disposed off with the water testing business], for no consideration. The fair value of the trademark on the date of assignment of the trademark in favour of the Company was capitalised by crediting the fair value to Capital Reserves as shareholder's contribution.

i. Disclosure as per Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties :

Name of party	Relationship	Amount outstanding as at		Maximum balance outstanding during the year	
		31 March 2018	31 March 2017	31 March 2018	31 March 2017
Nueclear Healthcare Limited	**Wholly owned subsidiary company**	**245.00**	**-**	**245.00**	**-**

The above loan was given to the subsidiary for its business activities (refer note 37).

Disclosure as per Section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows :

(i) Details of investments made are given in Note 6 and Note 7.

(ii) Details of the loans given by the Company is given in Note 8A.

(iii) There are no guarantees issued by the Company in accordance with section 186 of the Companies Act, 2013 read with rules issued thereunder.

Notes to the standalone Ind AS financial statements

39 EXPLANATION OF TRANSITION TO IND AS

As stated in Note 2, these are the Company's first standalone financial statements prepared in accordance with Ind AS. For the year ended 31 March 2017, the Company had prepared its standalone financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these standalone financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening standalone Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its standalone Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in standalone financial statements prepared in accordance with previous GAAP. This note explains the principal adjustment made by the Company in restating its standalone financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

A. Optional exemptions availed and mandatory exceptions

In preparing these consolidated financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

1 Business combinations

As per Ind AS 101, at the date of transition, an entity may elect not to restate business combinations that occurred before the date of transition, If the entity restates any business combinations that occurred before the date of transition, then it restates all later business combinations.

The Company has opted to restate business combinations on or after 1 April 2016.

2 Property plant and equipment, intangible assets and investment properties

As per Ind AS 101 an entity may elect to:

i) measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii) use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was at the date of the revaluation, broadly comparable to:

- fair value;
- or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

(iii) use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101) if there has been no change in its functional currency on the date of transition.

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also.

Notes to the standalone Ind AS financial statements

3 Determining whether an arrangement contains a lease

Ind AS 101 includes an optional exemption that permits an entity to apply the relevant requirements in Appendix C of Ind AS 17 for determining whether an arrangement existing at the date of transition contains a lease by considering the facts and circumstances existing at the date of transition (rather than at the inception of the arrangement). The Company has elected to avail of the above exemption.

4 Designation of previously recognised financial instruments

Ind AS 101 permits an entity to designate particular equity investments (other than equity investments in subsidiaries, associates and joint arrangements) as at fair value through other comprehensive income (FVOCI) based on facts and circumstances at the date of transition to Ind AS (rather than at initial recognition). Other investments are classified at fair value through profit or loss (FVTPL).

B. Mandatory exceptions Ind AS

1 Estimates

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement; Key estimates considered in preparation of the standalone financial statements that were not required under the previous GAAP are listed below:

- Fair valuation of financial instruments carried at FVTPL.
- Impairment of financial assets based on the expected credit loss model.
- Determination of the discounted value for financial instruments carried at amortised cost.

2 Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

Notes to the standalone Ind AS financial statements

Reconciliation of equity

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Assets							
Non-current assets							
Property, plant and equipment	a	916.92	-13.86	903.06	885.62	-13.27	872.35
Tangible capital-work-in progress		10.18	-	10.18	21.33	-	21.33
Investment property	a	-	13.86	13.86	-	13.27	13.27
Other intangible assets	i	8.86	-	8.86	6.05	0.39	6.44
Intangible fixed assets under development	i	3.37	-	3.37	0.40	-0.40	-
Equity accounted investees	b	-	16.15	16.15	-	-	-
Financial assets							
Investments	b	1,962.89	-16.15	1,946.74	1,946.74	-	1,946.74
Loans	c	10.75	-2.14	8.61	8.49	-2.21	6.28
Deferred tax assets (net)	j	25.55	-25.55	-	44.08	-43.87	0.21
Other tax assets		34.51		34.51	26.73		26.73
Other non-current assets	c	8.95	1.57	10.52	9.80	1.72	11.52
Total non-current assets		**2,981.98**	**-26.12**	**2,955.86**	**2,949.24**	**-44.37**	**2,904.87**
Current assets							
Inventories		98.89	-	98.89	137.61	-	137.61
Financial assets							
Investments	d	694.92	15.90	710.82	1,014.83	26.76	1,041.59
Trade receivables	i	73.00	-0.16	72.84	58.60	1.18	59.78
Cash and cash equivalents		75.96	-	75.96	87.10	-	87.10
" Other bank balance in deposit accounts (other than cash and cash equivalents above)		0.50	-	0.50	19.10	-	19.10
Loans	c	80.06	-	80.06	136.57	-0.10	136.47
Others		65.40	-	65.40	1.36	-	1.36
Prepayments	c,i	73.94	0.53	74.47	50.91	2.61	53.52
Total current assets		**1,162.67**	**16.27**	**1,178.94**	**1,506.08**	**30.45**	**1,536.53**
Total assets		**4,144.65**	**-9.85**	**4,134.80**	**4,455.32**	**-13.92**	**4,441.40**

Notes to the standalone Ind AS financial statements

In millions of INR	Note	As at date of transition 1 April 2016			As at 31 March 2017		
		Previous GAAP*	Adjustment on transition to Ind AS	Ind AS	Previous GAAP*	Adjustment on transition to Ind AS	Ind AS
Equity							
Equity share capital		537.24	-	537.24	537.24	-	537.24
Other equity							
Capital reserve	e	1.06	-	1.06	1.06	274.33	275.39
Securities premium		1,232.93	-	1,232.93	1,232.93	-	1,232.93
Share options outstanding	f	25.92	0.03	25.95	50.55	-0.17	50.38
General reserve		91.67	-	91.67	91.67	-	91.67
Retained earnings		1,865.04	145.08	2,010.12	2,290.88	-298.70	1,992.18
Equity attributable to owners of the Company		**3,753.86**	**145.11**	**3,898.97**	**4,204.33**	**-24.54**	**4,179.79**
Liabilities							
Non-current liabilities							
Financial liabilities							
Loans	c	55.53	-0.52	55.01	62.50	-2.12	60.38
Deferred tax liabilities (net)	j	-	1.92	1.92	-	-	-
Provisions		43.33	-	43.33	43.44	-	43.44
Total non-current liabilities		**98.86**	**1.40**	**100.26**	**105.94**	**-2.12**	**103.82**
Current liabilities							
Financial liabilities							
Trade payables	i	14.55	-	14.55	2.49	6.17	8.66
Loans	c	6.94	-	6.94	4.54	-	4.54
Others		45.35	-	45.35	77.53	-	77.53
Other current liabilities	g	35.87	6.05	41.92	39.12	6.57	45.69
Provisions	h	171.87	-162.41	9.46	9.39	-	9.39
Current tax liabilities (net)		17.35	-	17.35	11.98	-	11.98
Total current liabilities		**291.93**	**-156.36**	**135.57**	**145.05**	**12.74**	**157.79**
Total liabilities							
Total equity and liabilities		**4,144.65**	**-9.85**	**4,134.80**	**4,455.32**	**-13.92**	**4,441.40**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Notes to the standalone Ind AS financial statements

Notes to reconciliation of equity as at 31 March 2017 and as at 1 April 2016 between Previous GAAP to Ind AS:

a Classification of investment property

The Company has reclassified portion of the leasehold land and building with undetermined future use to investment property. This has resulted in decrease in the carrying value of leasehold land by INR 3.83 million (1 April 2016 : INR 3.89 million) and carrying value of buildings/ premises by INR 9.44 million (1April 2016 : INR 9.97 million). The reclassified portion of the leasehold land and building was disclosed under investment property alongwith the accumulated depreciation on the portion of the leasehold land and building on the date of transition.

b Classification of equity accounted investees

The Company has reclassified the investment held in associate company Thyrocare International Holding Company (TIHC), using equity method. This has resulted in decrease in the carrying value of non-current investment by INR 16.15 million on the date of transition.

c Fair valuation of security deposits for rented premises and deferred rent

The Company has given interest free security deposits for rented premises. The interest free security deposits have been fair valued on the date of transition and the difference between the transaction amount and the fair value has been recognised as prepaid rent. The security deposits have been subsequently amortised under effective interest rate method and the prepaid rent on a straight line basis over the term of the lease. This has resulted in recognising prepaid rent of INR 1.72 million (1 April 2016 : INR 1.57 million) in other non-current assets and INR 0.61 million (1 April 2016 : INR 0.53 million) in other current assets. The security deposits have been reduced by INR 2.21 million (1 April 2016 : INR 2.14 million) in non current asset and reduction by INR 0.10 million (1 April 2016 : INR Nil). The lease payments to the lessors structured to increase in line with expected general inflation to compensate for lessor's expected inflationary cost increases are charged to profit and loss account in respective accounting period. This has resulted in reduction in deferred rent of INR 1.67 million (1 April 2016 : INR 0.52 million) in non-current loans and INR 0.03 million (1 April 2016 : INR Nil) in other current liabilities.

d Fair valuation of investment in mutual funds

The Company has invested INR 1014.83 million (1 April 2016 : INR 687.92 million) in debt oriented mutual funds. The fair value of the investment was INR 1041.59 million (1 April 2016 : INR 703.82 million) on that date The amount of investment has increased by INR 26.76 million (1 April 2016 : INR 15.90 million) under Ind AS from that under previous GAAP.

e Contribution from shareholder for reimbursement of expenses

The Company has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

f Fair valuation of share-based payments

The Company granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding by INR 0.17 million (1 April 2016 : increase of INR 0.03 million).

g Deferral of income related to registration fees

An amount of INR 6.57 million (1 April 2016 : INR 6.05 million) has been deferred, in respect of consideration received for one time registration fees from service providers as the same is not considered as a separate obligation and shall be recognised over the period of association of the service providers.

h Recognition of proposed dividend

The proposed final dividend at the reporting date, unless approved by the shareholders are considered to be non-adjusting event. Accordingly, provision for proposed dividend and dividend distribution tax recognised under previous GAAP has been reversed, under IndAS.

Notes to the standalone Ind AS financial statements

i **Rectification of prior period adjustments**

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

j **Deferred tax**

The Company has recognised a deferred tax liability of INR 43.87 million (1 April 2016 : INR 27.47 million) on the temporary differences arising on account of the above Ind AS adjustments.

Reconciliation of total comprehensive income for the year ended 31 March 2017

In millions of INR	Note	Year ended 31 March 2017		
		Previous GAAP *	Adjustment on transition to Ind AS	Ind AS
Continuing operations				
Revenue from operations	a,b,l	3,000.59	-25.32	2,975.27
Other income	c,d,l	80.81	33.27	114.08
Total income		**3,081.40**	**7.95**	**3,089.35**
Expenses				
Cost of materials consumed	e,f,l	783.77	-26.29	757.48
Purchases of stock-in-trade	e	86.37	-60.76	25.61
Changes in inventories of stock-in-trade	e	-8.63	5.02	-3.61
Employee benefits expense	g,i,l	293.49	8.72	302.21
Finance cost	b	-	2.57	2.57
Depreciation and amortisation expense		116.89	0.02	116.91
Other expenses	a,b,c,f,j,l	676.50	69.91	746.41
Total expenses		**1,948.39**	**-0.81**	**1,947.58**
Profit before exceptional items and tax		1,133.01	8.76	1,141.77
Exceptional items	k	-	-274.33	-274.33
Profit after exceptional items and before tax		1,133.01	-265.57	867.44
Tax expense:				
Current tax		403.02	-	403.02
Deferred tax	m	-18.49	16.23	-2.26
		384.53	**16.23**	**400.76**
Profit after tax		748.48	-281.80	466.68
Other comprehensive income				
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
" Re-measurement gains/ (losses) on defined benefit plans"	i	-	0.50	0.50
Income tax effect	m	-	-0.17	-0.17
		-	**0.33**	**0.33**
Other comprehensive income for the year, net of tax		-	0.33	0.33
Total comprehensive income for the year		**748.48**	**-281.47**	**467.01**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

Notes to the standalone Ind AS financial statements

Notes to reconciliation of statement of profit and loss for the year ended 31 March 2017 between previous GAAP to IndAS

a Reclassification of sales incentives and receipts of non-operating nature

Sales incentives directly attributable to sales of INR 8.02 million have been reclassified from other expenses to revenue. This has resulted in decrease of revenue and other expenses by INR 8.02 million. Receipts from service providers not directly attributable to sales of INR 14.44 million have been reclassified from revenue to other income. This has resulted in decrease of revenue and increase in other income by INR 14.44 million.

b Recognition of deemed income on interest free security deposits from service providers

An amount of INR 3.41 million has been recognised as deemed income on unwinding of interest free security deposits from service providers at fair value on initial recognition. This has resulted in increase of revenue INR 3.41 million, recognition of finance cost of INR 2.56 million and increase in other expenses of INR 0.85 million.

c Gain on change in fair value of investment in mutual funds

An amount of INR 1.69 million has been recognised as net loss on change in fair value of investment in investment in mutual funds during the financial year ended 31 March 2017. This further has resulted in decrease in other expenses by INR 12.77 million on account of reversal of provision for diminution in value of the investments due to recognition of these investments at fair value.

d Unwinding of interest income on interest free security deposits for rented premises

The Company has provided an interest free security deposits for rented premises. It has fair valued these security deposits on initial recognition and amortised the same under effective interest rate method. The Company has recognised an interest income INR 0.55 million on unwinding of such security deposits which was recognised at fair value on initial recognition.

e Reclassification of cost of consumables used for providing diagnostic services

Cost of consumables used for providing diagnostic services directly attributable to providing diagnostic services of INR 55.74 million have been reclassified from cost of traded material to cost of material consumed. This has resulted in decrease of purchase of stock-in-trade and changes in inventories of stock-in-trade by INR 55.74 million and increase in cost of material consumed by INR 55.74 million.

f Reclassification of deemed rental charges on plant and equipment held under reagent rental arrangements

The company has acquired testing equipment (analysers), under a number of reagent rental arrangements. Under Ind AS, the company has recognised part of the cost of material consumed on plant and equipment held under reagent rental agreements, on the basis of economic useful life of these equipments, apportioned on straight line basis over the period of useful life as rent. This has resulted in increase of other expenses and decrease of cost of material consumed by INR 85.40 million.

g Fair valuation of share-based payments

The Company granted stock options to certain employees. Under Ind AS, the related liability has been adjusted to reflect the fair value of the outstanding share-based payments. This has resulted in decrease in the carrying value of share options outstanding and resulted in decrease in employee benefits expense by INR 0.20 million.

i Actuarial gain and loss

Under Ind AS, all actuarial gains and losses are recognised in other comprehensive income. Under previous GAAP the Company recognised actuarial gains and losses in profit or loss amounting to INR 0.50 million.

j Amortisation of prepaid rent arising on fair valuation of security deposits on initial recognition

An amount of INR 0.81 million has been adjusted against rent expenses on account of amortisation of prepaid rent arising on fair valuation of security deposit on initial recognition.

Notes to the standalone Ind AS financial statements

k Contribution from shareholder for reimbursement of expenses

The Company has received reimbursement of advertisement expenditure of INR 274.33 million during the previous financial year, incurred at the instance, from one a shareholder. Under Ind AS, considering the nature and size of the transactions, the expenses incurred are continued to be shown as an exceptional item, however the reimbursement received from APL has been considered as capital contribution and added to the capital reserves.

l Rectification of prior period adjustments

On transition to IndAS and preparation of comparative standalone financial statements, the Company has identified certain errors in classification, that are not material and does not have material impact on reported standalone profit under the previous GAAP. The same are adjusted while preparing financial statements in accordance with Ind AS.

m Deferred tax

The Company has recognised a deferred tax expense of INR 16.23 million on the temporary differences arising on account of the above Ind AS adjustments.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Rajesh Mehra
Partner

Membership No: 103145

Mumbai
28 April 2018

For and on behalf of the Board of Directors of
Thyrocare Technologies Limited
CIN - L85110MH2000PLC123882

Ramjee D
Company Secretary
Membership No - F2966

Dr. A Velumani
Managing Director
DIN - 00002804

A Sundararaju
Director and Chief Financial Officer
DIN - 00003260

Mumbai
28 April 2018