

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Quess Corp Limited

(Rs. in Crores)

	As per last Quarter Unaudited Financials	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	For the 6 months ended and as at September 30, 2016	For the 12 months ended and as at March 31, 2016	For the 15 months ended and as at March 31, 2015	For the 9 months ended and as at December 31, 2013
Equity Paid up Capital	126.75	113.34	25.77	19.00
Preference Share Capital	--	--	--	77.18
Reserves and surplus	669.25	232.25	225.96	85.50
Carry forward losses	--	--	--	--
Net Worth	796.00	345.59	250.73	181.68
Miscellaneous Expenditure	--	--	--	--
Secured Loans	399.97	374.48	220.43	64.08
Unsecured Loans	--	--	--	--
Fixed Assets	43.04	52.92	18.88	12.24
Income from Operations	2,008.66	3,435.01	2,567.06	1,006.01
Total Income	2,015.03	3,443.44	2,574.50	1,008.31
Total Expenditure	1,932.73	3,318.08	2,469.72	980.18
Profit before Tax	82.31	125.36	104.77	28.13
Profit after Tax	54.81	89.72	68.89	19.23
Cash profit	48.51	90.02	80.06	12.14
EPS (Basic)	4.61#	7.92	7.46	12.93
EPS (Diluted)	4.51#	7.77	5.95	7.34
Book value	63.20	30.50	97.56	55.01

Not Annualised.

For Quess Corp Limited



Sudershan Pallap
Vice President & Company Secretary



B S R & Associates LLP

Chartered Accountants

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11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

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Review Report to

The Board of Directors of Quess Corp Limited

We have reviewed the accompanying statement of unaudited consolidated financial results ("Statement") of Quess Corp Limited ('the Company'), and its subsidiaries listed in Note 1 to the Statement (collectively referred to as 'the Group'), for the quarter and six months ended 30 September 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter and six months ended 30 September 2015 including the reconciliation of profit under Ind AS of the corresponding quarter and corresponding six months ended 30 September 2015 with profit reported under previous GAAP, as reported in the Statement have been approved by the Company's Board of Directors but have not been subjected to our review and are as prepared by the Company's management. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 19 October 2016. Our responsibility is to issue a report on this Statement based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standards require that we plan and perform the review to obtain moderate assurance about whether the financial results are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We did not review the financial results of sixteen subsidiaries which have been incorporated in the financial results of the Group. These subsidiaries account for 16.86% of total assets as at 30 September 2016 and 18.26% and 18.24% of the aggregate of total revenue (including other income) for the quarter and six months ended 30 September 2016 respectively, as shown in the Statement. Of the above:

- a. The financial results of seven subsidiaries incorporated outside India as drawn up in accordance with the generally accepted accounting principles of the respective countries ('the local GAAP') have been reviewed by other auditors duly qualified to act as auditors in those countries. These subsidiaries account for 12.95% of total assets as at 30 September 2016 and 14.73% and 15.08% of the aggregate of total revenue (including other income) for the quarter and six months ended 30 September 2016 respectively, as shown in the Statement. For the purposes of preparation of the Statement, the aforesaid local GAAP financial results have been restated by the Management of the said entities so that they conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting and disclosure requirements applicable to Statement under the generally accepted accounting principles in India. The reporting packages made for this purpose have been reviewed by the other auditors and reports of those other auditors have been furnished to us. Our opinion on the Statement, insofar as it relates to these entities, is based solely on the aforesaid Review Reports of these other auditors.
- b. The financial results of nine subsidiaries (incorporated inside and outside India) have not been subject to review either by us or by other auditors, and therefore, the financial results for the quarter and six months ended 30 September 2016 of these entities have been furnished to us by the Management. These subsidiaries account for 3.91% of total assets as at 30 September 2016 and 3.53% and 3.16% of the aggregate of total revenue (including other income) for the quarter and six months ended 30 September 2016 respectively, as shown in the Statement and therefore, are not material to the statement.

B S R & Associates LLP

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for B S R & Associates LLP

Chartered Accountants

Firm registration number: 116231W/W-100024



Vineet Dhawan

Partner

Membership No.: 092084

Place: Bangalore

Date: 19 October 2016

Quess Corp Limited						
Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;						
CIN No. U74140KA2007PLC043909						
(Rupees in lakhs except per share data)						
Part I Statement of unaudited consolidated financial results for the quarter and six months ended 30 September 2016						
Sl. No.	Particulars	Consolidated				
		Quarter ended			Six months ended	
		30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Income from operations					
	a) Sale of services	101,770.36	99,095.98	80,186.04	200,866.34	153,211.09
	b) Other operating income	-	-	-	-	-
	Total Income from operations (a + b)	101,770.36	99,095.98	80,186.04	200,866.34	153,211.09
2	Expenses					
	a) Cost of material and stores and spare parts consumed	1,941.25	1,243.48	1,264.31	3,184.73	2,333.97
	b) Employee benefit expenses	87,142.45	85,454.82	70,174.31	172,597.27	136,023.01
	c) Depreciation and amortisation expense	691.31	600.23	342.02	1,291.54	540.24
	d) Other expenses	7,171.97	7,122.81	4,952.44	14,294.78	7,753.81
	Total Expenses (a + b + c + d)	96,946.98	94,421.34	76,733.08	191,368.32	146,651.03
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	4,823.38	4,674.64	3,452.96	9,498.02	6,560.06
4	Other income	567.35	69.72	226.12	637.07	433.38
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	5,390.73	4,744.36	3,679.08	10,135.09	6,993.44
6	Finance expenses	983.84	920.75	802.01	1,904.59	1,277.23
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	4,406.89	3,823.61	2,877.07	8,230.50	5,716.21
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before tax (7 + 8)	4,406.89	3,823.61	2,877.07	8,230.50	5,716.21
10	Tax expense, net	1,394.72	1,354.17	1,061.53	2,748.89	2,098.84
11	Net Profit from ordinary activities after tax (9 - 10)	3,012.17	2,469.44	1,815.54	5,481.61	3,617.37
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 - 12)	3,012.17	2,469.44	1,815.54	5,481.61	3,617.37
14	Other comprehensive income (net of tax)	(130.31)	(78.37)	26.16	(208.68)	30.98
15	Total comprehensive income	2,881.86	2,391.07	1,841.70	5,272.93	3,648.35
16	Paid-up equity share capital (Face value of Rs. 10 per share)	12,595.34	11,333.51	2,577.38	12,595.34	2,577.38
17	Earning Per Share (EPS) (not annualised)					
	(a) Basic (Rs)	2.42	2.18	1.64	4.61	3.27
	(b) Diluted (Rs)	2.37	2.13	1.63	4.51	3.24

See accompanying notes to the financial results



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<p style="text-align: center;">Qess Corp Limited Registered Office: Qess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103; CIN No. U74140KA2007PLC043909 <i>(Rupees in lakhs except per share data)</i></p>					
Statement of consolidated segment wise revenue, results, assets and liabilities for the quarter and six months ended 30 September 2016					
Sl. No.	Particulars	Consolidated			
		Quarter ended			Six months ended
		30 September 2016	30 June 2016	30 September 2015	30 September 2016
		Unaudited	Unaudited	Unaudited	Unaudited
1	Segment revenue				
	a) People and services	58,310.86	56,715.78	45,051.95	115,026.64
	b) Global technology solutions	27,789.45	27,469.30	21,815.00	55,258.75
	c) Integrated facility management	9,948.64	9,612.94	9,008.16	19,561.58
	d) Industrial asset management	5,721.41	5,297.96	4,310.93	11,019.37
	Total Income from operations	101,770.36	99,095.98	80,186.04	200,866.34
2	Segment results				
	a) People and services	2,615.32	2,508.09	1,947.48	5,123.41
	b) Global technology solutions	1,968.06	1,956.58	1,335.82	3,924.64
	c) Integrated facility management	498.40	350.36	412.00	848.76
	d) Industrial asset management	563.23	550.89	209.57	1,114.12
	e) Unallocated	(821.63)	(691.28)	(451.91)	(1,512.91)
	Total	4,823.38	4,674.64	3,452.96	9,498.02
	Less: (i) Finance costs	983.84	920.75	802.01	1,904.59
	Add: (i) Other income	567.35	69.72	226.12	637.07
	Total profit before tax	4,406.89	3,823.61	2,877.07	8,230.50
3	Segment assets				
	a) People and services	38,399.30	39,079.84	31,021.15	38,399.30
	b) Global technology solutions	48,989.37	50,960.69	44,233.67	48,989.37
	c) Integrated facility management	16,510.49	14,062.03	10,399.85	16,510.49
	d) Industrial asset management	12,495.40	11,693.53	9,203.11	12,495.40
	e) Unallocated	67,042.66	25,286.18	13,321.20	67,042.66
	Total	183,437.22	141,082.27	108,178.98	183,437.22
4	Segment liabilities				
	a) People and services	28,866.15	16,899.11	14,800.34	28,866.15
	b) Global technology solutions	9,900.20	16,469.82	13,322.85	9,900.20
	c) Integrated facility management	6,015.61	5,680.56	5,144.00	6,015.61
	d) Industrial asset management	2,196.33	3,775.38	3,039.96	2,196.33
	e) Unallocated	56,859.03	58,121.54	40,201.88	56,859.03
	Total	103,837.32	100,946.41	76,509.03	103,837.32

See accompanying notes to the financial results



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Qness Corp Limited

Registered Office: Qness House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;
Consolidated statement of Assets and Liabilities

(Rupees in lakhs except per share data)

Particulars		As at
		30 September 2016
		Unaudited
A	ASSETS	
1	Non-current assets	
	a) Property, Plant and Equipment	4,195.82 ✓
	b) Capital work-in-progress	108.39 ✓
	c) Goodwill	20,361.35 ✓
	d) Other Intangible assets	811.57 ✓
	e) Financial assets	
	i) Investments	365.50 ✓
	ii) Other financial asset	1,514.74 ✓
	f) Deferred tax assets(net)	4,883.85 ✓
	g) Other non-current assets	1,006.47 ✓
	h) Income tax assets (net)	9,164.67 ✓
		42,412.36 ✓
2	Current assets	
	a) Inventories	553.26 ✓
	b) Financial assets	
	i) Investments	9,595.51 ✓
	ii) Trade receivables	43,364.31 ✓
	iii) Cash and cash equivalents	16,152.45 ✓
	iv) Bank balances other than above	24,114.25 ✓
	v) Loans	1,130.39 ✓
	c) Other financial assets	616.51 ✓
	d) Other current assets	45,498.18 ✓
		141,024.86 ✓
	Total Assets	183,437.22 ✓
B	EQUITY AND LIABILITIES	
1	Equity	
	a) Equity share capital	12,595.34 ✓
	b) Share application money pending allotment (options exercised) *	79.54 ✓
	c) Other equity	66,925.02 ✓
		79,599.90 ✓
2	Non-current liabilities	
	a) Financial liabilities	
	i) Borrowings	3,249.11 ✓
	ii) Other financial liabilities	2,968.89 ✓
	b) Provisions	2,247.52 ✓
		8,465.52 ✓
3	Current liabilities	
	a) Financial liabilities	
	i) Borrowings	36,747.77 ✓
	ii) Trade payables	3,164.49 ✓
	iii) Other financial liabilities	46,706.16 ✓
	b) Other current liabilities	6,705.08 ✓
	c) Provisions	2,048.30 ✓
		95,371.80 ✓
	Total Equity and Liabilities	183,437.22 ✓

* Allotted on October 17, 2016.



Notes:

- 1 The above results of Quess Corp Limited ("the Company") and its subsidiaries (collectively known as 'group') are prepared in accordance with requirement of the Indian Accounting Standard 110 "Consolidated Financial Statement" prescribed by Companies (Accounting Standard) Rules, 2006 (as amended). The consolidated figures above include figures of subsidiaries including step subsidiaries companies namely Coachieve Solutions Private Limited, MFX Infotech Private Limited, Aravon Services Private Limited, Quess (Philippines) Corp, Quess Corp (USA) Inc., Quesscorp Holdings Pte. Ltd, Ikya Business Services (Private) Limited, Mindwire Systems Ltd., Canada, Brainhunter Companies Canada Inc., Brainhunter Companies LLC, Brainhunter Systems Ltd, Canada, MFXchange Holdings Inc., MFXchange (Ireland) Limited, MFXchange US Inc., Quessglobal (Malaysia) SDN.BHD and Randstad Lanka Private Limited.
- 2 The Statement of unaudited consolidated financial results ('the Statement') of the group for the quarter and six months ended 30 September 2016 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their meeting held on 19 October 2016.
- 3 The figures for the quarter ended 30 September 2016 was subjected to 'Limited Review' by Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website www.quesscorp.com.
- 4 During the three month period ended 30 September 2016, the Company has completed the Initial Public Offering (IPO) and raised a total capital of Rs 40,000 lakhs by issuing 12,618,297 equity shares of Rs 10 each at a premium of Rs 307 per equity share. The equity shares of the Company got listed on NSE and BSE effective from 12 July 2016. The proceeds from IPO is Rs 37,038.47 lakhs (net of estimated issue expenses).

Details of utilisation of IPO proceeds are as follows:

(Rupees in lakhs)

Particulars	Objects of the issue as per the prospectus	Utilised amount upto 30 September 2016	Unutilised amount as on 30 September 2016
Repayment of debt	5,000.00	5,000.00	-
Capital expenditure requirement of the Company and its subsidiary i.e., MFX US	7,171.70	-	7,171.70
Funding incremental working capital requirement	15,790.10	9,500.00	6,290.10
Acquisitions and strategic initiatives	8,000.00	-	8,000.00
General corporate purpose	1,076.67	-	1,076.67
Total	37,038.47	14,500.00	22,538.47

Unutilised amounts of the issue as at 30 September 2016 have been temporarily deployed in fixed deposit with banks which is in accordance with objects of the issue.

Expenses incurred by the Company estimated at Rs 2,961.53 lakhs, in connection with IPO have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013.

- 5 These financial results have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods. Accordingly the figures for the year ended 31 March 2016 have not been presented and the same has not been reviewed/audited. Further, figures for the quarter and six months ended 30 September 2015 was neither subjected to limited review nor subjected to audit and are as prepared by the Management. The reserves (excluding revaluation reserve) as per the latest audited balance sheet i.e. 31 March 2016 not being mandatory has not been presented. The Company has also prepared a reconciliation of the net profit of the corresponding period under the previously applicable Generally Accepted Accounting Principles ('previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation for the quarter and six months ended 30 September 2015 is presented below:

(Rupees in lakhs)


Net Profit reconciliation - Consolidated	6 months ended 30 September 2015	3 months ended 30 September 2015
Profit after tax (PAT) as per previous GAAP	3,658.19	1,826.11
Employee benefit expenses (actuarial gain)	(46.76)	(39.38)
Other adjustments	5.94	28.81
PAT as per Ind AS [A]	3,617.37	1,815.54
Other comprehensive income (OCI)		
Actuarial gain / (losses) of defined benefit obligation - Gratuity (net of tax)	30.98	26.16
Sub-total [B]	30.98	26.16
Total Comprehensive Income [A+B]	3,648.35	1,841.70

- 6 Pursuant to the provisions of Listing Agreement, the Management has decided to publish unaudited consolidated financial results in the newspapers. However, the unaudited standalone financial results of the Company will be made available on the Company's website www.quesscorp.com and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).



- 7 Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Group performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. People and Services, Global Technology Solutions, Integrated Facility Management and Industrial Asset Management. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

for and on behalf of Board of Directors of
Qess Corp Limited



Aji Isaac

Chairman & Managing Director & CEO

Place: Bangalore

Date: 19 October 2016



B S R & Associates LLP

Chartered Accountants

Maruthi Info-Tech Centre
11-12/1 Inner Ring Road
Koramangala
Bangalore 560 071 India

Telephone: + 91 80 3980 6000
Fax: + 91 80 3980 6999

Review Report to

The Board of Directors of Qess Corp Limited

We have reviewed the accompanying statement of unaudited standalone financial results ("Statement") of Qess Corp Limited ('the Company') for the quarter and six months ended 30 September 2016 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to the fact that the figures for the corresponding quarter and six months ended 30 September 2015 including the reconciliation of profit under Ind AS of the corresponding quarter and corresponding six months ended 30 September 2015 with profit reported under previous GAAP, as reported in these financial results have been approved by the Company's Board of Directors but have not been subjected to review. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in their meeting held on 19 October 2016. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditors of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance about whether the financial results are free of material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with applicable accounting standard i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **B S R & Associates LLP**

Chartered Accountants

Firm registration number: 116231W/W-100024



Vineet Dhawan

Partner

Membership No.: 092084

Place: Bangalore

Date: 19 October 2016

Quess Corp Limited						
Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103;						
CIN No. U74140KA2007PLC043909						
(Rupees in lakhs except per share data)						
Part I Statement of unaudited standalone financial results for the quarter and six months ended 30 September 2016						
Sl. No.	Particulars	Standalone				
		Quarter ended			Six months ended	
		30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Income from operations					
	a) Sale of services	83,130.86	81,041.80	68,718.67	164,172.66	130,506.98
	b) Other operating income	-	-	-	-	-
	Total Income from operations (a + b)	83,130.86	81,041.80	68,718.67	164,172.66	130,506.98
2	Expenses					
	a) Cost of material and stores and spare parts consumed	1,703.99	1,020.07	991.24	2,724.06	2,065.92
	b) Employee benefit expenses	73,126.60	71,640.88	60,196.95	144,767.48	114,846.79
	c) Depreciation and amortisation expense	430.70	394.10	362.70	824.80	745.76
	d) Other expenses	3,789.62	3,902.71	3,581.91	7,692.33	6,425.84
	Total Expenses (a + b + c + d)	79,050.91	76,957.76	65,132.80	156,008.67	124,084.31
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	4,079.95	4,084.04	3,585.87	8,163.99	6,422.67
4	Other income	588.70	85.57	188.81	674.27	398.43
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	4,668.65	4,169.61	3,774.68	8,838.26	6,821.10
6	Finance expenses	804.71	768.74	651.96	1,573.45	1,147.34
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	3,863.94	3,400.87	3,122.72	7,264.81	5,673.76
8	Exceptional Items	-	-	-	-	-
9	Profit from ordinary activities before tax (7 + 8)	3,863.94	3,400.87	3,122.72	7,264.81	5,673.76
10	Tax expense, net	1,342.72	1,268.14	1,051.00	2,610.86	1,975.35
11	Net Profit from ordinary activities after tax (9 - 10)	2,521.22	2,132.73	2,071.72	4,653.95	3,698.41
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 - 12)	2,521.22	2,132.73	2,071.72	4,653.95	3,698.41
14	Other comprehensive income (net of tax)	(130.31)	(78.37)	21.86	(208.68)	30.57
15	Total comprehensive income	2,390.91	2,054.36	2,093.58	4,445.27	3,728.98
16	Paid-up equity share capital (Face value of Rs. 10 per share)	12,595.34	11,333.51	2,577.38	12,595.34	2,577.38
17	Earning Per Share (EPS) (not annualised)					
	(a) Basic (Rs)	2.03	1.88	1.87	3.91	3.34
	(b) Diluted (Rs)	1.98	1.84	1.86	3.83	3.31

See accompanying notes to the financial results



(Rupees in lakhs except per share data)

Statement of standalone segment wise revenue, results, assets and liabilities for the quarter and six months ended 30 September 2016

Sl. No.	Particulars	Standalone				
		Quarter ended			Six months ended	
		30 September 2016	30 June 2016	30 September 2015	30 September 2016	30 September 2015
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1	Segment revenue					
	a) People and services	57,368.42	56,049.36	44,875.21	113,417.78	83,362.60
	b) Global technology solutions	11,716.15	11,612.75	11,759.04	23,328.90	23,326.75
	c) Integrated facility management	8,324.87	8,081.74	7,773.48	16,406.61	15,258.59
	d) Industrial asset management	5,721.42	5,297.95	4,310.94	11,019.37	8,559.04
	Total Income from operations	83,130.86	81,041.80	68,718.67	164,172.66	130,506.98
2	Segment results					
	a) People and services	2,605.48	2,527.64	2,288.81	5,133.12	3,813.77
	b) Global technology solutions	1,406.29	1,498.00	1,338.70	2,904.29	2,594.51
	c) Integrated facility management	362.32	234.13	361.31	596.45	569.82
	d) Industrial asset management	527.49	515.55	210.85	1,043.04	614.42
	e) Unallocated	(821.63)	(691.28)	(613.80)	(1,512.91)	(1,169.85)
	Total	4,079.95	4,084.04	3,585.87	8,163.99	6,422.67
	Less: (i) Finance costs	804.71	768.74	651.96	1,573.45	1,147.34
	Add: (i) Other income	588.70	85.57	188.81	674.27	398.43
	Total profit before tax	3,863.94	3,400.87	3,122.72	7,264.81	5,673.76
3	Segment assets					
	a) People and services	37,661.16	38,252.22	26,059.98	37,661.16	26,059.98
	b) Global technology solutions	21,827.18	23,210.40	23,823.28	21,827.18	23,823.28
	c) Integrated facility management	15,602.40	13,543.22	19,487.92	15,602.40	19,487.92
	d) Industrial asset management	13,293.02	12,527.08	8,404.87	13,293.02	8,404.87
	e) Unallocated	66,629.94	21,515.51	7,620.62	66,629.94	7,620.62
	Total	155,013.70	109,048.43	85,396.67	155,013.70	85,396.67
4	Segment liabilities					
	a) People and services	28,580.43	16,174.10	14,249.36	28,580.43	14,249.36
	b) Global technology solutions	2,660.29	5,996.56	5,905.24	2,660.29	5,905.24
	c) Integrated facility management	4,068.94	3,892.65	3,717.14	4,068.94	3,717.14
	d) Industrial asset management	2,196.33	3,775.38	2,811.18	2,196.33	2,811.18
	e) Unallocated	41,064.74	41,919.78	28,554.67	41,064.74	28,554.67
	Total	78,570.73	71,758.47	55,237.59	78,570.73	55,237.59

See accompanying notes to the financial results



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Quess Corp Limited Registered Office: Quess House, 3/3/2, Bellandur Gate, Sarjapur Road, Bengaluru 560 103; Standalone Statement of Assets and Liabilities <i>(Rupees in lakhs)</i>		
Particulars		As at
		30 September 2016
		Unaudited
A	ASSETS	
1	Non-current assets	
	a) Property, Plant and equipment	1,865.79
	b) Capital work-in-progress	108.39
	c) Other Intangible assets	8,371.87
	d) Financial assets	
	i) Investments	3,239.31
	ii) Other financial assets	1,423.80
	e) Deferred tax assets (net)	1,885.22
	f) Other non-current assets	582.63
	g) Income tax assets (net)	8,593.89
		26,070.90
2	Current assets	
	a) Inventories	321.88
	b) Financial assets	
	i) Investments	9,595.51
	ii) Trade receivables	36,359.30
	iii) Cash and cash equivalents	14,315.64
	iv) Bank balances other than (iii) above	24,114.25
	v) Loans	2,752.47
	vi) Other financial assets	38,866.63
	c) Other current assets	2,617.12
		128,942.80
	Total Assets	155,013.70
B	EQUITY AND LIABILITIES	
1	Equity	
	a) Equity share capital	12,595.34
	b) Share application money pending allotment (options exercised)*	79.54
	c) Other equity	63,768.09
		76,442.97
2	Non-current liabilities	
	a) Financial liabilities	
	i) Borrowings	56.78
	b) Provisions	1,515.95
		1,572.73
3	Current liabilities	
	a) Financial liabilities	
	i) Borrowings	29,250.56
	ii) Trade payables	1,704.73
	iii) Other financial liabilities	10,177.23
	b) Other current liabilities	34,081.27
	c) Provisions	1,784.21
		76,998.00
	Total Equity and Liabilities	155,013.70

* Allotted on October 17, 2016.



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Notes :

- 1 The Statement of unaudited standalone financial results ('the Statement') of Quess Corp Limited ('the Company') for the quarter and six months ended 30 September 2016 has been reviewed by the Audit Committee and thereafter approved by the Board of Directors in the meeting held on 19
- 2 The figures for the quarter and six months ended 30 September 2016 was subjected to 'Limited Review' by Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website www.quessecorp.com
- 3 During the three month period ended 30 September 2016, the Company has completed the Initial Public Offering (IPO) and raised a total capital of Rs 40,000 lakhs by issuing 12,618,297 equity shares of Rs 10 each at a premium of Rs 307 per equity shares. The equity shares of the Company got listed on NSE and BSE effective from 12 July, 2016. The proceeds from IPO is Rs 37,038.47 lakhs (net of estimated issue expenses).

Details of utilisation of IPO proceeds are as follows:

(Rupees in lakhs)

Particulars	Objects of the issue as per the prospectus	Utilised upto 30 September 2016	Unutilised amount as on 30 September 2016
Repayment of debt	5,000.00	5,000.00	-
Capital expenditure requirement of the Company and Subsidiary i.e. MFX	7,171.70	-	7,171.70
Funding incremental working capital requirement	15,790.10	9,500.00	6,290.10
Acquisitions and strategic initiatives	8,000.00	-	8,000.00
General corporate purpose	1,076.67	-	1,076.67
Total	37,038.47	14,500.00	22,538.47

Unutilised amounts of the issue as at 30 September 2016 have been temporarily deployed in fixed deposit with banks which is in accordance with objects of the issue. The same needs to be utilised by 2018.

Expenses incurred by the Company estimated at Rs 2,961.53 lakhs (including service tax), in connection with IPO have been adjusted towards the securities premium in accordance with Section 52 of the Companies Act, 2013.

- 4 These financial result have been prepared in accordance with Indian Accounting Standard ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016. The Company has opted to avail the relaxation provided by SEBI in respect of disclosure requirements for corresponding figures of earlier periods. Accordingly, the figures for the year ended 31 March 2016 have not been presented and the same has not been reviewed/ audited by us. Further, figures for the quarter and six months ended September 2015 was neither subjected to limited review nor subjected to audit and are as prepared by the Management. The Reserves (excluding revaluation reserve) as per the latest audited balance sheet i.e. 31 March 2016 not being mandatory has not been presented. The Company has also prepared a reconciliation of the net profit of the corresponding period under the previously applicable Generally Accepted Accounting Principles ('previous GAAP') with the total comprehensive income as reported in these financial results under Ind AS. The net profit reconciliation for the quarter and

(Rupees in lakhs)

Net Profit reconciliation - Standalone	6 months ended 30 September 2015	3 months ended 30 September 2015
Profit after tax (PAT) as per previous GAAP	3,684.49	2,068.82
Employee benefit expenses (actuarial gain)	(46.76)	(33.41)
Depreciation on goodwill	63.40	31.80
Other adjustments	(2.72)	4.51
PAT as per Ind AS [A]	3,698.41	2,071.72
Other comprehensive income (OCI)		
Actuarial gain / (losses) of defined benefit obligation - Gratuity (net of tax)	30.57	21.86
Sub-total [B]	30.57	21.86
Total Comprehensive Income [A+B]	3,728.98	2,093.58

- 5 Pursuant to the provisions of Listing Agreement, the Management has decided to publish unaudited consolidated financial results in the newspapers. However, the unaudited standalone financial results of the Company will be made available on the Company's website www.quessecorp.com and also on the website of BSE (www.bseindia.com) and NSE (www.nseindia.com).
- 6 Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker evaluates the Company performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments viz. People and Services, Global Technology Solutions, Integrated Facility Management and Industrial Asset management. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

for and on behalf of Board of Directors of
Quess Corp Limited

Ajit Isaac

Chairman & Managing Director & CEO

Place: Bangalore

Date: 19 October 2016



Q2 FY17 EBITDA up 45%, PAT up 66%. Inks Three Strategic Deals

Bengaluru, India – 19th October 2016: Quess Corp., India's leading integrated business services provider announced today its financial results for the **second quarter (Q2 FY17)** and **half year (H1 FY17)** ended 30th September 2016. **The Key Financials for the quarter are:**

Particulars (in Rs. cr)	Q2 FY17	Q2 FY16	YoY (%)	Q1 FY17	QoQ (%)	H1 FY17	H1 FY16	YoY (%)
Revenue	1,018	802	26.9%	991	2.7%	2,009	1,532	31.1%
EBITDA	55	38	45.3%	53	4.5%	108	71	52.0%
<i>EBITDA margin</i>	5.4%	4.7%	69bps	5.3%	10bps	5.4%	4.6%	74bps
PAT	30	18	65.9%	25	22.0%	55	36	51.5%
<i>PAT margin</i>	3.0%	2.3%	70bps	2.5%	47bps	2.7%	2.4%	37bps
Total Comprehensive Income (TCI)	29	18	56.5%	24	20.5%	53	36	44.5%
<i>TCI Margin</i>	2.8%	2.3%	53bps	2.4%	42bps	2.6%	2.4%	24bps
Diluted EPS (in Rs.) (not annualized)	2.37	1.63	45.7%	2.13	11.2%	4.51	3.24	39.1%

Financial Summary for the Q2 FY17

- Revenue grew 26.9% YoY to ₹1,018 cr from ₹802 cr in Q2 FY16. Organic revenue growth (ex acquisition) was 18.1% YoY.
- EBITDA margin improved 69 basis points to 5.4% as against 4.7% in Q2 FY16. EBITDA grew by 45.3% to ₹55 cr compared to ₹38 cr.
- Profit after tax is higher by 65.9% at ₹30 cr from ₹18 cr.
- Total Comprehensive Income increased to ₹29 cr, up from ₹18 cr. Margin increased to 2.8% as against 2.3% in Q2 FY16.
- Diluted EPS was higher by 45.7% at ₹2.37
- The employee headcount as on 30 Sep, 2016 was over 139,000 across all regions compared to about 113,000 employees in the corresponding quarter of last year.

Financial Summary for H1 FY17

- Revenue grew 31.1% YoY to ₹2,009 cr from ₹1,532 cr in H1 FY16. Organic revenue growth (ex acquisition) was 22.1% YoY.
- EBITDA margin improved 74 basis points to 5.4% as against 4.6% in H1 FY16. EBITDA grew by 52.0% to ₹108 cr compared to ₹71 cr in H1 FY16
- Profit after tax is higher by 51.5% at ₹55 cr from ₹36 cr.
- Total Comprehensive Income is higher by 44.5% at ₹53 cr from ₹36 cr.
- Diluted EPS was higher by 39.1% to ₹4.51

Segment Wise Performance

Segments	Q2 FY17	Q2 FY16	YoY (%)	Q1 FY17	QoQ(%)
Global Technology Solutions					
Segment Revenue	278	218	27%	275	1%
Segment EBIT	20	13	47%	20	1%
EBIT Margin %	7%	6%		7%	
People & Services					
Segment Revenue	583	451	29%	567	3%
Segment EBIT	26	19	34%	25	4%
EBIT Margin %	4%	4%		4%	
Integrated Facility Management					
Segment Revenue	99	90	10%	96	3%
Segment EBIT	5	4	21%	4	42%
EBIT Margin %	5%	5%		4%	
Industrial Asset Management					
Segment Revenue	57	43	33%	53	8%
Segment EBIT	6	2	169%	6	2%
EBIT Margin %	10%	5%		10%	

Commenting on the results, CMD & CEO Mr. Ajit Isaac said that, "We are pleased with another strong quarter at the revenue level apart from registering healthy EBITDA margin gains of 69 bps. The focus on margin expansion continues to be an area of high priority for us and I am glad that our efforts are bearing results." He also added, "We are also pleased to announce that we have signed definitive agreements to acquire stakes in three ventures, each of which comes with a unique value proposition and places us in a unique position to address the demand opportunities in those segments. I am confident that these investments while driving growth will also be value accretive to Quess in the long term."

About Quess Corp.

Quess Corp Limited (BSE: 539978, NSE: QUESS), established in 2007, is India's leading integrated business services provider with headquarters in Bengaluru. The Company today has a Pan-India presence with 47 offices across 27 cities along with overseas footprint in North America, the Middle East and South East Asia. It serves over 1300+ customers across 4 segments namely, Global Technology Solutions, People & Services, Integrated Facility Management and Industrial Asset Management. As of September 30, 2016 Quess employed over 139,000 employees. For further details on Quess Corp Ltd. please visit: <http://www.uesscorp.com>

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Disclaimer: This document contains statements that constitute forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects", "plans", "will", "estimates", "projects", or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those in such forward-looking statements as a result of various factors and assumptions, which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition, our ability to manage our international operations, government policies, regulations, etc. The Company does not undertake any obligation to revise or update any forward looking statement that may be made from time to time by or on behalf of the Company including to reflect actual results, changes in assumptions or changes in factors affecting these statements.



ANNEXURE I



The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: Manipal Integrated Services Pvt. Ltd.

(Rs. in Crores)

	As per last 5 Months Ended Actual	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year	3 years prior to the last Audited Financial Year
	Aug 2016	2015-16	2014-15	2013-14
Equity Paid up Capital	11.90	11.90	11.90	11.90
Reserves and surplus	37.13	34.24	28.55	25.78
Carry forward losses	-	-	-	-
Net Worth	49.03	46.14	40.44	37.67
Miscellaneous Expenditure	-	-	-	-
Secured Loans	419.61	388.98	297.25	168.00
Unsecured Loans	100.00	113.00	113.92	114.81
Fixed Assets	460.26	459.31	385.71	237.43
Income from Operations	125.26	275.72	220.48	174.45
Total Income	126.13	276.86	222.79	176.64
Total Expenditure	121.98	265.58	216.93	164.92
Profit before Tax	4.16	11.28	5.85	11.72
Profit after Tax	2.89	7.13	4.20	7.61
Cash profit	11.97	26.04	16.74	14.84
EPS	D1.94/B2.43	D4.79/B5.99	D2.8/B3.5	D5.3/B6.4
Book value	10	10	10	10

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

Date: 02/12/2016
Place: Bangalore



Independent Auditor's Report

To the Board of Directors of Manipal Integrated Services Private Limited

Report on the Interim Financial Statements

We have audited the accompanying interim financial statements of Manipal Integrated Services Private Limited ("the Company"), which comprise the balance sheet as at 31 August 2016, the statement of profit and loss and the cash flow statement for the period April 2016 to August 2016 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these interim financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Standards (AS) 25, Interim Financial Reporting as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standard) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the interim financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these interim financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the interim financial statements are free from material misstatement.

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



In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the interim financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the interim financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the interim financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the interim financial statements give a true and fair view in conformity with AS 25, Interim Financial Reporting:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31st August 2016;
- (ii) in the case of the statement of profit and loss, of the profit for the period April 2016 to August 2016; and
- (iii) in the case of the cash flow statement, of the cash flows for the period April 2016 to August 2016.

Restriction on Use

The report is addressed to and provided to the Board of Directors of the Company solely for the purpose to enable comply with requirement of National Stock Exchange of India Ltd and to submit the accompanying reports and financials to National Stock Exchange of India Ltd and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Sriramulu Naidu & Co

Chartered Accountants

Firm's Registration Number: 008975S

S. Deenadayal

Partner

Membership Number: 205194



Place: Bangalore

Date: 18-02-2017

Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Balance Sheet as at August 31, 2016

		Amount in Rs.	
	Notes	August 31, 2016	March 31, 2016
Equity and liabilities			
Shareholders' funds			
Share capital	3	11,89,63,190	11,89,63,190
Reserves and surplus	4	37,12,88,100	34,24,12,687
		49,02,51,290	46,13,75,877
Non-current liabilities			
Long-term borrowings	5	5,11,48,65,510	4,83,56,65,548
Other long-term liabilities	6	6,27,12,967	6,27,80,070
Deferred tax liability (net)	12	8,15,89,098	6,88,63,492
		5,25,91,67,575	4,96,73,09,110
Current liabilities			
Trade payables			
- Total outstanding dues of micro enterprises and small enterprises			
- Total outstanding dues of creditors other than micro enterprises and small enterprises			
	8	35,88,89,836	39,65,84,099
Other current liabilities	8	46,30,75,390	39,13,04,983
Short-term provisions	7	3,06,98,776	3,35,56,427
		85,26,64,002	82,14,45,509
TOTAL		6,60,20,82,867	6,25,01,30,496
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	4,42,94,93,320	4,51,14,18,523
Intangible assets	10	46,67,452	38,54,393
Capital work-in-progress		16,84,38,538	7,78,40,123
Non-current investments	11	67,19,27,386	64,13,22,386
Loans and advances	13	44,45,75,116	36,91,52,248
Other non-current assets	14	8,54,28,400	18,92,67,466
		5,80,45,30,212	5,79,28,55,139
Current assets			
Current investments	16	30,56,50,434	8,42,88,829
Inventories	18	93,92,175	80,01,288
Trade receivables	15	40,89,22,406	21,16,15,409
Cash and bank balances	17	2,26,05,142	5,52,52,505
Loans and advances	13	2,06,67,288	8,30,93,176
Other current assets	14	3,03,15,210	1,50,24,150
		79,75,52,655	45,72,75,357
TOTAL		6,60,20,82,867	6,25,01,30,496

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements.

27-40

FOR SRIRAMULU NAIDU & CO.

Firm registration number: 008975S

Chartered Accountants

(CA. Deenadayal S)

Partner

Membership No.: 205194



Place: Bangalore

Date: 18 FEB 2017

For and on behalf of the Board of Directors of
Manipal Integrated Services Private Limited

Rajesh Moorti

Rajesh Moorti

DIN: 01480683

Director

Abhay Jain

Abhay Jain

DIN: 00181744

Director

Shobhit K Agarwal

Chief Financial Officer & Company Secretary

Place: Bangalore

Date:

Shobhit K Agarwal

Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Statement of profit and loss for the five months period ended August 31, 2016

	Notes	Amount in Rs. August 31, 2016	Amount in Rs. March 31, 2016
Income			
Revenue from operations	19	1,25,26,42,168	2,75,72,13,692
Other income	20	86,78,777	1,13,95,678
Total revenue (i)		1,26,13,20,945	2,76,86,09,370
Expenses			
Purchase of services		34,30,56,409	72,13,11,054
Consumables, provisions and housekeeping material costs	21	31,16,90,532	75,79,72,979
Employee benefits expense	22	14,01,30,848	28,19,13,511
Other expenses	23	14,56,90,135	28,98,05,000
Total (ii)		94,05,67,924	2,05,10,02,544
Earnings before interest, tax, depreciation and amortization (EBITDA) [(i) - (ii)]		32,07,53,021	71,76,06,826
Depreciation and amortization expense	24	9,08,46,465	18,90,86,010
Finance costs	25	18,83,05,537	41,56,89,625
Profit/(loss) before tax		4,16,01,019	11,28,31,191
Tax expenses			
Current tax (MAT payable)		89,96,935	2,39,73,956
MAT credit entitlement		(89,96,935)	(2,39,73,956)
Net current tax expense		-	-
Deferred tax		1,27,25,606	4,15,56,718
Total tax expense		1,27,25,606	4,15,56,718
Profit for the period		2,88,75,413	7,12,74,473
Earnings per equity share [nominal value of share Rs. 10]	26		
Basic (Rs. per share)			
Computed on the basis of (loss)/profit for the period		2.43	5.99
Diluted EPS (Rs. per share)			
Computed on the basis of (loss)/profit for the period		1.94	4.79
Summary of significant accounting policies	2.1		
The accompanying notes are an integral part of the financial statements.	27-40		

FOR SRIRAMULU NAIDU & CO.

Firm registration number: 0089755

Chartered Accountants

(CA. Deenadayal S)

Partner

Membership No.: 205194



Place: Bangalore

Date: 18 FEB 2017

**For and on behalf of the Board of Directors of
Manipal Integrated Services Private Limited**

Rajesh Moorti

Rajesh Moorti

DIN: 01480683

Director

Abhay Jain

Abhay Jain

DIN: 00181744

Director

Shobhit K Agarwal

Chief Financial Officer & Company Secretary

Place: Bangalore

Date:

Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Cash flow statement for the year ended August 31, 2016

	Amount in Rs.	
	August 31, 2016	March 31, 2015
Cash flow from operating activities		
Profit before tax	4,16,01,019	11,28,31,191
Adjustment to reconcile profit before tax to net cash flows		
Depreciation/amortization	9,08,46,465	18,90,86,010
Provision for Doubtful debts	47,60,046	-
Interest expense	18,63,42,162	41,08,20,475
Loan processing charges	18,75,000	43,90,433
Loss on sale of investment	-	8,579
Dividend income	(26,61,605)	(49,97,942)
Interest income	(5,62,853)	(56,88,800)
Operating profit before working capital changes	32,22,00,235	70,64,49,946
Movement in working capital:		
Decrease/(increase) in inventories	(13,90,887)	(17,69,067)
Decrease/(increase) in trade receivables	(20,20,67,043)	(3,74,37,807)
Decrease/(increase) in long-term loans and advances	(6,01,606)	81,60,807
Decrease/(increase) in short-term loans and advances	93,70,345	(1,05,03,445)
Decrease/(increase) in other non-current assets	10,75,95,257	(11,09,43,572)
Decrease/(increase) in other current assets	(1,92,15,375)	(8,23,778)
Increase/(decrease) in current trade payables	(3,76,94,263)	11,22,50,067
Increase/(decrease) in short-term provisions	(28,57,651)	38,36,931
Increase/(decrease) in other long-term liabilities	(67,103)	1,57,22,629
Increase/(decrease) in other current liabilities	19,02,45,932	2,75,05,690
Cash generated from/(used in) operations	4,33,17,605	59,98,455
Direct taxes paid (net of refunds)	(2,58,16,744)	(6,04,33,641)
Net cash flow from/ (used in) operating activities (A)	33,97,01,096	65,20,14,760
Cash flows from investing activities		
Purchase of fixed assets, including intangible assets, capital-work-in-progress and capital advances	(16,22,97,681)	(93,34,14,843)
Inter corporate advances given	(28,22,772)	(8,33,73,170)
Refund of inter corporate advances given	5,59,45,376	3,57,09,535
Investment in bank deposits (having original maturity more than three months)	45,95,960	(14,11,276)
Investment in subsidiary	(3,06,05,000)	(11,64,76,000)
Acquisition of subsidiary	-	(12,00,00,000)
Interest received	44,20,113	9,59,101
Dividend received	26,61,605	49,97,942
Decrease/(increase) in mutual fund investments	(22,13,61,605)	(1,01,45,123)
Net cash flow from/ (used in) investing activities (B)	(34,94,64,004)	(1,22,31,53,834)
Cash flows from financing activities		
Interest paid	(18,88,97,980)	(40,46,50,280)
Dividend (including dividend distribution tax) paid	-	(1,43,18,172)
Loan processing charges	(18,75,000)	(43,90,433)
Proceeds from long-term borrowings	33,00,00,000	96,00,00,000
Repayment of long-term borrowings	(15,37,59,322)	(5,18,02,525)
Net cash flow from/ (used in) in financing activities (C)	(1,45,32,302)	48,48,38,590



Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Cash flow statement for the year ended August 31, 2016

	Amount in Rs.	
	August 31, 2016	March 31, 2015
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(2,42,95,211)	(8,63,00,484)
Cash and cash equivalents at the beginning of the year	4,69,00,353	13,32,00,837
Cash and cash equivalents at the end of the year	2,26,05,142	4,69,00,353
Components of cash and cash equivalents		
Cash on hand	14,12,155	10,98,462
Balances with banks:		
on current accounts	2,11,92,987	4,58,01,891
Total cash and cash equivalents (refer note 17)	2,26,05,142	4,69,00,353
Summary of significant accounting policies	2.1	

The accompanying notes are an integral part of the financial statements. 27-40

FOR SRIRAMULU NAIDU & CO.

Firm registration number: 008975S
Chartered Accountants

(CA. Deenadayal S)

Partner

Membership No.: 205194



Place: Bangalore

Date:

18 FEB 2017

For and on behalf of the Board of Directors of
Manipal Integrated Services Private Limited

Rajesh Moorti

Rajesh Moorti
DIN: 01480683
Director

Shobhit K Agarwal
Shobhit K Agarwal
Chief Financial Officer & Company Secretary

Place: Bangalore
Date:

Abhay Jain

Abhay Jain
DIN: 00181744
Director

Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

1. Corporate Information

Manipal Integrated Services Private Limited (formerly known as Manipal Servicecorp Facility Management Private Limited) ("the Company"), a private limited company, was incorporated on January 9, 2004 under the provisions of the Companies Act, 1956. The registered office of the Company is located in Bangalore. The Company is engaged in the business of providing Hostel services, Facility management services, Support and other Allied services.

The name of the Company has been changed to Manipal Integrated Services Private Limited (MIS) from Manipal Servicecorp Facility Management Private Limited (MSFM) effective from May 20, 2013.

2. Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

2.1. Summary of significant accounting policies

a. Change in accounting policy

Component accounting

The Company has adopted component accounting as required under Schedule II to the Companies Act, 2013 from April 01, 2015. The Company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life/ depreciation rate was used to depreciate each item of fixed asset.

Due to application of Schedule II to the Companies Act, 2013, the Company has changed the manner of depreciation for its fixed asset. Now, the Company identifies and determines separate useful life for each major component of the fixed assets, if they have useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

b. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible fixed assets

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

The cost of the fixed assets not ready for their intended use before balance sheet date are disclosed under capital work in progress. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

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Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

d. Depreciation on tangible fixed assets

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Class of asset	Useful lives estimated by the management (years)
Cleaning & kitchen equipment	2 to 8
Computers & accessories	3
Electrical equipment	2 to 10
Office equipment	1 to 5
Curtains & beds	2
Furniture & fixtures	2 to 8
Plant & machinery	5 to 9
Vehicles	7
Buildings	50
Leasehold improvements	Over lease period or estimated useful life whichever is lower

The management has estimated, supported by independent assessment by professionals, the useful lives of the above classes of assets. These useful lives of the fixed assets are equal or lower than those indicated in Schedule II.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costs less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with Accounting Standard 5 Net Profit for the Period, Prior Period Items and Changes in Accounting Policies.

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

Summary of amortization policies applied to the Company's intangible assets is as below:

Class of asset	Useful life
Computer software	Over the useful life or 5 years whichever is lower

f. Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

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g. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are 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 asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

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

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

h. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i. Inventories

Inventories of consumable items and provisions are valued at lower of cost and net realizable value. Cost is determined on a weighted average basis.

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

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j. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Income from services

Revenue from Facility maintenance, Support and Allied services is recognized upon rendering of services. The Company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Hostels

Income from leasing of hostel buildings on operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term.

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

k. Foreign currency translation

Foreign currency transactions and balances

Initial recognition

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

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items not covered above, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l. Retirement and other employee benefits

Retirement benefits in the form of Provident Fund, which are defined contribution schemes, are charged to the statement of profit and loss for the year when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable to the fund.

The Company operates a defined benefit plan for its employees for gratuity. The costs of providing benefits under this plan is determined on the basis of actuarial valuation at each year end. Actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for the defined benefit plan is recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

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m. Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

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

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

n. Employee stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

o. Segment reporting

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Inter-segment transfers

The Company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

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Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

p. Earnings per share

Basic earnings/(loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; and share split.

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

q. Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

r. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

s. Cash and cash equivalents

Cash and cash equivalents comprise cheques in hand and cash at bank and in hand and short-term investments with an original maturity of three months or less. The cash flow statement is prepared under the indirect method.

t. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

u. Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit for the year excluding depreciation, amortization expense, finance costs and tax expense.

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Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

3. Share capital

	August 31, 2016	March 31, 2016
Authorized shares (Nos.)		
20,000,000 (March 31, 2016 : 20,000,000) equity shares of Rs. 10/- each	20,00,00,000	20,00,00,000
Issued, subscribed and fully paid-up shares (Nos.)		
11,896,319 (March 31, 2016 : 11,896,319) equity shares of Rs. 10/- each	11,89,63,190	11,89,63,190
Total issued, subscribed and fully paid-up share capital	11,89,63,190	11,89,63,190

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	August 31, 2016		March 31, 2016	
	Number	Amount	Number	Amount
At the beginning of the year	1,18,96,319	11,89,63,190	1,18,96,319	11,89,63,190
Issued during the year - Bonus issue	-	-	-	-
Issued during the year - for cash consideration	-	-	-	-
Outstanding at the end of the year	1,18,96,319	11,89,63,190	1,18,96,319	11,89,63,190

b. Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	August 31, 2016	March 31, 2016
Manipal Education and Medical Group India Private Limited (Holding company)	10,72,12,950	10,72,12,950
10,721,295 (March 31, 2016 : 10,721,295) equity shares of Rs.10 each fully paid up		

c. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

	August 31, 2016		March 31, 2016	
	Number	Amount	Number	Amount
Equity shares allotted as fully paid bonus shares by capitalization of securities premium account, general reserve and surplus in the statement of profit and loss.	84,46,659	8,44,66,590	84,46,659	8,44,66,590

e. Details of shareholders holding more than 5% shares in the Company

	August 31, 2016		March 31, 2016	
	Number	Holding	Number	Holding
Equity Shares of Rs. 10 each fully paid				
Manipal Education and Medical Group India Private Limited	1,07,21,295	90.12%	1,07,21,295	90.12%
Mr. T. V. Mohandas Pai	8,22,222	6.91%	8,22,222	6.91%

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

f. Shares reserved for issue under options

For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company refer note 31.



Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

4. Reserves and surplus

	August 31, 2016	March 31, 2016
Securities premium account		
Balance as per the last financial statements	12,95,41,125	12,95,41,125
Closing balance	12,95,41,125	12,95,41,125
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	21,28,71,562	15,59,15,261
Profit for the year	2,88,75,413	7,12,74,473
Less: Appropriations		
Proposed final equity dividend [amount per share Re.1 (March 31, 2016 - Re.1)]	-	(1,18,96,319)
Tax on proposed equity dividend	-	(24,21,853)
Net surplus in the statement of profit and loss	24,17,46,975	21,28,71,562
Total reserves and surplus	37,12,88,100	34,24,12,687

5. Long-term borrowings

	Non-current portion		Current maturities	
	August 31, 2016	March 31, 2016	August 31, 2016	March 31, 2016
Debentures				
Compulsory convertible debentures (CCDs) {unsecured}	99,99,90,000	99,99,90,000	-	-
	99,99,90,000	99,99,90,000	-	-
Term loans				
From financial institutions (secured)	4,11,48,75,510	3,83,56,75,548	8,11,98,460	18,41,57,739
	4,11,48,75,510	3,83,56,75,548	8,11,98,460	18,41,57,739
	5,11,48,65,510	4,83,56,65,548	8,11,98,460	18,41,57,739
The above amount includes				
Secured borrowings	4,11,48,75,510	3,83,56,75,548	8,11,98,460	5,40,98,752
Unsecured borrowings	99,99,90,000	99,99,90,000	-	13,00,58,987
Amount disclosed under the head "other current liabilities" (refer note 8)	-	-	(8,11,98,460)	(18,41,57,739)
Net amount	5,11,48,65,510	4,83,56,65,548	-	-

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Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

a. The Company has been sanctioned a term loan of Rs. 3,490,000,000 (March 31, 2016 - Rs. 3,490,000,000) from IDFC Limited at an interest rate of 10.75% p.a. (March 31, 2016 - 10.75%), out of which Company has availed a term loan of Rs. 3,290,000,000 (March 31, 2016 - Rs. 3,260,000,000). The loan is secured by hypothecation of tangible, intangible and current assets of the Company. Loan outstanding on the reporting date i.e. August 31, 2016 is Rs. 3,290,000,000 (March 31, 2016 - Rs. 3,260,000,000).

The loan is repayable in 38 structured quarterly instalments commencing from 5 years from the date of first disbursement or December 15, 2017 whichever is earlier.

b. The Company has been sanctioned a term loan of Rs. 150,000,000 from Aditya Birla Finance Limited at an interest rate of 11.99% p.a. (March 31, 2016 - 11.99%). Loan outstanding on reporting date i.e. August 31, 2016 is Rs. Nil (March 31, 2016 - Rs. 130,058,987). The loan is secured by mortgage of commercial property owned by Woodstock Ambience Private Limited (wholly owned subsidiary of the Company). The loan has been fully repaid during the period.

c. The Company has been sanctioned a secured term loan of Rs. 200,000,000 from Aditya Birla Finance Limited at an interest rate of 11.50% p.a. (March 31, 2016 - 12.00%) during the year ended March 31, 2014. The same has been converted to 5 year secured term loan repayable in 60 monthly instalments commencing from November 2014. Loan outstanding as on August 31, 2016 is Rs. 136,979,684 (March 31, 2016 - Rs. 151,969,821). The borrowings are secured by mortgage of land owned by the Company.

d. The Company has been sanctioned a secured term loan of Rs. 50,000,000 from Aditya Birla Finance Limited at an interest rate of 11.50% p.a. (March 31, 2016 - 12.00%) during the year ended March 31, 2015. The loan is repayable in 60 instalments commencing from November 1, 2014. Loan outstanding as on August 31, 2016 is Rs. 35,760,466 (March 31, 2016 - Rs. 39,434,357). The borrowings are secured by mortgage of land owned by the Company.

e. The Compulsorily convertible debentures (CCDs) are compulsorily convertible into equity shares after ten years from the date of allotment. The debentures may also be converted earlier, at a specified price, on occurrence of liquidity events (Initial public offer, strategic sale, reverse merger, expiry of agreed time, etc.). However, no conversion will take place before the end of one year from the date of first closure. The total number of CCDs issued and outstanding on reporting date i.e. August 31, 2016 is 99,999,000 of Rs.10 each amounting to Rs. 999,990,000 (March 31, 2016 - 99,999,000 of Rs.10 each amounting to Rs. 999,990,000).

f. The Company has been sanctioned a secured term loan of Rs. 330,000,000 from Aditya Birla Finance Limited at an interest rate of 10.50% p.a. (March 31, 2016 - 11.50%) during the year ended March 31, 2016. The loan is repayable in 170 monthly instalments in 15 years. Loan outstanding as on August 31, 2016 is Rs. 327,500,487 (March 31, 2016 - 328,370,122). The borrowings are secured by mortgage of land and building owned by the Company.

g. The Company has been sanctioned a secured term loan of Rs. 110,000,000 from Axis Finance Limited at an interest rate of 11.25% p.a. during the year March 31, 2016. The loan is repayable in 20 quarterly instalments commencing from March 2017. Loan outstanding as on August 31, 2016 is Rs. 110,000,000 (March 31, 2016 - 110,000,000). The borrowings are secured by mortgage of equity shares of Golden Star Facilities and Services Private Limited owned by the Company.

h. The Company has been sanctioned a secured term loan of Rs. 100,000,000 (March 31, 2016 Nil) from Axis Finance Limited at an interest rate of 11.00% p.a. during the period. The loan is repayable in 24 quarterly instalments commencing from March 2016. Loan outstanding as on August 31, 2016 is Rs. 95,833,333 (March 31, 2016 - Nil). The loan is secured by mortgage of commercial property owned by Woodstock Ambience Private Limited (wholly owned subsidiary of the Company)

i. The Company has been sanctioned a secured term loan of Rs. 290,000,000 (March 31, 2016 Nil) from IDFC Limited at an interest rate of 11.75% p.a. out of which company has availed term loan of Rs.200,000,000 (March 31, 2016 Nil). The loan is repayable in 24 quarterly instalments commencing from December 2017. The loan is secured by hypothecation of tangible, intangible and current assets of the Company. Loan outstanding on the reporting date i.e. August 31, 2016 is Rs. 200,000,000 (March 31, 2016 - Rs. Nil).

6. Other long-term liabilities

Lease equalization reserve
Deposits from customers

August 31, 2016	March 31, 2016
35,56,700	36,23,803
5,91,56,267	5,91,56,267
6,27,12,967	6,27,80,070

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Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

7. Short-term provisions

	August 31, 2016	March 31, 2016
Provision for employee benefits		
Provision for gratuity (refer note 27)	23,01,255	56,67,998
Provision for compensated absences	55,13,849	50,04,757
	78,15,104	1,06,72,755
Others		
Provision for taxation (net of advance tax payments)	85,65,500	85,65,500
Provision for proposed equity dividend	1,18,96,319	1,18,96,319
Provision for tax on proposed equity dividend	24,21,853	24,21,853
	2,28,83,672	2,28,83,672
	3,06,98,776	3,35,56,427

8. Other current liabilities

	August 31, 2016	March 31, 2016
Trade payable (refer note 38 for details on dues to micro, small and medium enterprises)		
Total outstanding dues of micro enterprises and small enterprises		
Total outstanding dues of creditors other than microenterprises and small enterprises	35,88,89,836	39,65,84,099
	35,88,89,836	39,65,84,099
Other liabilities		
Current maturities of long-term borrowings (note 5)	8,11,98,460	18,41,57,739
Interest accrued but not due on borrowings	1,84,21,797	1,95,56,272
Interest accrued and due on borrowings		14,21,343
Others		
Acquisition related liability	-	-
Advances from customers	13,41,74,540	4,95,93,670
Deferred revenue	14,02,00,193	3,23,65,250
Capital creditors	7,36,62,219	8,66,22,647
Lease equalization reserve	1,74,454	1,74,453
Payable to statutory/ government authorities	1,52,43,727	1,74,13,608
	46,30,75,390	39,13,04,983
	82,19,65,226	78,78,89,082

11. Non current investments

	August 31, 2016	March 31, 2016
Other investments (valued at cost)		
a. Investment in unquoted equity instruments		
i) Investment in subsidiaries		
3,213,126 (March 31, 2016: 3,213,126) equity shares of Re. 1 each fully paid-up in Woodstock Ambience Private Limited	23,90,43,311	23,90,43,311
1,000,000 (March 31, 2016: 1,000,000) equity shares of Rs. 10 each fully paid-up in Master Staffing Solutions Private Limited	1,00,00,000	1,00,00,000
42,000 (March 31, 2016: 41,000) ordinary shares of USD 1 each fully paid up in Manipal Integrated Services, Singapore Pte Limited	28,24,080	27,57,430
6,00,000 (March 31, 2016: 6,00,000) equity shares of Rs.10 each fully paid up in Golden Star Facilities and Services Private Limited	12,00,00,000	12,00,00,000
b. Investment in unquoted preference shares		
i) Investment in subsidiaries		
4,158,000 (March 31, 2016: 4,059,000) 0.25% optionally convertible non-cumulative redeemable preference shares of USD 1 each fully paid up in Manipal Integrated Services, Singapore Pte Limited	30,00,59,995	26,95,21,645
	67,19,27,386	64,13,22,386



Manipal Integrated Services Private Limited
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Notes to financial statements for the period ended August 31, 2016

	Amount in Rs.									
9. Tangible assets										
Gross block										
At April 1, 2015	5,60,21,101	1,27,57,231	45,04,22,900	32,11,01,382	34,30,992	2,87,20,137	17,17,09,717	12,36,56,475	9,60,262	2,99,51,61,232
Additions	3,75,14,795	35,98,391	27,39,88,134	9,85,90,313	81,81,126	1,81,28,197	9,67,40,499	20,85,27,017	5,26,776	1,90,81,02,171
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2016	9,35,35,896	1,63,55,622	72,44,11,034	41,96,91,695	1,16,12,118	4,68,48,334	26,84,50,216	33,21,83,492	14,87,038	4,90,32,63,403
Additions	21,57,018	13,98,030	-	30,94,937	-	-	15,78,653	59,236	-	82,87,875
Disposals	-	-	-	-	-	-	-	-	-	-
At August 31, 2016	9,56,92,914	1,77,53,652	72,44,11,034	42,27,86,632	1,16,12,118	4,68,48,334	27,00,28,869	33,22,42,728	14,87,038	4,91,15,51,278
Depreciation										
At April 1, 2015	1,84,50,109	62,88,496	-	5,11,11,707	16,51,583	1,74,47,174	2,79,08,334	2,25,70,001	6,10,149	20,40,88,259
Charge for the year	1,32,95,188	36,85,675	-	4,04,25,306	16,68,043	1,58,52,378	2,94,78,486	3,17,81,772	2,10,340	18,77,56,621
Disposals	-	-	-	-	-	-	-	-	-	-
At March 31, 2016	3,17,45,297	99,74,171	-	9,15,37,013	33,19,626	3,32,99,552	5,73,86,820	5,43,51,773	8,20,489	39,18,44,880
Charge for the year	70,22,219	16,60,865	-	1,87,85,446	8,85,891	47,58,817	1,45,04,888	1,72,96,691	90,086	9,02,13,080
Disposals	-	-	-	-	-	-	-	-	-	-
At August 31, 2016	3,87,67,517	1,16,35,036	-	11,03,22,458	42,05,517	3,80,58,369	7,18,91,708	7,16,48,464	9,10,575	48,20,57,960
Net block										
At March 31, 2016	6,17,90,599	63,81,451	72,44,11,034	32,81,54,682	82,92,492	1,35,48,782	21,10,63,396	27,78,31,719	6,66,549	4,51,14,18,523
At August 31, 2016	5,69,25,397	61,18,616	72,44,11,034	31,24,64,174	74,06,601	87,89,965	19,81,37,161	26,05,94,264	5,76,463	4,42,94,93,320

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Manipal Integrated Services Private Limited
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Notes to financial statements for the period ended August 31, 2016

Amount in Rs.

10. Intangible assets

	Computer software	Total
Gross block		
At April 1, 2015	70,04,865	70,04,865
Additions	-	-
Disposals	-	-
At March 31, 2016	70,04,865	70,04,865
Additions	14,46,444	14,46,444
Disposals	-	-
At August 31, 2016	84,51,309	84,51,309
Depreciation		
At April 1, 2015	18,21,083	18,21,083
Charge for the year	13,29,389	13,29,389
Disposals	-	-
At March 31, 2016	31,50,472	31,50,472
Charge for the year	6,33,385	6,33,385
Disposals	-	-
At August 31, 2016	37,83,857	37,83,857
Net block		
At March 31, 2015	38,54,393	38,54,393
At August 31, 2016	46,67,452	46,67,452

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

12. Deferred tax liability (net)

	August 31, 2016	March 31, 2016
Deferred tax liability		
Differences in depreciation/amortization in block of fixed assets as per tax books and financial books	11,94,86,374	9,84,42,948
Provision for straight lining of operating lease - as lessor	10,93,07,122	9,09,82,794
Gross deferred tax liability	22,87,93,496	18,94,25,742
Deferred tax asset		
Provision for straight lining of operating lease - as lessee	12,91,278	13,14,387
Employee benefits	79,03,615	41,22,220
Unabsorbed losses	13,63,62,147	11,51,25,643
Provision doubtful debts	16,47,358	-
Gross deferred tax asset	14,72,04,398	12,05,62,250
Net deferred tax liability	8,15,89,098	6,88,63,492

13. Loans and advances

	Non-Current		Current	
	August 31, 2016	March 31, 2016	August 31, 2016	March 31, 2016
Capital advances				
Unsecured, considered good	4,90,04,518	-	-	-
(A)	4,90,04,518	-	-	-
Security deposit				
Unsecured, considered good	23,10,37,230	23,14,84,930	1,62,000	-
(B)	23,10,37,230	23,14,84,930	1,62,000	-
Loan and advances to related parties (note 30)				
Unsecured, considered good	-	-	66,98,149	5,98,20,748
(C)	-	-	66,98,149	5,98,20,748
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	24,79,348	17,21,536
(D)	-	-	24,79,348	17,21,536
Other loans and advances				
Unsecured, considered good				
Advances for Investment	-	-	-	-
Advance income-tax (net of provision for taxation)	10,55,21,893	8,87,02,084	-	-
MAT credit entitlement	5,79,62,169	4,89,65,234	-	-
Inter company receivables	-	-	4,44,565	4,27,032
Prepaid expenses	10,49,306	-	91,01,042	95,48,442
Balances with statutory/government authorities	-	-	17,82,183	1,15,75,419
(E)	16,45,33,368	13,76,67,318	1,13,27,790	2,15,50,893
Total (A+B+C+D+E)	44,45,75,116	36,91,52,248	2,06,67,288	8,30,93,177



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

14. Other assets

Unsecured, considered good unless otherwise stated

	Non-Current		Current	
	August 31, 2016	March 31, 2016	August 31, 2016	March 31, 2016
Accrued interest	-	-	17,77,040	57,01,355
Unbilled revenue	-	-	2,85,38,170	93,22,795
Lease reserve	8,00,72,209	18,76,67,466	-	-
(A)	8,00,72,209	18,76,67,466	3,03,15,210	1,50,24,150
Non-current bank balances (refer note 17)	53,56,191	16,00,000	-	-
(B)	53,56,191	16,00,000	-	-
Total (A+B)	8,54,28,400	18,92,67,466	3,03,15,210	1,50,24,150

15. Trade receivables

Outstanding for a period exceeding six months from the date they are due for payment

	August 31, 2016	March 31, 2016
Unsecured, considered doubtful	47,60,046	38,09,417
Other receivables		
Unsecured, considered good	40,89,22,406	20,78,05,992
(A)	41,36,82,452	21,16,15,409
Less Provision for Doubtful debts	(B) 47,60,046	-
Total (A-B)	40,89,22,406	21,16,15,409

16. Current investments

Current investments (valued at lower of cost and fair value, unless stated otherwise)

	August 31, 2016	March 31, 2016
Investment in unquoted mutual funds (refer note 29)	30,56,50,434	8,42,88,829
	30,56,50,434	8,42,88,829

17. Cash and bank balances

	Non-Current		Current	
	August 31, 2016	March 31, 2016	August 31, 2016	March 31, 2016
Cash and cash equivalents				
Balances with banks:				
On current accounts	-	-	2,11,92,987	4,58,01,891
Cash on hand	-	-	14,12,155	10,98,462
	-	-	2,26,05,142	4,69,00,353
Other bank balances				
Deposit with original maturity more than twelve months	53,56,191	16,00,000	-	-
Deposits with original maturity for more than 3 months but less than 12 months	-	-	-	83,52,152
	53,56,191	16,00,000	-	83,52,152
Amount disclosed under non-current assets (refer note 14)	(53,56,191)	(16,00,000)	-	-
	-	-	2,26,05,142	5,52,52,505

18. Inventories (valued at lower of cost and net realizable value)

	August 31, 2016	March 31, 2016
Chemicals and cleaning materials	17,40,644	13,04,396
Provisions, beverages and other food items	76,51,531	66,96,892
	93,92,175	80,01,288



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

19. Revenue from operations

Revenue from facility maintenance and support services
Revenue from hostels
Other operating income

August 31, 2016	March 31, 2016
1,03,20,57,015	2,29,61,49,876
21,72,30,764	43,93,95,774
33,54,388	2,16,68,042
1,25,26,42,168	2,75,72,13,692

20. Other income

Interest income on
Bank deposits
Inter corporate advances
Dividend income on
Current investments
Other non-operating income

August 31, 2016	March 31, 2016
1,67,046	13,86,406
3,95,807	43,02,394
26,61,605	49,97,942
54,54,319	7,08,936
86,78,777	1,13,95,678

21. Consumables, provisions and housekeeping material costs

Chemicals and cleaning materials
Other materials

August 31, 2016	March 31, 2016
30,03,12,053	73,94,61,219
1,13,78,478	1,85,11,760
31,16,90,532	75,79,72,979

22. Employee benefits expense

Salaries, wages and bonus
Contribution to provident and other funds
Gratuity expense (refer note 27)
Expense for compensated absence
Staff welfare expenses

August 31, 2016	March 31, 2016
12,60,63,065	25,16,23,657
86,47,762	1,66,80,596
23,01,257	36,67,527
7,50,619	15,00,469
23,68,145	84,41,262
14,01,30,848	28,19,13,511

23. Other expenses

Rent
Repairs and maintenance
Plant and machinery
Building and others
Power, fuel and water charges
Provision for Doubtful debts
Rates and taxes
Advertisement and brand promotion
Travelling and conveyance
Communication costs
Printing and stationery
Legal and professional fees
Corporate Social Responsibility (CSR) expenditure (refer note 23.1 below)
Insurance
Payment to auditor (refer note 23.2 below)
Loss on sale of Investments
Other operating expense

August 31, 2016	March 31, 2016
1,17,56,275	1,91,45,101
1,83,54,189	3,43,24,977
41,30,951	45,73,220
4,11,78,663	8,64,02,289
47,60,046	-
3,17,29,734	5,17,82,623
4,87,390	23,95,931
52,01,477	1,24,89,158
16,02,421	51,44,826
1,97,098	11,47,248
1,73,97,170	4,97,06,304
9,00,000	36,59,898
8,37,495	19,40,416
12,83,299	31,28,111
-	8,579
58,73,927	1,39,56,319
14,56,90,135	28,98,05,000

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

23.1 Details of CSR expenditure

	August 31, 2016	March 31, 2016
a) Gross amount required to be spent by the Company during the year	16,22,219	17,66,212
b) Amount spent during the year		
i) Construction/acquisition of any asset		
- In cash	-	-
- Yet to be paid in cash	-	-
ii) On purposes other than (i) above		
- In cash	-	36,59,898
- Yet to be paid in cash	9,00,000	-
	9,00,000	36,59,898

23.2 Payment to auditor

	August 31, 2016	March 31, 2016
For		
- Statutory Audit	12,37,645	26,00,000
Tax audit fee		
- Certification	-	3,78,111
- Reimbursement of expenses	45,654	1,50,000
	12,83,299	31,28,111

24. Depreciation and amortisation expense

	August 31, 2016	March 31, 2016
Depreciation of tangible assets	9,02,13,080	18,77,56,621
Amortisation of intangible assets	6,33,385	13,29,389
	9,08,46,465	18,90,86,010

25. Finance costs

	August 31, 2016	March 31, 2016
Interest on term loans	18,63,42,162	41,08,20,475
Loan processing charges	18,75,000	43,90,433
Bank charges	88,375	4,78,717
	18,83,05,537	41,56,89,625

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

26. Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

	August 31, 2016	March 31, 2016
Net profit for calculation of basic and diluted EPS	2,88,75,413	7,12,74,473
	Numbers	Numbers
Weighted average number of equity shares (of nominal value of Rs. 10 per share) for calculating basic EPS (March 31, 2016 - Rs.10 per share)	1,18,96,319	1,18,96,319
Weighted average number of equity shares which would be issued on conversion of compulsory convertible debentures	29,74,005	29,74,005
Weighted average number of equity shares (of nominal value of Rs. 10 per share) in calculating diluted EPS (March 31, 2016 - Rs.10 per share)	1,48,70,324	1,48,70,324
Earning per share		
Basic EPS	2.43	5.99
Diluted EPS	1.94	4.79

27. Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Company contributes to a gratuity fund maintained with an insurance company in the form of a qualifying insurance policy.

For the interim financial reporting purpose, management had decided to provide gratuity for the period April 2016 to August 2016 on proportionate to previous year gratuity provision. Accordingly same is debited to the statement of profit and loss of Rs.23,01,255.

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

28. Related party disclosure

a. Names of related parties where control exists irrespective of whether transactions have occurred or not:

i. Holding company

1. Manipal Education and Medical Group India Private Limited

ii. Subsidiaries

1. Woodstock Ambience Private Limited
2. Master Staffing Solutions Private Limited
3. Manipal Integrated Services Singapore Pte Limited
4. Golden Star Facilities and Services Private Limited (w.e.f December 19, 2015)
5. Manipal Integrated Services Malaysia SDN BHD
(subsidiary of Manipal Integrated Services Singapore Pte Limited)
6. Manipal Intergrated Services, FZ-LLC, Dubai (w.e.f October 26, 2015)
(subsidiary of Manipal Integrated Services Singapore Pte Limited)

iii. Individuals having substantial voting interest

1. Dr. Ranjan Pai
2. Shruti R. Pai

b. Names of other related parties as per AS 18 with whom transactions have taken place during the year:

i. Fellow Subsidiaries

1. Manipal Resorts Company Private Limited

ii. Key Management Personnel (KMP)

1. Alok Bajpai (Managing Director and CEO from May 21, 2014 to July 31, 2015)
2. Swaminathan Dandapani (Chairman Director)

iii. Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest

1. Stempeutics Research Private Limited
2. MEMG International India Private Limited
3. Eeron Accunova Limited (formerly known as Manipal Accunova Limited)
4. Manipal Health Enterprises Private Limited
5. Manipal Global Education Services Private Limited
6. TRC Engineering (I) Private Limited
7. Manipal Health Systems Private Limited
8. MeritTrac Services Private Limited
9. Manipal Hospital (Jaipur) Private Limited
10. Manipal Hospital (Dwarka) Private Limited
11. Manipal Hospital (Whitefield) Private Limited
12. Ankur Healthcare Private Limited
13. Manipal City & Guilds Private Limited
14. MEMG Holdings Private Limited
15. JVMC Corporation SDN BHD
16. Manipal Cure & Care Private Limited

c. Additional related parties as per Companies Act, 2013 with whom transactions have taken place during the year:

i. Directors

1. Abhay Kumar Jain
2. Surendra Ramanna

ii. Chief Financial Officer & Company Secretary

1. Shobhit K Agarwal

iii. Enterprises in which a director is a member

1. Saksham Training and Facility Management Private Limited (upto July 31, 2015)
2. Grow Talent Company Limited



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

d. Details of transactions with related parties during the year:

Sl. No.	Particulars	August 31, 2016	31 March 2016
1.	Inter corporate advances given		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	-	6,08,73,170
	Golden Star Facilities and Services Private Limited	-	2,25,00,000
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Health Systems Private Limited	-	-
	Repayment of inter corporate advances		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	5,39,90,275	1,32,09,535
	Golden Star Facilities and Services Private Limited	-	2,25,00,000
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Health Systems Private Limited		-
2.	Amounts paid on behalf of the Company		
	<u>Subsidiaries</u>		
	Golden Star Facilities and Services Private Limited		3,00,000
	Woodstock Ambience Private Limited	8,67,676	
3.	Amounts paid on behalf of related parties		
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited		-
4.	Revenue from facility maintenance and support services		
	<u>Holding company</u>		
	Manipal Education and Medical Group India Private Limited	31,61,448	12,57,248
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited	35,12,724	70,09,368
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Stempeutics Research Private Limited	14,45,695	36,01,466
	MEMG International India Private Limited	30,94,665	1,06,56,852
	Ecron Accunova Limited (formerly known as Manipal Accunova Limited)	44,58,740	91,84,986
	Manipal Health Enterprises Private Limited	19,58,69,588	48,31,86,855
	Manipal Global Education Services Private Limited	19,29,95,740	38,00,94,459
	Ankur Healthcare Private Limited	14,22,913	39,23,732
	Manipal City & Guilds Private Limited	95,890	2,96,054
	MeritTrac Services Private Limited	28,79,718	52,16,770
	Manipal Hospitals (Jaipur) Private Limited	2,05,28,883	5,11,22,330



Manipal Integrated Services Private Limited
(formerly known as Manipal Servicecorp Facility Management Private Limited)
Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

d. Details of transactions with related parties during the year:

Sl. No.	Particulars	August 31, 2016	31 March 2016
	Manipal Hospitals (Dwarka) Private Limited	95,415	13,00,641
	Manipal Hospitals (Whitefield) Private Limited	59,68,921	48,14,678
	Manipal Health Systems Private Limited	-	-
	JVMC Corporation SDN BHD	-	6,600
	<u>Subsidiaries</u>		
	Master Staffing Solutions Private Limited	64,02,179	1,32,98,220
5.	Revenue from hostels *		
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Global Education Services Private Limited	4,94,85,467	9,74,98,515
6.	Interest income on inter corporate advances		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	3,95,807	42,35,339
	Golden Star Facilities and Services Private Limited	-	67,055
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Health Systems Private Limited	-	-
7.	Legal and professional fees		
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	MEMG International India Private Limited	1,06,44,253	3,13,96,791
	Manipal Global Education Services Private Limited	19,22,435	11,00,000
	Manipal Health Enterprises Private Limited	35,605	46,371
8.	Purchases of services, materials and consumables		
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited	67,26,658	1,37,47,111
	<u>Subsidiaries</u>		
	Master Staffing Solutions Private Limited	22,82,91,977	49,12,56,148
	Woodstock Ambience Private Limited	42,23,639	49,04,853
	Golden Star Facilities and Services Private Limited	13,72,952	3,09,285
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Health Enterprises Private Limited	11,24,214	22,33,569
	TRC Engineering (I) Private Limited	-	17,24,549
	Manipal Hospitals (Jaipur) Private Limited	12,50,962	22,59,721
	Manipal Global Education Services Private Limited	-	18,87,336
	<u>Enterprises in which a director is a member</u>		
	Saksham Training and Facility Management Private Limited	-	42,85,888
	Grow Talent Company Limited	-	8,96,000
9.	Rent expense		
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited	-	17,31,345
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	-	-



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

d. Details of transactions with related parties during the year:

Sl. No.	Particulars	August 31, 2016	31 March 2016
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	MEMG International India Private Limited		-
	Manipal Global Education Services Private Limited	25,100	60,000
10.	Deposit recovered from vendors		
	<u>Fellow subsidiaries</u>		
	Manipal Resorts Company Private Limited		55,00,000
11.	Deposit received from customers		
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Global Education Services Private Limited		3,32,79,917
12.	Purchase of fixed assets		
	<u>Fellow subsidiaries</u>		
	Manipal Resorts Company Private Limited		35,50,00,000
13.	Outstanding balances		
(a.)	Trade receivables		
	<u>Holding company</u>		
	Manipal Education and Medical Group India Private Limited	25,37,557	18,09,838
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Stempeutics Research Private Limited	6,39,064	6,67,125
	MEMG International India Private Limited	49,73,401	67,93,793
	Econ Accunova Limited (formerly known as Manipal Accunova Limited)	28,37,543	14,17,952
	Manipal Health Enterprises Private Limited	7,29,36,854	45,52,401
	Manipal Global Education Services Private Limited	10,01,17,430	6,79,70,228
	Manipal Health Systems Private Limited	-	12,52,907
	Ankur Healthcare Private Limited	4,09,007	5,57,237
	Manipal City & Guilds Private Limited	15,42,433	62,484
	MeritTrac Services Private Limited	35,139	6,54,588
	Manipal Hospitals (Jaipur) Private Limited	92,97,766	54,34,268
	Manipal Hospitals (Dwarka) Private Limited	87,686	21,850
	Manipal Hospitals (Whitefield) Private Limited	50,00,412	20,11,080
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited	40,14,981	6,75,638
	<u>Subsidiaries</u>		
	Master Staffing Solutions Private Limited	2,74,225	-
(b.)	Deposit given to vendors		
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited		-
(c.)	Deposit received from customers		
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	Manipal Global Education Services Private Limited	5,90,34,917	5,90,34,917



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

d. Details of transactions with related parties during the year:

Sl. No.	Particulars	August 31, 2016	31 March 2016
(d.)	Trade payables		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	8,41,608	54,56,830
	Master Staffing Solutions Private Limited	6,27,14,222	12,98,32,086
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited	3,42,174	26,55,873
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	MEMG International India Private Limited	2,96,973	41,44,907
	Manipal Hospitals (Jaipur) Private Limited	4,50,142	12,75,312
	Manipal Health Enterprises Private Limited		42,323
	Manipal Global Education Services Private Limited	10,36,250	11,450
	Manipal Cure & Care Private Limited	22,610	22,610
	<u>Enterprises in which a Director is a member</u>		
	Saksham Training and Facility Management Private Limited		-
	Grow Talent Company Limited	-	4,68,160
	<u>Key Management Personnel</u>		
	Shobhit K Agarwal		10,630
(e.)	Capital Creditors		
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	TRC Engineering (I) Private Limited	2,43,505	2,70,735
(f.)	Inter Corporate Advances		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	66,98,149	5,98,20,748
(g.)	Other Loans and Advances		
	<u>Subsidiaries</u>		
	Manipal Integrated Services Singapore Pte Limited	2,99,664	2,99,664
	Manipal Integrated Services Malaysia SDN BHD	60,314	60,314
	Golden Star Facilities and Services Private Limited	84,588	67,055
	<u>Fellow Subsidiaries</u>		
	Manipal Resorts Company Private Limited		-
(h.)	Accrued Interest		
	<u>Subsidiaries</u>		
	Woodstock Ambience Private Limited	3,95,807	42,35,339
14.	Investment made during the year		
	<u>Subsidiaries</u>		
	Manipal Integrated Services Singapore Pte Limited	3,06,05,000	11,64,76,000
15.	Guarantee given to banks by the company for the loans availed by the subsidiary company		
	<u>Subsidiaries</u>		
	Master Staffing Solutions Private Limited	10,00,00,000	10,00,00,000
	Woodstock Ambience Private Limited	15,00,00,000	15,00,00,000
	Golden Star Facilities and Services Private Limited	15,00,00,000	15,00,00,000



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

d. Details of transactions with related parties during the year:

Sl. No.	Particulars	August 31, 2016	31 March 2016
16. Remuneration paid to Key Management Personnel **			
	Alok Bajpai	-	30,60,733
	Swaminathan Dandapani	65,43,317	73,99,056
	Shobhit K Agarwal	37,27,028	72,51,495
17. Sitting fee paid to directors/ Key Management Personnel			
	Surendra Ramanna	-	1,35,000
18. Proposed dividend			
	<u>Holding Company</u>		
	Manipal Education and Medical Group India Private Limited	-	1,07,21,295
	<u>Enterprises owned or significantly influenced by individuals or their relatives having substantial voting interest</u>		
	MEMG Holdings Private Limited	-	74,970
	MEMG International India Private Limited	-	1,00,762
	<u>Key Management Personnel</u>		
	Shobhit K Agarwal	-	29,630
	<u>Directors</u>		
	Abhay Kumar Jain	-	74,074
	Surendra Ramanna	-	73,292

* Note: The above income is excluding straight line reserve as the same is credited to lease equalisation reserve.

**Note: The remuneration to key managerial personnel does not include the provisions made for gratuity and leave balances as they are determined on an accrual basis for the Company as a whole.

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

29. Details of investment in mutual funds

Particulars	August 31, 2016		March 31, 2016	
	No. of units	Amount	No. of units	Amount
ICICI Prudential Savings Fund - Regular Plan- Daily Dividend Current market value is Rs. 40,345,678 (March 31, 2016 - Rs. 101,758)	3,98,818	4,02,85,690	1,009	1,01,510
IDFC Banking Debt Fund - Regular Plan - Daily Dividend Current market value Rs. 85,744,032(March 31, 2016 - Rs. 83,964,547)	84,91,778	8,53,99,020	83,18,345	8,36,48,455
IDFC Ultra Short Term Fund-Daily Dividend (Regular Plan) Current market value Rs. 162,813 (March 31, 2016 - Rs.158,781)	16,211	1,62,432	15,832	1,58,623
IDFC Cash Fund - Daily Dividend (Regular Plan) Current market value Rs. 7,090 (March 31, 2016 - Rs.6,937)	7	7,055	7	6,909
Reliance Liquid Fund - Cash Plan - Daily Dividend Option Current market value Rs. 40,460,368(March 31, 2016 -	36,318	4,04,60,362	286	3,18,210
ICICI Prudential Savings Fund - Regular Plan- Daily Dividend Current market value Rs. 56,838 (March 31, 2016 - Rs.55,370)	562	56,678	549	55,122
IDFC Corporate Bond Fund Regular Plan_Monthly dividend Current market value Rs. 8,863,551 (March 31, 2016 - Nil)	8,68,967	87,92,073	-	-
Birla Sunlife Cash Plus-Daily Dividend-Regular Plan- Reinvestment Current market value Rs. 130,628,440 (March 31, 2016 - Rs.Nil)	12,91,794	13,04,87,372		
Total		30,56,50,681		8,42,88,830

30. Disclosure required under Sec 186(4) of the Companies Act 2013

Included in loans and advance are certain intercorporate deposits the particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013

Name of the loanee	Rate of interest	Due Date	Secured/ unsecured	August 31, 2016	March 31, 2016
Woodstock Ambience Private Limited	11%	On demand	Unsecured	66,98,149	5,98,20,748

The loans have been utilized for meeting their working capital requirements.

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31. Employee stock option plan (ESOP)

The Company has an employee stock option plan under Manipal Servicecorp Stock Option Scheme, 2013 ("MSOS 2013") ("the scheme"). The relevant details of the scheme and the grant are as below.

On March 11, 2013, the Compensation Committee has approved "MSOS 2013" for issue of stock options to the key employees and directors of the Company. MSOS 2013 shall be administered by the Compensation Committee, that had been formulated on 68th Board Meeting held on January 9, 2013. The objective of the Compensation Committee is to manage the MSOS and other employee benefit schemes. According to the Scheme, the employee selected by the Compensation Committee from time to time will be entitled to options, subject to satisfaction of the prescribed vesting conditions, viz., options granted under MSOS 2013 would vest not less than six (6) months and not more than five years from the date of grant of such options. The contractual life (comprising the vesting period and the exercise period) of options granted is six years. The other relevant terms of the grant are as below:

Vesting period	6 months to 5 years
Exercise period	6 years from the grant date
Expected Life	4.50 years

The details of activity under the scheme are summarized below:

	August 31, 2016		March 31, 2016	
	No. of options	WAEP* (Rs.)	No. of options	WAEP* (Rs.)
Outstanding at the beginning of the year	2,39,250	241.94	4,84,000	241.94
Granted during the year	-	-	-	-
Forfeited during the year	-	307.46	2,44,750	307.46
Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,39,250	241.94	2,39,250	241.94
Exercisable at the end of the year	2,39,250	144.66	98,800	144.66

*Weighted Average Exercise Price

The weighted average fair value of stock options granted during the year was Rs. Nil (March 31, 2016: Nil).

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

	August 31, 2016*	March 31, 2016
Dividend yield	NA	NA
Expected volatility	NA	NA
Risk-free interest rate	NA	NA
Weighted average share price (Rs.)	NA	NA
Exercise price (Rs.)	NA	NA
Expected life of options granted in years	NA	NA

* No options has been granted during the year.

The expected life of the stock is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

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Amount in Rs.

The Company measures the cost of ESOP using the intrinsic value method. Had the Company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

	August 31, 2016	March 31, 2016
Profit after tax as reported	2,88,75,413	7,12,74,473
Add: ESOP cost using the intrinsic value method	-	-
Less: ESOP cost using the fair value method		17,44,835
Proforma profit after tax	2,88,75,413	6,95,29,638
Earnings per share		
Basic		
- As reported	2.43	5.99
- Proforma	2.43	5.84
Diluted		
- As reported	1.94	4.79
- Proforma	1.94	4.68

32. Leases

a. Leases (Where Company is lessee)

Operating lease:

The Company has taken operating leases for offices/Hostels/Canteens/Land under cancellable lease agreements that are renewable on periodic basis at the option of both lessor and lessee. The total rent expense debited to the statement of profit and loss for the period is Rs. 11,756,275 (March 31, 2016 - Rs. 19,145,101).

b. Leases (Where Company is lessor)

Operating lease:

The Company has given certain furnished buildings on operating lease. These are non-cancellable lease ranging between 5-20 years. All leases include a clause to enable upward revision of rental charges on an annual basis ranging between 5% to 10%. Income from such operating leases recognised in the statement of profit and loss (included under "Revenue from hostels") for the period is Rs. 217,230,764 (March 31, 2016 - Rs. 439,395,774)

Future minimum rental receivable under non-cancellable operating leases are as follows:

	August 31, 2016	March 31, 2016
Not later than one year	33,78,64,743	33,09,07,146
Later than one year but not later than five years	1,47,47,70,071	1,46,55,44,504
Later than five years	5,20,89,28,213	5,36,29,89,354

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

33. Segment information

- a. The primary segment reporting format is determined to be business segments as the Company's risks and returns are affected predominantly by differences in the services provided. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the services provided, with each segment representing a strategic business unit that serves different markets.

The "Facility management, Support & Allied services" segment provides Housekeeping, Security, Catering and other support services to Educational institutions, Hospitals and other Corporate clients in India. All the above mentioned activities are governed by similar sets of risks and returns hence considered as one segment.

The "Hostel operations" segment provides accommodation facility to students.

Business segment revenue and results

Year ended August 31, 2016

Particulars	Facility management, support and allied services	Hostel operations	Total
Revenue			
External sales	1,03,54,11,403	21,72,30,764	1,25,26,42,168
Unallocated	-	-	86,78,777
Total revenue	1,03,54,11,403	21,72,30,764	1,26,13,20,944
Segment results	18,09,80,747	10,28,45,150	28,38,25,897
Unallocated expenses			(6,25,98,118)
Operating profit			22,12,27,779
Finance cost			(18,83,05,537)
Other income			86,78,777
Net profit before tax			4,16,01,019
Less : Income tax expense			1,27,25,606
Net profit			2,88,75,413
Segment assets	46,45,72,112	4,93,92,92,890	5,40,38,65,002
Unallocated assets	-	-	1,19,82,17,865
Total assets	46,45,72,112	4,93,92,92,890	6,60,20,82,867
Segment liabilities	22,94,58,944	16,71,45,863	39,66,04,807
Unallocated liabilities	-	-	5,35,63,36,934
Total liabilities	22,94,58,944	16,71,45,863	5,75,29,41,741
Other Segment Information			
Capital expenditure:			
Fixed assets	3,50,51,823	2,00,90,54,891	2,04,41,06,714
Unallocated	-	-	-1,89,47,69,460
Total	3,50,51,823	2,00,90,54,891	14,93,37,253
Depreciation			
Depreciation	91,07,393	7,95,31,088	8,86,38,481
Unallocated	-	-	22,07,984
Total	91,07,393	7,95,31,088	9,08,46,465

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

Business segment revenue and results

Year ended March 31, 2016

Particulars	Facility management, support and allied services	Hostel operations	Total
Revenue			
External sales	2,31,78,17,918	43,93,95,774	2,75,72,13,692
Unallocated	-	-	1,13,95,678
Total revenue	2,31,78,17,918	43,93,95,774	2,76,86,09,370
Segment results	45,30,80,755	25,35,37,493	70,66,18,248
Unallocated expenses			(18,94,93,110)
Operating profit			51,71,25,138
Finance cost			(41,56,89,625)
Other income			1,13,95,678
Net profit before tax			11,28,31,191
Less : Income tax expense			4,15,56,718
Net profit			7,12,74,473
Segment assets	30,49,31,642	4,92,71,78,232	5,23,21,09,874
Unallocated assets	-	-	1,01,80,20,622
Total assets	30,49,31,642	4,92,71,78,232	6,25,01,30,496
Segment liabilities	44,87,84,731	15,27,13,491	60,14,98,222
Unallocated liabilities	-	-	5,18,72,56,397
Total liabilities	44,87,84,731	15,27,13,491	5,78,87,54,619
Other segment information			
Capital expenditure:			
Fixed assets	3,50,51,823	86,35,90,153	89,86,41,976
Unallocated	-	-	35,98,390
Total	3,50,51,823	86,35,90,153	90,22,40,366
Depreciation/Amortisation			
Depreciation/Amortisation	1,86,73,835	16,55,71,103	18,42,44,938
Unallocated	-	-	48,41,072
Total	1,86,73,835	16,55,71,103	18,90,86,010

b. Information about the secondary segment

The Company is engaged in the business of providing hostel services, facility management, support & allied services to customers, solely in India. The Company is rendering services only in India and is governed by similar sets of risks and returns. Accordingly, disclosures required as per Accounting Standard 17 on Segment Reporting are not made.

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Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

34. Capital and other commitments

	August 31, 2016	March 31, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of capital advances of Rs. 34,885,410 (March 31, 2016 - Nil)]	23,52,46,913	5,35,92,932
	23,52,46,913	5,35,92,932

The Company vide agreement with promoters of Golden Star Facilities and Services Private Limited has agreed to purchase the balance equity shares held by promoters and their relatives after submission of the audited accounts for the year ended March 31, 2019 at an agreed equity valuation as mentioned in the agreement.

35. Contingent liabilities

	August 31, 2016	March 31, 2016
Corporate Guarantee *	40,00,00,000	5,00,00,000
Indirect Taxes **	1,25,31,492	1,25,31,492
Claims against the company not acknowledged as debt ***	5,98,17,508	45,12,221

* a) The Company has given a corporate guarantee to banks amounting to Rs. 100,000,000 (March 31, 2016 - Rs. 100,000,000), Rs. 150,000,000 (March 31, 2016 - Rs. 150,000,000) and Rs. 676,296,000 (March 31, 2016 - Rs. Nil) on behalf of its wholly owned subsidiaries, Master Staffing Solutions Private Limited, Woodstock Ambience Private Limited and Manipal Integrated Services FZ-LLC respectively. Further, the Company has given a corporate guarantee to a bank amounting to Rs. 150,000,000 (March 31, 2016 - 150,000,000) on behalf of Golden Star Facilities and Services Private Limited, one of its subsidiary.

b) Bank Guarantee given to a customer Rs. 1,600,000 (March 31, 2016: Nil) as security towards performance of obligations.

** The Company has received a demand order from Principal Commissioner of Service Taxes, wherein a Service Tax adjustment of Rs. 12,531,492 (March 31, 2016 : 12,531,492) has been made on messing cost incurred by a customer as outdoor catering services of the Company for the financial years 2009-10 to 2012-13. The Company has filed its appeal with the relevant authorities against the above demand order and the management is expecting favourable outcome. Pending outcome of relevant appeals, no provision has been made in the financial statements.

*** a) During the previous year, one of the vendors of the Company had filed a claim against the Company for Rs. 4,512,221 (March 31, 2016 - Rs. 4,512,221) towards services provided. The management considers this claim to be not tenable.

b) One of the customers of the Company has received a demand letter from Jaipur Development Authority (JDA) imposing a penalty of Rs.Nil (March 31, 2016 - Rs.55,305,287) for construction of hostel building without JDA permission. Since the construction was done by the Company, the liability if any will needs to be reimbursed by the Company to the customer.

The customer has replied to the demand letter objecting the grounds for raising penalty. During the period the customer received the revised demand order from the authority for Rs. 2,664,137 which has been provided in the statement of profit and loss and paid by the Company subsequent to the period end.

36. Value of imports calculated on CIF basis

	August 31, 2016	March 31, 2016
Capital goods	-	40,26,600
	-	40,26,600

37. Subsequent Events

a. Company had converted its Compulsorily Convertible Debentures(CCD's) of Rs.100 Cr. into Optionally Convertible Redeemable Debentures(OCRD's) and had paid the same along with the premium of Rs. 120Cr during the month end of November.

b. Company had increased its Authorised Capital of Preference Share to Rs. 100,000,000 and had allotted 4,036,687 Compulsorily Convertible Preference Shares to Qness Corp Ltd for Rs. 2,200,000,000 having face value of Rs.10.

c. Company had sold its service business i.e. House keeping business, Security business and Catering business to Qness Corp w.e.f 1st Dec, 2016



Manipal Integrated Services Private Limited
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Notes to financial statements for the year ended August 31, 2016

Amount in Rs.

38. Dues to Micro, Small and Medium Enterprises

Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 as at August 31, 2016 and as at March 31, 2016.

39. Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to confirm to this year classification.

40. Other Information

- There were no pending litigations as at 31st August 2016 except as disclosed in note no. 35, which would impact the financial position of the Company.
- The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- There are no items which are required to be transferred to the investor education and protection fund.

FOR SRIRAMULU NAIDU & CO.

Firm registration number: 008975S
Chartered Accountants

(CA. Deenadayal S)

Partner

Membership No.: 205194



Place: Bangalore

Date:

18 FEB 2017

For and on behalf of the Board of Directors of
Manipal Integrated Services Private Limited

Rajesh Moorti

DIN: 01480683

Director

Shobhita K Agarwal

Chief Financial Officer & Company Secretary

Place: Bangalore

Date:

Abhay Jain

DIN: 00181744

Director