

Annual
Report 2012-13

Technology in Healthcare Expanding the Horizons



Transforming Healthcare



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Company Information

BOARD OF DIRECTORS

Mr. Shivinder Mohan Singh
Mr. Sunil Godhwani
Mr. Harpal Singh
Mr. Maninder Singh Grewal
Mr. Vikram Sahgal
Dr. Preetinder Singh Joshi
Mr. Padam Bahl
Mr. R. K. Shetty
Capt. G. P. S. Bhalla

Non-Executive Director
Non-Executive Director
Non-Executive Director
Managing Director
Independent Director
Independent Director
Independent Director
Independent Director

COMPANY SECRETARY

Vivek Kumar Singh

REGISTERED OFFICE

D3, P3B, District Centre,
Saket, New Delhi – 110017

BANKERS

HDFC Bank Limited
Axis Bank Limited
YES Bank Limited
Punjab National Bank
HSBC Bank

AUDITORS

M/s. RRCA & Associates
Chartered Accountants
505A, 5TH Floor, D-4,
Rectangle-1, District Centre,
Saket, New Delhi-110017

ANNUAL GENERAL MEETING

Venue : Air Force Auditorium,
Subroto Park, New Delhi-110010
Date : September 13, 2013
Day : Friday
Time : 12:30 PM



Message From Managing Director

Dear Stakeholders,

I am privileged to present to you the 4th Annual Report of your company for the financial year ended March 31, 2013.

This has been a new beginning. While we acquired the Magnum suite of Hospital Information Systems and got a focused team with some important clients, the product roadmap needed to be redefined. New technology and changing expectations of clients required that we look at the product roadmap afresh. While aggregating the different code bases for Magnum, we started work on the next generation product, Infinity. While this new product follows the traditional workflows of the HealthCare space, it delivers a packed performance with use of cloud and technology and has ground up support for mobile and tablet computing.

The timelines and the roadmap for the Hospital Information and Management System are now defined and the development is proceeding to plan. At the same time we have acquired significant customers so that we will be able to prove the stability and functionality of the product in a real time environment. There is thus much excitement in the market as well as the developer community and we expect significant revenues flowing from the product.

On the Sales and Marketing side, we have followed a reseller/dealer approach to reaching out to Africa and the Middle East. This is also being rolled out to South Asia and we are developing a significant funnel through our partners in this region. These efforts are spearheaded by a direct sales force.

With Healthcare being on the top of the agenda for Governments across the globe and in India, we decided to set up a team to address these opportunities. We have had our first success and in a recent press release we have highlighted our breakthrough project in Assam. This is a Tele-Radiology project across 11 districts and in under implementation. We expect this to be a model for many states and countries and also expect to use this to secure more orders.

Our mHealth initiatives continue to develop and expect that the revenues will increase sharply in this segment.

A major concern is attrition of resources and we are using the best HR practices to ensure that this is kept to a minimum. We did a detailed appraisal exercise in march and rolled this out in April. We respect each employees's contribution to making your company and its products known in the Industry.

You would have seen recent press releases on the change of name from Religare Technologies Ltd. to HealthFore Technologies Ltd. and this is being welcomed in the market as representative to the nature of the business we are in. We are releasing a new website as well as new marketing material to enable us to derive the maximum benefit of this change.

We are thankful to our Shareholders and the Promoter group for their continued support and encouragement. This is a great source of inspiration as we go about laying the foundations of what we genuinely believe will be a powerful and profitable player in the Healthcare IT segment.

Sincerely

Maninder Singh Grewal
Managing Director
HealthFore Technologies Limited



About HealthFore

HealthFore Technologies Limited is a technology company focusing on Healthcare Informatics and IT services. Its core domain is closely drawn from the vertical focus of the promoter group viz healthcare and enterprise services. Our growth strategy is based on building world class organic capability in software development, project implementation and management consulting in Healthcare IT and Life Sciences and augmenting this by leveraging inorganic opportunities for rapid growth.

HealthFore provides Healthcare IT products and services that help customers achieve business objectives while providing quality patient care. It focuses on creating innovative services, solutions and platforms that provide consumers with continuum care, on-demand. Each of our offerings is backed by our extensive technology & domain knowledge, rigorous adherence to global standards and a global delivery experience.

The breadth of our solution portfolio allows us to partner with corporates, providers, as well as direct consumers/ patients. We believe we are uniquely positioned to offer integrated products and services which range from HIS & Imaging (RIS & PACS) solutions for hospitals, to our Mediphone service which can be used by consumers directly to get medical advice on-demand 24X7. Our integrated portal and EMR solutions provide all our customers, B2B and B2C, the ability to get the best clinical assistance possible.

HealthFore has three divisions, which are

HAPS (Healthcare Application & Products Solutions)

End-to-end HIS, EMR, Imaging (RIS & PACS) products catering to clinics, hospitals and diagnostic chains

HIMS (Healthcare Information & Management Services)

Innovative mHealth services for patients and consumers, leveraging clinical excellence with technology

HITS (Healthcare Infrastructure & Technology Services)

Infrastructure, data center and hosting services for healthcare providers

HAPS (Healthcare Application & Products Solutions)

HAPS is the product group creating and supporting products and systems which span the entire clinical, administrative and back offices functions of clinics, labs and hospitals.

HealthFore's Magnum suite products provide rich HIS and RIS-PACS solutions which span the entire clinical, administrative and back offices functions of clinics, labs and hospitals. Magnum solutions are currently supporting healthcare providers in 11 countries.

With the launch of next generation HIS product, Magnum Infinity HIS, HealthFore have a state-of-art cloud enabled HIS product, which offers a much enhanced user experience and clinical excellence.

The portfolio addresses applications and services across the spectrum of products and services required by industry from SMB to Enterprises. Our skills and experience in running enterprise class IT architectures and installations in partnerships with Microsoft, HP, IBM, EMC, CISCO and other market leading technology providers, coupled with product engineering capabilities covering healthcare applications and products, as well as enablers like Cloud, Surface, SaaS etc, enable us to bring seamless solutions to every segment of the healthcare provider market. Coupled with software engineering based in Bangalore covering healthcare applications and products as well as horizontal technologies like Apple OS, Cloud, SaaS etc.

HIMS (Healthcare Information & Management Services)

HIMS is the healthcare services division of HealthFore, which focuses on providing innovative and affordable mHealth solutions to consumers in India. In August 2011, HIMS launched the on-demand doctor-on-phone service, Mediphone, in partnership with Airtel. The service provides round the clock access to medical information, counseling and consulting, through telephony and internet, using our MedSmart platform.

HIMS is also working with healthcare provider and insurance companies to offer their MediConsult services to their customers. Besides offering on-demand doctor-on-phone doctor service, MediConsult also brings specialized services to help patients manage a growing list of lifestyle ailments like diabetes, obesity and hypertension.



MediConsult is extending its service to offer medical & wellness content to consumers through a variety of channels like SMS, emails, auto-dialers and IVR, distributed through our partners like Airtel, and also direct through MedSmart. With the launch of Wellness, Lifestyle & Condition Management Programs like Pregnancy Management, Diabetes, Psych counseling, Dietary Management, Hypertension, Health on SMS etc, HIMs will be offering the mhealth services to corporate houses.

Public Services is the other area of interest for HIMs; we are currently engaged with a number of state governments to offer the MediConsult service portfolio, and have recently won our first disease surveillance project.

HITS (Healthcare Infrastructure & Technology Services)

HITS is the new division of HealthFore which caters exclusively to the infrastructure and hosting needs of the healthcare providers. The division provides end-to-end IT Infrastructure management & solutions that drive business transformation using industry specific knowledge combined with healthcare domain expertise.

Typical offerings of this division include:

- Integrated Infrastructure Management Services
- Data Centre Services
- Managed IT Services
- Enterprise Technology Solutions
- System & Software Solutions
- Network & Security Solutions
- Server, Storage & Virtualization Solutions.

HITS currently provide turnkey hosting service for one of India's largest hospital chain, managing their servers, storage, and enterprise software out of a Tier 3 data center.

Financial Declaration





DIRECTORS' REPORT

Dear Members, HealthFore Technologies Limited

Your Directors have pleasure in presenting the 4th Annual Report on the business and operations of the Company along with the Audited Accounts for the financial year ended March 31, 2013.

FINANCIAL PERFORMANCE

The financial performance of the Company for the Financial Years 2012-13 and 2011-12 is summarized below:

(₹ in Million)

Particulars	2012-13	2011-12
Total Income	317.76	791.70
Total Expenditure	996.66	1,521.04
Profit/ (Loss) before Tax	(678.90)	(729.34)
Profit/ (Loss) after Tax	(678.90)	(729.34)
Balance brought forward from previous year	(1943.60)	(1,214.26)
Balance carried to Balance Sheet	(2622.50)	(1,943.60)

BUSINESS OVERVIEW

The total Income of the Company is ₹ 317.76 Million during the financial year 2012-13 as against the total Income of ₹ 791.70 Million in the previous financial year 2011-12. However, the total expenditure is ₹ 996.66 Million as against ₹ 1,521.04 Million in the previous year. The Loss after Tax is ₹ 678.90 Million during the financial year 2012-13 as against ₹ 729.34 Million in the previous financial year. Therefore, the Company is reduced its Loss after Tax by approximately 6.92%.

During the year under review, your Company continued its focus on its two core line of businesses i.e. mHealth and the Hospital Information and Management Software.

On the product business, your company successfully released the Infinity version of Magnum HIS and is working on multiple parallel implementations of the same. Alongside, focused efforts are underway to release the next enhanced version of Infinity that will have integrated functionality to support an enterprise wide cloud EMR with front office and back office functionality for multi-site hospital providers. The Magnum Imaging solution (PACS) is now integrated with Infinity as a single offering to help healthcare providers seamless operations of their in-house diagnostic centers. As an IT product company in the HealthCare space, we are creating significant and valuable IP which will enable us to compete with larger companies across the globe. Our sales and marketing teams now address over 20 countries in Africa/Middle East and APAC.

MediPhone, the service that your company launched last year, provides health advice to Airtel subscribers over the phone by dialing 54445, continues to scale up and has achieved operational stability and efficiencies. MediPhone is now being augmented to offer specific disease services like diabetes, mens' health and holds promise to establish itself as a leader in tele triage. The service is also being expanded to cover corporate customers.

The HealthLine24x7 initiative that was operating across 11 cities has been re-engineered to reflect current technology and uses social media and web initiatives as a means of reaching its sub-

scribers. The service is being revamped and HL24x7 model is completely web enabled and has been engineered to work with MediPhone as a complementary service.

Your Company had achieved another significant milestone with the award of Tele-Radiology project in Assam. An innovative solution that will provide physicians in 11 district hospitals across Assam, instant access to X-rays and CT Scans through Regional Diagnostic Centers. These will be linked with a dedicated Data Center in Guwahati. Radiologists will have the ability to perform expert diagnostic advice on a 24x7 basis remotely from location outside the state and render diagnostic reports in time for the treating physicians to save human lives. Your company will provide the required infrastructure, connectivity as well as manpower to implement this solution including trained radiologists. The backbone of the solution will use path-breaking Magnum Imaging PACS for Radiology Imaging, storage, encryption and compression.

FUTURE OUTLOOK

Analysts estimate US HealthCare spend at \$2.5 trillion, projected to be \$4.6 trillion by 2020. The Outsourcing opportunity in US HealthCare is expected to be around \$24 billion over the next 4-5 years. India and the Middle East, though small contributors, are two of the fastest growing markets with expected CAGR of 22% and 16% respectively.

The industry presents tremendous opportunities for healthcare IT. One reason for Cognizant's high growth rate is the share and growth that Healthcare IT has in its revenues. Nasscom has recognized HealthCare IT as a new growth segment for the ICT Industry and your company has an early lead in the segment, which is now also the focus for TCS, Wipro, HCL and most other technology service companies.

The Company's directions in HealthCare IT and IT Products and Services surrounding the HealthCare segment align with high growth sectors. Your Company will be able to draw synergies from its promoter group interests in this sector and will be one of the few IT Companies with such access to a niche domain and combining ICT technology with medicine, has a unique position in the IT Industry. The Healthcare Sector and HealthCare IT is one of the few areas less affected by global economic fluctuations and turmoil and your Company in a short span of 3 years is now positioned to address this.

We intend to focus on emerging markets and high growth economies where the need for such products and services is high. Your company is developing services and solutions for addressing the government initiatives in public healthcare and is now an active participant in tenders for eHealth and EMR services in many states. Also our unique positioning of providing IT solutions for continuum of care to ACOs will help in higher margin business compared to other niche HCIT players in the market.

Your Board is confident that with the steps taken in FY 2012-13 and the realignment and focus on HealthCare IT, your Company is now ready for a cycle of sustained growth.

DIVIDEND

Keeping in view the losses of the Company during the year under review, your Directors have decided not to recommend any dividend for the financial year ended March 31, 2013.

FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from public within the meaning of Section 58A of the Companies Act,



1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the period under review.

LISTING OF EQUITY SHARES

The Equity Shares of your Company continue to be listed on the BSE Limited (BSE). The Annual Listing Fee for the Financial Year 2013-14 has been paid to the BSE.

CHANGE OF NAME AND ALTERATION IN OBJECT CLAUSE

Name of the Company was changed from Religare Technologies Limited to HealthFore Technologies Limited w.e.f. April 29, 2013.

The said change has been made with a view to reflect the Healthcare IT line of business of the Company.

The main object clause of the Memorandum of Association of the Company was also altered in order to show this domain service area in healthcare IT.

Further, your Board recommended the Alteration in the Object Clause of the Memorandum of Association (MOA) of the Company, so as to include the specific clauses in the MOA to show the domain service areas in Healthcare IT sector and also to provide a brief detail of product and services provided / to be provided by the Company in said sector.

The shareholders of the Company approved the above-mentioned matters on April 12, 2013 through postal ballot and the Registrar of Companies, NCT of Delhi & Haryana has approved the change of name of the Company from Religare Technologies Limited to its current name on April 29, 2013.

CORPORATE GOVERNANCE

Your Company believes that Corporate Governance is the basis of stakeholder satisfaction and therefore, your Board is committed to uphold the highest standards of Corporate Governance and adhere to the requirements set out by Clause 49 of the Listing Agreement with the Stock Exchange.

A detailed report on Corporate Governance along with the Certificate from M/s Shashank Sharma & Associates, Company Secretaries in Practice, confirming the compliance to the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section and forms part of the Directors' Report.

DIRECTORS

Dr. Amit Varma, Director of the Company has resigned from the Board with effect from December 21, 2012. The Board of Directors places on record their appreciation for the valuable services and guidance provided by him during his tenure as Director of the Company.

Further, in accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Harpal Singh, Mr. Vikram Sahgal and Mr. R. K. Shetty, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The Board of Directors at its meeting held on August 06, 2013 (based on the recommendations of the Remuneration Committee) approved the re-appointment of Mr. Maninder Singh Grewal as Managing Director of the Company for a period of three years with effect from October 11, 2013 subject to the approval of the Members of the Company and the Central Government.

The brief profile of the Directors, proposed to be re-appointed, nature of their expertise in specific functional areas and name of

companies in which they hold directorship including membership/chairmanship of board committees and number of shares held in the Company are provided in the Report on Corporate Governance forming part of the Annual Report as per the requirement of Clause 49 of the Listing Agreement.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by your Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

However, the Company requires energy for its operations and every endeavor has been made to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has incurred expenditure of ₹ 17.94 Million (Previous Year: ₹ 5.36 Million) in Foreign Exchange and earned ₹ 78.48 Million (Previous Year: ₹ 68.90 Million) in Foreign Exchange during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013, and of the loss of the Company for the year;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) The Directors have prepared the annual accounts for the year ended March 31, 2013 on a 'going concern' basis.

AUDITORS

M/s RRCA & Associates (Firm Registration No. 022107N), Chartered Accountants, retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed.

AUDITOR'S REPORT

With reference to adverse remarks in Clause IX (a) and (b) of Annexure to Auditor's Report for the financial year ended March 31, 2013, we would like to state that we have reconciled our total liability towards Professional Tax & Labour Welfare Fund and have paid the required dues in full vide cheques. However, in few cases, the same has not yet been encashed by the authorities. We have been following up with the authorities and expect that the same will be resolved soon.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These



have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

The audit committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action. The audit committee also meets the Company's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems in the Company and keeps the Board of Directors informed of its major observations periodically.

Further, the CEO and CFO certification provided in the CEO and CFO certification section of the Annual Report discusses the adequacy of our internal control systems and procedures.

STATEMENT OF PARTICULARS OF EMPLOYEES

Statement of Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 (the Act) read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, forms part of the Director's Report. However, in pursuance of Section 219(1)(b)(iv) of the Act, this Report is being sent to all the Members of the Company excluding the aforesaid information and the said particulars are made available at the Registered Office of the

Company. The Members desirous of obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

HUMAN RESOURCES

Our employees are the most valuable assets of the Company. The Company draws its strength from a highly engaged and motivated workforce; hence a large part of our management focus is to care and support our employees. Learning and development offerings are customized for each phase of the employee life cycle, and span all career levels, skill and domain groups. We continually strive to provide our employees with competitive and innovative compensation packages. Individual and organisational capability building remained one of the strategic focus areas. The workforce management strategy was executed optimally to deliver a sustained utilisation rate throughout the year helping business grow while maintaining employee costs at the desired level.

ACKNOWLEDGEMENTS

Your Directors wish to express their sincere appreciation for the co-operation and assistance received from the Bankers, Regulatory Authorities, Stakeholders including Customers and other business associates who have extended their valuable support and encouragement during the year under review.

Your Directors appreciate and value the contributions made by every member of the HealthFore family.

For and on behalf of Board
For **HealthFore Technologies Limited**
(Formerly **Religare Technologies Limited**)

Sd/-
Maninder Singh Grewal
Managing Director

Sd/-
Sunil Godhwani
Director

Place : New Delhi
Date : August 06, 2013



MANAGEMENT DISCUSSION AND ANALYSIS

Forward-looking Statements

This report contains forward-looking statements which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'projects', 'estimates' or other words of similar meaning. All Statements that address expectations or projections about the future, including, but not limited to, statements about the company's strategy for growth, product development, market position, expenditure and financial results are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Economy and Industry Overview

The Indian healthcare industry, which comprises hospitals, medical infrastructure, medical devices, healthcare IT, outsourcing, telemedicine, health insurance and medical equipment, was valued at US\$ 79 billion in 2012, and is expected to reach US \$160 billion by 2017. The Indian healthcare sector is expected to grow at about 15 percent year-on-year on account of factors such as rapid growth in infrastructure development, creation of demand for higher levels of healthcare, rising awareness of end users, and launch of innovative insurance, reimbursement, and financing policies.

The hospital and diagnostics centres in India received foreign direct investment (FDI) worth US\$ 1,597.33 million, while drugs & pharmaceutical and medical & surgical appliances industry registered FDI worth US\$ 10,318.17 million and US\$ 622.99 million, respectively during April 2000 to March 2013, according to data provided by Department of Industrial Policy and Promotion (DIPP). The diagnostics sector in India has been witnessing immense progress in innovative competencies and credibility.

Indian healthcare providers estimated spend, as reported by Gartner, is Rs 5,700 crore (US\$ 986.16 million) on IT products and services in 2013.

The Government of India has decided to increase health expenditure to 2.5 per cent of gross domestic product (GDP) by the end of the Twelfth Five Year Plan (2012-17). Government of Assam has initiated Tele-Radiology project implementation and Government of Gujarat is working towards better healthcare delivery system in the state. Other state governments are working actively for the improving Healthcare Delivery across both urban and rural populations.

(Source: <http://www.ibef.org/industry/healthcare-india.aspx>)

A. Industry Structure and Developments

The aggressive IT sector in India is slowly managing to move large government hospitals toward HIT adoption which is being witnessed by several state governments utilizing external funding (eg. World bank funds) to create e-health initiatives for their state health units. Many states like UP and Kerala are already in advanced stages for statewide eHealth initiatives. Healthcare organizations are seriously considering enhancing budget allocations on Healthcare IT investments beyond traditional limits of roughly 1% of their annual revenue.

Government of India in association with trade bodies will also be coming out with definitive standards for healthcare records and privacy and this will a countrywide public healthcare record which when linked with Aadhar will form the foundation of a new wave of healthcare IT .

HealthCare IT

At HealthFore, we strive to provide global healthcare IT and advisory services around transformational B2B and B2C IT solutions for healthcare organizations ranging from consumers to Single-multi chain hospitals all the way to state wide initiatives. Our solutions are built on leading edge technology and backed by significant domain expertise.

As a provider of IT solutions to healthcare providers, we help them improve their business and deliver better care to their patients. Our solutions like Hospital Information System, Picture Archival and Communication System enable providers to improve patient care/safety/satisfaction, gain operational efficiencies, cut costs and meet regulatory obligations.

As a provider of mHealth and Telemedicine solutions to retail consumers and the state, we provide a platform that help in greater healthcare access to larger segments of the population including increased access to healthcare and health-related information, improved ability to diagnose and track diseases etc.

To be able to reach our objectives, HealthFore addresses healthCare IT within three groups:

- **Healthcare Application & Product Solutions Group (HAPS)**

This group provides end-to-end software management systems for healthcare providers built around the Magnum and Magnum Infinity suite of products.

Our Company, in FY 2010-11 had acquired the healthcare division of SRIT comprising the Magnum suite of products. With significant modifications and improvements and new product development, we have the capacity to address the full spectrum of a Digital Healthcare Enterprise and have begun occupying a clear slot in the digitized health IT solutions market. Products in the form of Hospital Information System (HIS), Radiology Information Systems (RIS) & Picture Archival & Communication Systems (PACS), are part of our key Healthcare IT offerings. Value adds to the core product suite are in the form of integration engine, kiosk and portal solutions.

Our products are installed in many hospitals across several countries. Our clients range from medium sized individual multi-specialty hospitals to large sized multi-campus enterprises across Asia, Middle East & Africa. We have begun offering a hosted on cloud solution to our key customers as well.

Our Core offering which is the Hospital Information System is branded as Magnum Infinity. This is a comprehensive healthcare information system for managing processes across the healthcare enterprise. It is a fully web based, cloud enabled product with a modular design. Magnum Infinity is capable of retrieving and disseminating patient-centric clinical and financial data across the entire healthcare enterprise.

Our Imaging solution is branded as Magnum Imaging is also a web based RIS-PACS solution, offering a comprehensive and fully integrated solution for digital imaging and information for hospitals, clinics and



diagnostic centers. Magnum Imaging enables hospitals and clinics to acquire, distribute, store and display medical images and diagnostic reports.

- **Healthcare Information & Management Services Group (HIMS)**

Healthcare Information management Services (HIMS) group provides the range of mhealth/ Tele-Health platform and services to Consumers, Corporates, Healthcare Providers and Government. Our mHealth platform extends care delivery to patients directly at their homes, schools, workplaces or wherever else they need it, without compromising on the care outcomes.

HIMS provide healthcare services around Doctor on Demand (mobile based service), Wellness Programs, Condition Management, Tele-health, Disease Surveillance, Pregnancy Management and Health on SMS thru Voice & Web based platforms.

HealthFore and Bharti Airtel launched Mediphone, a doctor-on-call service in August 2011. The service offers access to medical consultation and advice provided by team of accredited medical professionals & Doctors to over 186 million airtel customers in India.

Tele-Health: HealthFore's telehealth solution complements healthcare delivery by supporting tele-consultation, remote diagnosis and monitoring, and communication through wireless devices. Significantly, it enables 24x7 healthcare education, health information services, and patient-centric support services.

Health on SMS: This service uses mobile devices to deliver cost-effective healthcare. Our subscription-based service offers practical advice to enjoy good health. Content is structured around parameters such as age, gender, ailments, causes, preventive measures, chronic conditions, symptoms, and disease management for diverse demographic segments.

HITS (Healthcare Infrastructure & Technology Services)

This division anchors the hardware and Infrastructure layer of the hospital and healthcare IT and supports IT infrastructure, data center, security, hosting services etc.

Typical offerings of this division include:

- Integrated Infrastructure Management Services
- Data Centre Services
- Managed IT Services
- Enterprise Technology Solutions
- System & Software Solutions
- Network & Security Solutions
- Server, Storage & Virtualization Solutions.

HITS currently provide turnkey hosting service for one of India's largest hospital chain, managing their servers, storage, and enterprise software out of a Tier 3 data center.

B. Segment-wise performance

i) Primary Segment - Business Segments:

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organization structure as well as the differential risks and returns of these segments.

Segment revenue and results figures include the respective amounts identifiable to each of the segments and also amounts allocated on a reasonable basis. Other un-allocable expenditure includes expenses incurred on common services provided to the segments which are not directly identifiable to the individual segments as well as expenses incurred at a corporate level which relate to the Company as a whole. The business segment has been considered as the primary segment.

Information about primary Business segments (In ₹)

Particulars	Knowledge Services March 31, 2013	Knowledge Services March 31, 2012	IT Services March 31, 2013	IT Services March 31, 2012	Health Care March 31, 2013	Health Care March 31, 2012	Unallocated March 31, 2013	Unallocated March 31, 2012	Total March 31, 2013	Total March 31, 2012
(i) Segment Revenue										
External Revenue	(1,113,239)	77,547,412	89,715,143	457,852,973	158,093,275	88,235,592	71,063,807	168,066,977	317,758,986	791,702,954
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenue	(1,113,239)	77,547,412	89,715,143	457,852,973	158,093,275	88,235,592	71,063,807	168,066,977	317,758,986	791,702,954
(ii) Segment Results	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
Total Segment Results	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
Income taxes (Current, Deferred and Fringe benefit tax)	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) after tax	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
(iii) Segment Assets	58,123,244	352,476,728	233,417,447	947,791,051	430,821,744	837,279,422	-	-	722,362,436	2,137,547,201
Unallocated Corporate assets	-	-	-	-	-	-	80,661,769	154,157,401	80,661,769	154,157,401
Total Assets	58,123,244	352,476,728	233,417,447	947,791,051	430,821,744	837,279,422	80,661,769	154,157,401	803,024,205	2,291,704,602
(iv) Segment Liabilities	1361528	665,455,551	613,305,458	1,735,354,407	1,413,928,398	1,715,268,024	1,315,639,360	37,937,143	3,344,234,744	4,154,015,126
Total Liabilities	1,361,528	665,455,551	613,305,458	1,735,354,407	1,413,928,398	1,715,268,024	1,315,639,360	37,937,143	3,344,234,744	4,154,015,126
(v) Capital Expenditure	-	492,137	-	39,423,116	7,933,864	29,127,512	-	-	7,933,864	69,042,765
Unallocated Capital expenditure	-	-	-	-	-	-	993,433	1,290,576	993,433	1,290,576
Total Capital Expenditure	-	492,137	-	39,423,116	7,933,864	29,127,512	993,433	1,290,576	8,927,297	70,333,341
(vi) Depreciation/Amortisation	454,872	11,564,847	34,480,049	75,217,726	73,054,474	60,008,719	18,512,109	22,757,026	126,501,504	169,548,318
Total Depreciation	454,872	11,564,847	34,480,049	75,217,726	73,054,474	60,008,719	18,512,109	22,757,026	126,501,504	169,548,318
(vii) Non Cash Expenditure other than Depreciation	(37,023,161)	39,696,786	(7,794,121)	33,753,002	(17,038,148)	52,354,016	7,801,184	1,977,396	(54,054,247)	127,781,200
Total Non Cash Expenditure	(37,023,161)	39,696,786	(7,794,121)	33,753,002	(17,038,148)	52,354,016	7,801,184	1,977,396	(54,054,247)	127,781,200

Notes:

- Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organization structure as well as the differential risks and returns of these segments.
- The segment wise revenue and results relate to the respective amounts directly identifiable to each of the segments



C. Outlook

The fundamental strategy that will drive Healthcare IT services business is based on the four A's:

Accessibility: Ensure that our healthcare services can reach to all those who need them. It will cater to the small and large hospitals, clinics and health centres in the urban and semi-urban regions as well as the remote rural regions in the countries that we serve. Our strategy is to serve both private as well as public health establishments to meet their objectives in providing quality continuing care to patients from all walks of life.

Approach: Our approach is to lead by domain expertise in the areas we serve and offer inbuilt best practices in our products, solutions and services which we will be continuously leverage from our larger Religare Group experience and expertise as a healthcare provider, payer (insurance), diagnostic, life sciences and pharmacy businesses provider. Our strategy is to be a one stop shop as an end-to-end healthcare provider for our clients.

Adaptability: We plan to serve our customers by adapting our solutions and services to meet their needs and requirements. Our strategy is to be flexible with the aim of establishing a trusted partner relationship with them. We plan to leverage our end-to-end group capabilities in the healthcare segment to provide value to our customers in every engagement and initiative that we embark upon.

Affordability: The fourth A of our strategy is to be continuously innovate our services and solutions to ensure that they are affordable to our customers. We will invest in technology and operations to drive costs down across the business.

D. Risks and Concerns

The Company remains dependent on human capital and the challenges associated with maintaining this capital in a global market place demanding of skilled IT and Healthcare resources. The Company is focused on maintaining robust recruitment and employee retention processes to ensure this risk is effectively managed.

The Company must find support in its capital structure as it grows. In the short term there will be significant capital requirements that will need to be met. Thereafter product and AMC revenues will make internal accruals available for product development and business sales and marketing expansion.

Internal Control Systems

The Company is equipped with adequate internal control systems for its business processes, which determine the efficiency of its operations, strengthens financial reporting and ensures compliance with applicable laws and regulations.

The internal control systems are supplemented by extensive audits conducted by internal auditors. Moreover, regular internal audit and checks ensure that responsibilities are executed effectively across the organization. The Audit Committee of the Board of Director reviews the adequacy and effectiveness of the internal control systems and also suggest improvements for strengthening the same.

E. Financial Overview of the Company

The total turnover of the company for the Financial Year 2012-13 was Rs.317.76 Million as against Rs. 791.70 Million in Financial Year 2011-12. The Company has recorded a net loss (before tax) Rs. 678.90 Million during the year under review as compared to a loss (before tax) of Rs. 729.34 Million in Financial Year 2011-12. The reduction in revenue and increase in loss is mainly due to our effort to realign the company and its product portfolio. Our product and services offering needs continued investment to bring cutting edge innovative solutions and grow into an integrated IT Product and Services Company addressing HealthCare IT.

Human Resources

At Healthfore Technologies Limited, we intent to create sustainable 'Employee Value Proposition' to become recognized icons in our area of expertise. We strongly believe in our corporate values and continuously strive to become the 'employer of choice'. It starts with framing active employment structures with smart hiring and nurturing invigorating positive culture that drives excellence. Consequently, we invest in our intellectual resources to build the best-in class talent pool who shares our commitment and values.

We promote the concept of empowerment by providing a platform to our people, which gives the opportunity to invent and reinvent things with the focus to bring in creativity and innovation and backed by a strong appraisal and reward system.



REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance refers to the set of systems, principles and processes by which a company is governed. They essentially involve balancing the interests of the many stakeholders in a company - these include its shareholders, management, customers, suppliers, financiers, government and the community. Corporate Governance ensures fairness, transparency and integrity of the management and is also a way of life rather than a mere legal compulsion. It further inspires and strengthens investor's confidence and commitment to the Company.

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. They further strengthened with the adoption of the Company's Code of Conduct and the Code for Prevention of Insider Trading. The Company's policies and the code prescribe a set of systems and processes guided by the core principles of transparency, disclosure, accountability, compliances, ethical conduct and the commitment to promote interest of all stakeholders. Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

A report on the implementation of the Code of Corporate Governance as per Clause 49 of the Listing Agreement entered into with the Stock Exchange is given below:

II. BOARD OF DIRECTORS

A. BOARD'S COMPOSITION AND CATEGORY:

The Composition of Board of Directors of the Company is in conformity with the requirements of Clause 49 of the Listing Agreement. The Board has an optimum combination of Executive and Non-Executive Directors with majority of them being Non-Executive Directors.

As on March 31, 2013, the Board of the Company consists of Nine (9) Directors, one of whom is Managing Director and remaining Eight (8) are Non-Executive Directors. The Non-Executive Directors comprises of One (1) Promoter Director, Five (5) Independent Directors and Two (2) Non-Independent Directors.

The details relating to Composition & Category of Directors, Directorships held by them in other companies and their membership and chairmanship on various committees of board of other companies, as on March 31, 2013 is stated as follows:

Name of the Director	Category	No. of Directorships held in other companies	No. of Memberships / Chairmanships on various other board committees	
			Member	Chairman
Mr. Shivinder Mohan Singh	Promoter Director/ Non-Executive Director	5	1	Nil
Mr. Sunil Godhwani	Non-Executive Director	10	5	Nil
Mr. Harpal Singh	Non-Executive Director	4	2	Nil
Mr. Maninder Singh Grewal - Managing Director	Executive Director	2	1	Nil
Dr. Amit Varma*	Non-Executive Director	N.A.	N.A.	N.A.
Mr. Vikram Sahgal	Independent Director	2	1	Nil
Dr. Preetinder Singh Joshi	Independent Director	9	2	5
Mr. Padam Narain Bahl	Independent Director	9	4	5
Mr. Rama Krishna Shetty	Independent Director	2	Nil	Nil
Capt. Gurkir Paul Singh Bhalla	Independent Director	1	Nil	Nil

*Resigned as Director of the Company w.e.f. 21st December, 2012.

Notes:

- (i) The calculation of number of Directorships held by the Directors in other companies are as per the provisions of sections 275 and 278 of the Companies Act, 1956 and therefore, do not include the Alternate Directorships, directorships held in Private Limited Companies, Foreign Companies and Companies under Section 25 of the Companies Act, 1956.
- (ii) The Committees considered for the purpose are those prescribed under Clause 49(I)(C)(ii) of the Listing Agreement viz. Audit Committee and Shareholders'/Investors' Grievance Committee of Indian public limited companies and private limited companies which are public limited companies in terms of section 3(1)(iv)(c) of the Companies Act, 1956.
- (iii) The Independence of a Director is determined by the criteria stipulated under Clause 49 of the Listing Agreement.
- (iv) None of the Directors are related to each other.
- (v) None of the Directors on the Board is a member of more than 10 Committees or chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the public companies in which the person is a Director. Necessary disclosures regarding Committee positions in other public limited companies as on March 31, 2013 have been made by the Directors.
- (vi) None of the Directors hold Directorships in more than 15 companies as per terms of sections 275 and 278 of the Companies Act, 1956.



B. BOARD MEETINGS & ATTENDANCE

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. In case of exigencies or urgencies, resolutions are passed by Circulation as well.

During the financial year 2012-13, **Four (4)** Board Meetings were held: May 28, 2012, July 31, 2012, November 08, 2012 and February 08, 2013.

The intervening period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of the Listing Agreement.

Last Annual General Meeting was held on August 29, 2012.

Details of attendance of Directors at Board Meetings and Annual General Meeting held during the financial year 2012-13 is as under:

Name of the Director	No. of Board Meetings Attended	Whether Attended last AGM
Mr. Shivinder Mohan Singh	Nil	No
Mr. Sunil Godhwani	Nil	No
Mr. Harpal Singh	1	No
Mr. Maninder Singh Grewal	4	Yes
Dr. Amit Varma*	3	No
Mr. Vikram Sahgal	4	No
Dr. Preetinder Singh Joshi	4	No
Mr. Padam Narain Bahl	2	No
Mr. Rama Krishna Shetty	4	Yes
Capt. Gurkir Paul Singh Bhalla	4	No

*Resigned as Director of the Company w.e.f. 21st December, 2012.

During the year, all the relevant information required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement are considered and taken on record / approved by the Board.

C. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

The shareholding of Non-Executive Directors in the Equity Shares of the Company as on March 31, 2013 is as follows:

S. No.	Name	Number of Equity Shares held
1.	Mr. Shivinder Mohan Singh	75495
2.	Mr. Sunil Godhwani	Nil
3.	Mr. Harpal Singh	Nil
4.	Mr. Vikram Sahgal	Nil
5.	Dr. Preetinder Singh Joshi	Nil
6.	Mr. Padam Narain Bahl	Nil
7.	Mr. Rama Krishna Shetty	Nil
8.	Capt. Gurkir Paul Singh Bhalla	Nil
	TOTAL	75495

D. SHAREHOLDING OF EXECUTIVE DIRECTOR

The shareholding of Executive Director in the Equity Shares of the Company as on March 31, 2013 is as follows:

S. No.	Name	Number of Equity Shares held
1.	Mr. Maninder Singh Grewal	132092

III. COMMITTEES OF THE BOARD

During the financial year 2012-13, our Board has **Five (5)** Board level Committees - Audit Committee, Shareholders' / Investors' Grievance Committee, Remuneration Committee, Loan / Investment & Borrowing Committee and Restructuring Committee.

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of all the committees are taken by the Board of Directors.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided below:

(1) AUDIT COMMITTEE

(a) Composition

The Composition of the Audit Committee as at March 31, 2013 was as under:

S. No.	Name	Designation
1.	Mr. Rama Krishna Shetty, Non-Executive and Independent Director	Chairman
2.	Mr. Maninder Singh Grewal, Managing Director	Member
3.	Capt. Gurkir Paul Singh Bhalla, Non- Executive and Independent Director	Member
4.	Mr. Padam Narain Bahl, Non-Executive and Independent Director	Member

The composition of the Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The previous Annual General Meeting of the Company was held on August 29, 2012 and was attended by Mr. Rama Krishna Shetty, Chairman of the Audit Committee.

The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings.

The Company Secretary of the Company acts as the Secretary of the Committee.

(b) Meetings and attendance during the year

During the financial year 2012-13, **Four (4)** meetings of the Audit Committee were held on May 28, 2012, July 31, 2012, November 08, 2012 and February 08, 2013.

The attendance of members at the meeting of the Audit Committee held during the financial year 2012-13 was as under:

Name of the Member	No. of Meetings Attended
Mr. Rama Krishna Shetty	4
Mr. Maninder Singh Grewal	4
Capt. Gurkir Paul Singh Bhalla	4
Mr. Padam Narain Bahl	2



(c) Terms of Reference

Primarily, the Audit Committee is responsible for:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Directors' Report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

13. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.

14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

Further, the Committee also discharges such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company.

(2) REMUNERATION COMMITTEE

(a) Composition

The Composition of the Remuneration Committee as at March 31, 2013 was as under:

S. No.	Name	Designation
1.	Capt. Gurkir Paul Singh Bhalla, Non-Executive and Independent Director	Chairman
2.	Dr. Preetinder Singh Joshi, Non-Executive and Independent Director	Member
3.	Mr. Padam Narain Bahl, Non-Executive and Independent Director	Member

The Company Secretary of the Company acts as the Secretary of the Committee.

(b) Terms of Reference

The broad terms of reference of the Remuneration Committee amongst the others are as under:

- Recommendation for fixation and periodic revision of specific remuneration packages including pension rights and any compensation payment to the Managing Director and Executive Directors to the Board for approval;
- Such other matters as may be from time to time required by any statutory, contractual or other regulatory requirements to be attended to by the Committee.

(c) Meetings and attendance during the year

During the financial year 2012-2013, no Remuneration Committee meeting was held.

(d) Remuneration Policy

The remuneration of Executive / Non-Executive Directors is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards.

(e) Remuneration of Executive Directors

Remuneration of Executive Directors is decided by the Board based on the recommendation of Remuneration Committee within the ceiling fixed by the shareholders and permissible under the Companies Act, 1956. Remuneration of the Managing Director for the year ended March 31, 2013 was as follows:

(₹ in Lacs)

Name of the Director	Salary & Allowances	Commission Payable	Perquisites	Retiral Benefits	Total	Stock Options Granted	Service Contract	
							Tenure	Notice Period
Mr. Maninder Singh Grewal	97.09	Nil	1.68	7.11	105.88	N.A.	Upto 10/10/2013	3 months



(f) Remuneration of Non-Executive Directors

Non-Executive Directors including Independent Directors do not have any material pecuniary relationships or transactions with the Company. No sitting fee is being paid/has been paid to Non-Executive Directors.

(3) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

(a) Composition

The composition of the Shareholders' / Investors' Grievance Committee as at March 31, 2013 was as under:-

S. No.	Name	Position
1.	Capt. Gurkir Paul Singh Bhalla, Non-Executive and Independent Director	Chairman
2.	Mr. Maninder Singh Grewal, Managing Director	Member
3.	Mr. Sunil Godhwani*, Non-Executive and Non-Independent Director	Member

**Appointed as member of the Committee w.e.f. February 08, 2013 in place of Dr. Amit Varma as he ceases to be member of the Committee due to his resignation from the board on December 21, 2012.*

The Company Secretary of the Company acts as the Secretary to the Committee.

(b) Terms of Reference

The Committee oversees and reviews all matters connected with securities of the Company. The Committee focuses on shareholders' grievances and strengthening of investor relations, specifically looking into redressal of grievances pertaining to:

- Transfer / transmission / consolidation / splitting of shares
- Dematerialisation / Rematerialisation of shares
- Replacement of lost / stolen / torn / mutilated share certificates
- Non-receipt of notices / documents / Annual reports
- Non-receipt of declared dividends
- Complaints forwarded by Stock Exchange / SEBI, issue of duplicate certificates against lost / misplaced / torn / mutilated share certificates
- Other related issues

The Committee also oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

(c) Meetings and attendance during the year

During the financial year 2012-13, **Eighteen (18)** meetings of the Shareholders' / Investors' Grievance Committee were held: April 16, 2012, April 30, 2012, May 15, 2012, May 30, 2012, June 15, 2012, June 29, 2012, July 14, 2012, July 31, 2012, August 14, 2012, August 27, 2012, September 14, 2012, September 27, 2012, October 15, 2012, November 30, 2012, January 15, 2013, January 25, 2013, February 15, 2013 and March 18, 2013.

The attendance of members at the meeting of the Committee held during the financial year 2012-13 was as follows:

Name of the Member	No. of Meetings Attended
Capt. Gurkir Paul Singh Bhalla	18
Mr. Maninder Singh Grewal	17
Dr. Amit Varma*	09
Mr. Sunil Godhwani**	02

**Resigned w.e.f. December 21, 2012.*

***Appointed w.e.f. February 08, 2013.*

The details of Investors Complaints received and resolved during the year ended March 31, 2013 is as under:

Total complaints received	Total Complaints Resolved	Total complaints pending
15	15	NIL

Mr. Vivek Kumar Singh, Company Secretary, is the Compliance Officer of the Company.

IV. GENERAL BODY MEETINGS

(a) Annual General Meetings

Details of the Annual General Meetings held in the last three years:

Year	Date	Day	Time	Venue	Special Resolution(s) passed
2009 -10	13.07.2010	Tuesday	10:30 AM	25, Nehru Place, New Delhi - 19	To consider and approve Investment, Loan and Guarantee
2010 -11	20.09.2011	Tuesday	1:00 PM	PHD Chamber of Commerce & Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi- 16	None
2011 -12	29.08.2012	Wednesday	5:30 PM	Air Force Auditorium, Subroto Park, New, Delhi - 110010	None

The above Special Resolution was passed with requisite majority. No special resolution was put through Postal Ballot at the last Annual General Meeting nor is proposed at the ensuing Annual General Meeting.

(b) Extra-ordinary General Meeting

During the period under review, no Extra- ordinary General Meeting was held.

(c) Postal Ballot

During the financial year 2012-13, the Company has initiated the process of passing the resolution through Postal Ballot in pursuance of Section 192A of the Companies Act, 1956 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 for Change of Name and Alteration in Object Clause of the Memorandum of Association of the Company. However, the result of the postal ballot was declared on April 12, 2013.

Person conducting the postal ballot exercise

Mr. Maninder Singh Grewal, Managing Director and Mr. Vivek Kumar Singh, Company Secretary of the Company were appointed as persons responsible for conducting postal ballot process in a fair and transparent manner. Mr. Shashank Sharma, Company Secretary in Whole-time Practice was appointed as Scrutinizer for the Postal Ballot process.

A detailed procedure followed by the Company for conducting the Postal Ballot process is provided hereunder:

Procedure followed

- The Company issued the Postal Ballot Notice dated March 06, 2013, for the above mentioned resolutions. The draft resolutions together with the explanatory statement, the Postal Ballot Forms and self-addressed postage pre-paid envelope were sent to the Members through e-mail and post;



2. Members were advised to read carefully the instructions printed on the Postal Ballot Form and return the duly completed form in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before close of working hours on April 09, 2013;
3. After due scrutiny of all the Postal Ballot Forms received upto the close of working hours on April 09, 2013, Mr. Shashank Sharma submitted his report on April 11, 2013;
4. The results of the Postal Ballot were declared on April 12, 2013. The date of declaration of the results of the postal ballot was taken as date of passing of the resolutions;
5. The results of the postal ballot were published in The Financial Express (English) and Veer Arjun (Hindi) and also placed at the website of the Company.

Details of Voting Pattern

After scrutinizing all the postal ballot Forms received, the scrutinizer reported as under:

Resolution No 1: Change of name of company from Religare Technologies Limited to HealthFore Technologies Limited.

Particulars	No. of Postal Ballot Forms	No. of Equity Shares	Paid-up Value of the Equity Shares (Rs.)	% of Total Paid-up Equity Capital
Total Postal Ballot Forms received	29	6450873	64508730	79.3517
Less: Invalid Postal Ballot Forms	2	70	700	0.0008
Net valid Postal Ballot Forms	27	6450803	64508030	79.3509
Votes casted in Favour	25	6450764	64507640 (99.9994%)	79.3504
Votes casted Against	2	39	390 (0.0006%)	0.0005
Total Votes casted	27	6450803	64508030	79.3509

Resolution No 2: Alteration of Object Clause of Memorandum of Association of the Company.

Particulars	No. of Postal Ballot Forms	No. of Equity Shares	Paid-up Value of the Equity Shares (Rs.)	% of Total Paid-up Equity Capital
Total Postal Ballot Forms received	29	6450873	64508730	79.3517
Less: Invalid Postal Ballot Forms	2	70	700	0.0008
Net valid Postal Ballot Forms	27	6450803	64508030	79.3509
Votes casted in Favour	25	6450764	64507640 (99.9994%)	79.3504
Votes casted Against	2	39	390 (0.0006%)	0.0005
Total Votes casted	27	6450803	64508030	79.3509

V. DISCLOSURES

A. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The required statements / disclosures with respect to the related party transactions are placed before the Audit Committee.

Further, the Company has not entered into any transaction of material nature with promoters, the Directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interest of the Company.

B. Disclosure of accounting treatment in preparation of Financial Statements

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

C. Management Discussion and Analysis Report

The Management Discussion and Analysis report forms part of this annual report.

D. Shareholders

Profile of Directors along with the Directorship details that are proposed to be re-appointed is provided in the Directors Category under General Shareholders Information at Sl. No. VIII.

E. Details of non-compliance by the Company

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchange as well as regulations and guidelines issued by SEBI. Hence, neither any penalty nor any stricture has been imposed by SEBI, Stock Exchange or any other Statutory Authority on any matter relating to capital markets, during the last three years.

F. Whistle Blower Policy

The Company has Whistle Blower policy wherein employees are free to report violations of laws, rules, regulations or unethical conduct to their superior. No personnel of the Company were denied access to the Audit Committee.

G. Details of Compliance with mandatory requirements

The Company has fully complied with the mandatory requirements of Clause 49 of the Listing Agreement of the Stock Exchange. The Company has submitted the Quarterly Compliance report to the stock exchange within the prescribed time limit.

M/s Shashank Sharma & Associates, Company Secretaries in practice have certified that the Company has complied with the mandatory requirements of corporate governance as stipulated in Clause 49 of the Listing Agreement.

H. Details of Adoption of Non-Mandatory requirements

The Company has complied with and adopted the following non-mandatory requirements of Clause 49 of the Listing Agreement:

(1) The Board

There is no fixed tenure for Independent Directors.

(2) Remuneration Committee

The Board has constituted Remuneration Committee as detailed in Sl. No. III (2) hereinabove. The Chairman of the Remuneration Committee is an Independent Director.

(3) Shareholders' Rights

The quarterly financial results are published in the newspapers as detailed under the heading "Means of Communication" at Sl. No. VII herein below and also displayed on the website of the Company. The results are not separately circulated to the Shareholders.



(4) Audit qualifications

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company. However, the Statutory Auditors of the Company in their report on the Annual Accounts for the financial year 2012-13, have given adverse remarks which have been suitably explained in the Directors Report forming part of this Annual Report.

I. CEO/CFO Certificate

The certificate required under Clause 49(V) of the Listing Agreement duly signed by the Managing Director and CFO was placed before the Board and the same is annexed with this report.

VI. SUBSIDIARY COMPANIES

As per extant Clause 49, a 'Material non-listed Indian subsidiary' is an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

However, during the year, the Company does not have any subsidiary company.

VII. MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases, shareholding pattern, news about the Company and certain other shareholder information to the BSE Limited ("BSE"), where the equity shares of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website i.e. www.healthfore.com. The financial results quarterly and half yearly and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper.

Official press releases are displayed on Company's website i.e. www.healthfore.com. Copies of the said disclosures and correspondences are also filed with the BSE.

The Company has designated an e-mail ID called investors@healthfore.com exclusively for redressal of shareholders complaints / grievances. For any query, please write to us at the above e-mail Id.

VIII. GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meeting

Date : September 13, 2013
Time : 12.30 P.M.
Venue : Air Force Auditorium, Subroto Park, New Delhi - 110010

(ii) Directors

In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Harpal Singh, Mr. Vikram Sahgal and Mr. R. K. Shetty will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment.

Further, Mr. Maninder Singh Grewal is proposed to be re-appointed as Managing Director of the Company.

The brief Profile of the above named Directors seeking re-appointment is given below:

• Mr. Harpal Singh

Profile

Mr. Harpal Singh holds a Bachelor's (honours) degree in Economics from St. Stephen's College, Delhi and holds a Bachelor of Science degree in Economics and a Master's degree in Public Affairs from the California State University at Hayward, California, U.S.A. Mr. Singh has had diverse experience of over 36 years in the corporate sector and has held senior positions in various companies including TATA group companies, Hindustan Motors Limited, Mahindra and Mahindra Limited and Shaw Wallace. Mr. Singh was in the past the Non-Executive Chairman of Ranbaxy Laboratories Limited and is the Mentor and Chairman Emeritus of Fortis Healthcare (India) Limited. Further, he is also associated at the board level with some of India's most renowned schools which include the Doon School, the Scindia School, the Yadavindra Public School and Salwan School where, he is Vice Chairman of the Trust. Mr. Singh is also a member of the National Round Table on School Education and is a member of the Board of Governors of IIT, Indore and NIIT University. He is also a member of India-UK Round Table, India-US Strategic Dialogue and of the Public Health Foundation of India. Further, he is Founder and Chairman Trustee of Nanhi Chhaan and Chronic Care Foundations. Mr. Singh is also the Chairman of INDIA 800 Foundation, India Office. Mr. Singh is currently the Chairman of the Save the Children, India and is also a Director of the Global Board of Save the Children International.

Mr. Harpal Singh joined the Board of Directors of the Company on October 11, 2010.

Mr. Harpal Singh does not hold any Equity Shares of the Company as on date.

Directorships in other Companies

• Indian Companies

- Religare Enterprises Limited;
- SRL Limited;
- Fortis Healthcare Limited;
- Fortis Clinical Research Limited;
- Impact Projects Private Limited; and
- Impact Agencies Private Limited;

Committee Memberships in other Companies

I. Fortis Healthcare Limited

Member - Shareholders'/ Investors' Grievance Committee; and

Member - Audit, Risk & Controls Committee

• Mr. Vikram Sahgal

Profile

Mr. Vikram Sahgal has graduated from Delhi University in Mechanical Engineering and Masters in business administration from Faculty of Management Studies (FMS). He has over 33 years of diverse experience in the mechanical engineering industry. He is the Chairman & Managing Director of Micron Instruments Pvt. Ltd., a company engaged in the manufacture of high precision engineering products for defence, aerospace and healthcare. Micron Instruments is one of the pioneer private sector company which has been manufacturing strategic defence products for the past 40



years. Currently, Micron Instruments is also a preferred supplier to several large defence and aerospace companies worldwide. As a member of the Defence Committees of various chambers such as PHDCCI, CII and FICCI, he has been instrumental in influencing various policies to promote the role of the private corporate sector in India in the defence arena which historically was the domain of the Indian public sector and foreign multinational companies. He is on the board of directors of several companies and has been the member of the Managing Committee of PHDCCI, Chairman of Chandigarh Committee and member of Administrator's Advisory Council, Chandigarh."

Mr. Vikram Sahgal joined the Board of Directors of the Company on October 11, 2010.

Mr. Vikram Sahgal does not hold any Equity Shares of the Company as on date.

Directorships in other Companies

• Indian Companies

- Alliedtronics India Limited;
- Dion Global Solutions Limited
- Micron Instruments Private Limited;
- Techmat Micron India Private Limited;
- Micron Flora Private Limited;
- Seth Enterprises Private Limited;
- Micron Intertech Private Limited; and
- Deftech Industries Private Limited

Committee Memberships in other Companies

I. Dion Global Solutions Limited

Member - Audit Committee; and

Member - Remuneration/Compensation Committee

• Mr. Rama Krishna Shetty

Profile

Mr. R. K. Shetty holds a bachelor's degree in Mechanical Engineering from Karnataka University, Dharwad and has completed an executive development program from the Jamunlal Bajaj Institute of Management in Product Management Control in Mumbai.

Mr. R. K. Shetty has received the National Productivity Award in the year 1992 and is presently the Chairman of Indian Hockey Federation and past President of Karnataka State Hockey Association. He has more than 38 years of work experience.

Mr. R. K. Shetty joined the Board of Directors of the Company on October 11, 2010.

Mr. R. K. Shetty does not hold any Equity Shares of the Company as on date.

Directorships in other Companies

• Indian Companies

- Religare Enterprises Limited;
- Religare Securities Limited*;
- Dion Global Solutions Limited;
- Fortis Malar Hospitals Limited; and
- Premier Hockey Development Private Limited

**Alternate Director to Mr. J. W. Balani*

Committee Memberships in Other Companies

I. Religare Enterprises Limited

Member - Audit Committee;

Member - Compensation/Remuneration/Nomination Committee

Member - RPT Sub-Committee

• Mr. Maninder Singh Grewal

Profile

Mr. Maninder Singh Grewal has over 25 years of experience in the information technology sector and has been intimately involved in the growth of the industry. His exposure to computing and information technology started from computer simulation techniques in one of the first courses for the subject at IIT Kharagpur where he graduated with a degree in Mechanical Engineering.

He was associated with Wipro from 1989 as their principal vendor in the North and was instrumental in the migration to electronic trading at the Ludhiana Stock Exchange. He led multiple implementations of ERP/SAP as well as core banking migration in various banks. His experience in Healthcare IT goes back to 1989 when his team worked on the systems and software developed for 2 large teaching hospitals in North India.

He joined Religare/Fortis group in 2006 and an early challenge was to deliver a full technology refresh in a highly regulated and compliant environment with over 150 engineers covering the full scope of IT including global SAP, Messaging and Communications with pharma specific applications.

As Managing Director at Religare Technova, he started the BFSI IT vertical for the Group with acquisitions in India and Australia. Religare Technova Ltd is now known as Dion Global Solutions Limited (Dion) and delivers critical IT risk, compliance and operations products to the BFSI industry. He is currently a Director at Dion.

He is currently the Managing Director of HealthFore Technologies Limited (HealthFore) focusing on Healthcare IT. While mHealth leverages mobility, a team is dedicated to developing core state of the art hospital information systems. Dion and HealthFore now have 1000+ employees globally with acquisitions and organic growth aligned to BFSI and HealthCare IT.

His responsibilities includes advising the promoter group on Technology and IT strategy and in making IT a key enabler in their growth. He has given many keynotes in Industry forums and is the Chairman for the NASSCOM Regional Council for Noida. He travels widely and is an avid Bridge player.

Mr. Maninder Singh Grewal joined the Board of Directors of the Company on October 11, 2010.

Mr. Maninder Singh Grewal holds 1,32,092 Equity Shares of the Company as on date.

Directorships in other Companies

• Indian Companies

- Dion Global Solutions Limited;
- I Prime Services Private Limited; and
- OliveRays Innovations Limited



- **Foreign Companies**

- Dion Global Solutions Pty. Ltd.; and
- Regius Overseas Holding Co. Ltd.

Committee Memberships in Other Companies

I. Dion Global Solutions Limited

- Member - Shareholders'/ Investors' Grievance Committee
- Member - Share Allotment Committee
- Member - Loan/ Investment and Borrowing Committee
- Member - Banking Operations Committee
- Member - Restructuring Committee

(iii) Financial Year

The financial year covers the period starting from 1st April and ending on 31st March.

Adoption of Quarterly Results (Tentative)

For the Quarter ended	On or Before
June 30, 2013	August 14, 2013 (Subject to Limited Review)
September 30, 2013	November 14, 2013 (Subject to Limited Review)
December 31, 2013	February 14, 2014 (Subject to Limited Review)
March 31, 2013	May 30, 2014 (Audited)

(iv) Book Closure Period

Monday, September 09, 2013 to Friday, September 13, 2013 (both days inclusive).

(v) Dividend payment date

No dividend has been recommended for the financial year 2012-13.

(vi) Listing details:

Equity Shares of the Company are currently listed at the BSE Limited (BSE). The annual listing fees for the financial year 2013-14, as applicable, have been paid to BSE.

(vii) Scrip Code : 533525

Scrip ID The Scrip ID of the Company at trading platform of BSE is "RTL". However, the same is changed to "HEALTHTECH" w.e.f. June 05, 2013.

(viii) Market Price Data: BSE Limited

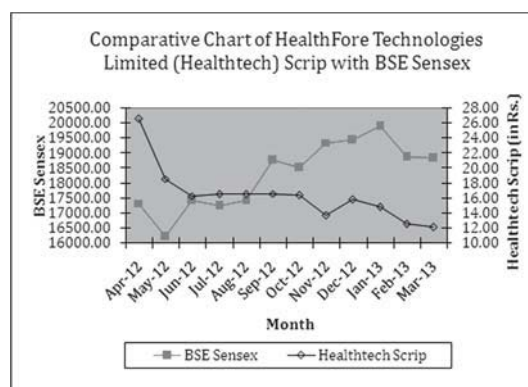
The monthly high and low stock quotations during the financial year 2012-13 at BSE Limited are given below:

(In ₹)

Month	High	Low
April, 2012	32.90	25.60
May, 2012	26.50	18.10
June, 2012	18.90	16.30
July, 2012	18.25	15.50
August, 2012	18.15	13.70
September, 2012	17.30	14.50
October, 2012	18.60	16.00
November, 2012	18.75	12.85
December, 2012	17.28	12.50
January, 2013	17.00	12.55
February, 2013	15.00	11.17
March, 2013	13.45	11.50

Comparative Chart

Chart on HealthFore Technologies Limited share price Vs. BSE Sensex during the financial year 2012-13:



(ix) Registrar and Transfer Agent

M/s Karvy Computershare Private Limited
Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081
Phone: 040 - 44655000, Fax: 040 - 23420814
Email: einward.ris@karvy.com

(x) Share Transfer System

The Company's shares, being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders' /Investors' Grievance Committee. The share transfer process is reviewed by the said Committee.

The Company obtains half-yearly certificate of compliance related to share transfer formalities from a Company Secretary in Practice as required under Clause 47(c) of the Listing Agreement with Stock Exchange and files a copy of the certificate with the Stock Exchange on or before the due date.

(xi) Shareholding Pattern as on March 31, 2013

Category	No. of Shares held	Percentage of Shareholding (%)
Promoters and Promoter Group	5002194	61.53
Mutual Funds / UTI	Nil	0.00
Banks / Financial Institutions	Nil	0.00
FII's	253000	3.11
Bodies Corporate	1854417	22.81
NRI's	95642	1.18
HUF / Trust	40226	0.50
Directors	132092	1.62
General Public	751892	9.25
Total	8129463	100.00



(xii) Distribution of Shareholding as on March 31, 2013:

Categories	No. of Shareholders	Percentage of Total Shareholders	No. of Shares held	Percentage of Total Shares(%)
1 - 5000	14342	98.64	436435	5.37
5001 - 10000	78	0.54	57022	0.70
10001 - 20000	40	0.28	55605	0.68
20001 - 30000	16	0.11	40212	0.50
30001 - 40000	7	0.05	24651	0.30
40001 - 50000	5	0.03	21721	0.27
50001 - 100000	13	0.09	86162	1.06
100001 and above	38	0.26	7407655	91.12
TOTAL	14539	100.00	8129463	100.00

(xiii) Dematerialization of Shares and Liquidity

The Company's Equity Shares are in compulsorily demat segment and are available for trading in dematerialized form. To facilitate trading in demat form, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has entered into agreements with both these depositories. Shareholders can open account with any of the Depository Participant registered with any of these two Depositories. As on March 31, 2013, 7948785 Equity Shares (97.78% of the total number of shares) of the Company were held in dematerialized form.

The ISIN No. of the Company is INE402L01017 (with NSDL and CDSL)

(xiv) Outstanding GDRs / ADRs / Warrants / Options and convertible instruments.

The Company has not issued any ADRs or GDRs or Warrants or any Convertible Securities.

(xv) Plant Locations

Not Applicable

(xvi) Code of Conduct

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management of the Company and the same has been posted on the website of the Company i.e. www.healthfore.com.

All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2013.

A declaration to this effect duly signed by Managing Director is annexed and forms part of this report.

(xvii) Address for Correspondence with the Company:

For Securities held in Physical form

M/s Karvy Computershare Private Limited

Plot No. 17 to 24, Vittal Rao Nagar,
Madhapur, Hyderabad - 500081.

Phone: 040 - 44655000

Fax: 040 - 23420814

E-mail: einward.ris@karvy.com

For Securities held in Demat Form

To the Investors' Depository Participant(s) and/or M/s Karvy Computershare Private Limited at the address mentioned above.

Any Query on Annual Report

Mr. Vivek Kumar Singh

Company Secretary

D3, P3B, District Centre,

Saket, New Delhi - 110017

E-mail: investors@healthfore.com



CEO / CFO Certification

We, Maninder Singh Grewal, Managing Director and Amit Gupta, Chief Finance Officer, of HealthFore Technologies Limited hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2013 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that -
- (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year under review; and
 - (iii) there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi

Date : August 06, 2013

Sd/-

Maninder Singh Grewal
Managing Director

Sd/-

Amit Gupta
Chief Finance Officer

DECLARATION BY MANAGING DIRECTOR

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code has been placed on the Company's website www.healthfore.com

It is further certified that the Directors and Senior Management have affirmed their compliance with the Code for the year ended 31st March, 2013.

Place : New Delhi

Date : August 06, 2013

Sd/-

Maninder Singh Grewal
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To

**The Members,
HealthFore Technologies Limited**

I have examined the compliance of conditions of Corporate Governance by HealthFore Technologies Limited ("the Company") for the year ended 31st March, 2013 in terms of requirements of Clause 49 of the Listing Agreement of the said Company with BSE Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the Company.

For Shashank Sharma & Associates

Company Secretaries in Practice

Sd/-

**Shashank Sharma
Proprietor
C.P. No. 7221**

Place : New Delhi

Date : August 02, 2013



INDEPENDENT AUDITOR'S REPORT

To

The Members of

HealthFore Technologies Limited (Formerly known as Religare Technologies Limited)

We have audited the accompanying financial statements of HealthFore Technologies Limited (Formerly known as Religare Technologies Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

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

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For & on behalf of
For **RRCA & Associates**
(Chartered Accountants)
FRN - 022107N

Sd/-
Ravi Kumar
(Partner)

Place : Delhi

Date : 17th May 2013

Membership No. : 508424

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of HealthFore Technologies Limited (Formerly known as Religare Technologies Limited). on the accounts of the company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- I. The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets in the system itself. All the assets have been physically verified by the management at reasonable interval as told by the management which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Some of the fixed assets have been disposed of during the year but it does not impact going concern.
- II. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and were dealt with in books of accounts, hence the provision for the inventory has been accounted for.
- III. (a) The Company has not granted any loans, Secured or Unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, Sub-clauses from (b) to (d) of Clause III of the order are not applicable to the company.



- (e) The company has taken secured /unsecured demand loan (i.e. payable on demand) from one party covered in the register maintained u/s 301 of the Companies Act-1956. The detail is given below:

Name of Lender	Nature of Loan	Relationship with the entities	Balance on 31/03/13 (In Crores)	Maximum amount during the year (In Crores)
Religare Finvest Limited	Secured Demand Loan	Director Holding	109.77	224.03
RHC Holding Pvt Limited	Demand Loan	Director Holding	61.48	74.72
Oscar Investment Limited	Demand Loan	Director Holding	140.41	140.41
R. C. Nersery Pvt Ltd.	Demand Loan	Director Holding	Nil	7.55

- (f) In our opinion, the rate of interest and other terms and conditions of loans taken by the company are prima facie not prejudicial to the interest of the company.
- (g) In our opinion, the loans taken by the company is repayable on demand hence there is not payment schedule. However as per records, information and explanation given to us, the party has, whenever, asked for repayment the company has paid regularly.
- IV. In our opinion and according to the explanations given to us, there is adequate internal control system commensurate with the size of the company and nature of its business for purchase of fixed assets and inventory and sale of goods and services.
- V. (a) According to information and explanation provided to us, we are of the opinion that the transactions made in pursuance of contracts and arrangements need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to information and explanation to us, the transactions made in pursuance of the contract and arrangement entered in register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5 Lacs in respect of any party during the year have been made at the price which are reasonable having regards to the prevailing market price at the relevant time.
- VI. As per books of accounts, records and the information and explanations given to us, the company has not accepted any deposit from the public within the meaning of section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Therefore, this clause of the order is not applicable.
- VII. In our opinion the Company has an internal audit system commensurate with the size & nature of its business.
- VIII. As the company is engaged in trading and service section as records shows, so the provisions of section 209 (1) (d) of the Companies Act, 1956 with regard to maintenance of cost records are not applicable.
- IX.(a) As per records produced to us and information & explanation given to us, the company, the amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Income Tax, Service Tax, Value Added Tax, ESI, PF and other material statutory dues have been regularly deposited during the year except the liabilities towards Professional Tax amounting to ₹ 645436 for which cheques has been issued but the same yet to be cleared as on 14th May 2013.
- (b) According to the information and explanations given to us and as per records, the undisputed liabilities towards labour welfare fund amounting to ₹12768 (Including the stale cheque amounting to ₹ 11832) were in arrears for the period more than six month from the date that became payable.

- (c) According to the records produced to us and the information & explanation given to us, there are some demands raised by the authority of VAT, Income Tax, and Service Tax which have not been deposited on account of disputes. The detail is summarized below:

Particulars	Financial Year	Demand Amount (₹ In Lacs)	Authority where case is pending
Service Tax	2005-06 & 2006-07	5.41	Commissioner Central Excise(CCE), Chandigarh
Service Tax	2011-12	37.56	Commissioner of Service Tax, Delhi
Income Tax	2007-08	354.51	Commissioner Income Tax (CIT), Ludhiana
Income Tax	2008-09	20.06	Commissioner Income Tax (CIT), Delhi
VAT	2008-09	10.74	Commissioner of VAT, Kolkata
VAT	2008-09	12.37	Commissioner of VAT, U. P.
	Total	440.65	

- X. The net worth of the company has been eroded due to accumulated losses. However, the financial statement of the company has been prepared based on going concern on the basis of commitment provided by the promoter shareholders. The company has incurred cash losses in the current financial year and immediately preceding financial year.
- XI. In our opinion and according to the information and explanation given by the management and as per records, the company has not defaulted in repayment of dues to as financial institution or a bank or debenture holder, if any.
- XII. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- XIV. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.



- XV. As per the information & explanation given to us, the company has not given any guarantee for loans taken by others from banks /financial institutions.
- XVI. In our opinion and according to the information and explanations given to us by the management, term loans has been utilised for the purpose for which it has been taken.
- XVII. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds if any, raised on short-term basis, have been used for long-term investment.
- XVIII. According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
- XIX. The Company has not issued any debenture or bond during the year. Therefore this clause is not applicable to the company.

- XX. As the Company has not raised any money by way of public issue or right issue during the year.
- XXI. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi
Date : 17th May 2013

For & on behalf of
For **RRCA & Associates,**
(Chartered Accountants)
Firm Reg. No. 022107N
Sd/-
Ravi Kumar
(Partner)
Membership No. 508424



BALANCE SHEET AS AT MARCH 31, 2013

	Note	As at March 31, 2013 (Amount in ₹)	As at March 31, 2012 (Amount in ₹)
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share Capital	3	81,294,630	81,294,630
Reserves and surplus	4	(2,622,505,169)	(1,943,605,154)
Non - current liabilities			
Long - term borrowings	5	—	1,078,125,000
Other long term liabilities	6	288,237	169,066
Long - term provisions	7	9,639,067	8,633,529
Current liabilities			
Short - term borrowings	8	3,161,661,921	2,771,800,000
Trade payables	9	21,722,789	14,852,256
Other current liabilities	10	149,479,010	279,115,097
Short - term provisions	11	1,443,720	1,320,178
TOTAL		803,024,205	2,291,704,602
ASSETS			
Non - current assets			
Fixed assets			
Tangible assets	12	54,569,448	110,009,314
Intangible assets	13	108,731,033	193,894,618
Intangible assets under development	14	145,412,906	51,881,227
Non - current investments	15	30,903,000	30,903,000
Long - term loans and advances	16	175,829,568	174,901,897
Other non - current assets	17	12,068,822	2,400,846
Current assets			
Inventories	18	17,544,804	16,506,852
Trade receivables	19	79,632,775	118,487,736
Cash and Bank Balances	20	18,519,307	35,961,182
Short - term loans and advances	21	157,535,012	1,509,782,066
Other current assets	22	2,277,530	46,975,864
TOTAL		803,024,205	2,291,704,602

As per our Audit Report of even date attached

For and on behalf of
RRCA & Associates
(Chartered Accountants)
Firm Registration No. 022107N

Sd/-
Ravi Kumar (Partner)
Membership No. 508424

Place : New Delhi
Date : 17th May, 2013

For and on behalf of Board of Directors

Sd/-
M. S. Grewal
Managing Director
(DIN: 00648031)

Sd/-
Sunil Godhwani
Director
(DIN: 00174831)

Sd/-
Vivek Kumar Singh
(Company Secretary)
Membership No. A19348



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2013

Perticulars	Note	For the year ended March 31, 2013 (Amount in ₹)	For the year ended March 31, 2012 (Amount in ₹)
Revenue			
Revenue from operations	24	221,636,632	619,158,586
Other income	25	96,122,354	172,544,368
Total Revenue		317,758,986	791,702,954
Expenses			
Purchases of stock - in - trade	26	11,766,740	155,626,322
Changes in inventories of finished goods			
Work - in - progress and stock - in - trade	27	4,330,413	12,682,918
Employee benefits expenses	28	219,295,029	454,534,904
Finance costs	29	491,140,684	472,608,241
Depreciation and amortization expense	30	126,501,504	169,548,318
Other expenses	31	143,624,631	256,043,998
Total Expenses		996,659,001	1,521,044,701
Profit before exceptional and extraordinary items and tax		(678,900,015)	(729,341,747)
Exceptional items		-	-
Profit before extraordinary items and tax		(678,900,015)	(729,341,747)
Extraordinary items		-	-
Profit/(Loss) before tax		(678,900,015)	(729,341,747)
Tax expense		-	-
Profit/(Loss) after tax		(678,900,015)	(729,341,747)
Earnings per equity share	33		
Basic		(83.51)	(89.72)
Diluted		(83.51)	(89.72)

As per our Audit Report of even date attached

For and on behalf of
RRCA & Associates
 (Chartered Accountants)
 Firm Registration No. 022107N

Sd/-
Ravi Kumar (Partner)
 Membership No. 508424

Place : New Delhi
 Date : 17th May, 2013

For and on behalf of Board of Directors

Sd/-
M. S. Grewal
 Managing Director
 (DIN: 00648031)

Sd/-
Sunil Godhwani
 Director
 (DIN: 00174831)

Sd/-
Vivek Kumar Singh
 (Company Secretary)
 Membership No. A19348



Cash Flow Statement annexed to and forming part of Balance Sheet as at March 31, 2013

Particulars	2012-13 (Amount in ₹)	2011-12 (Amount in ₹)
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) before tax and extraordinary items	(678,900,015)	(729,341,747)
Adjustments for:		
+Non fund items / losses		
Depreciation	126,501,504	169,548,318
Interest Expense	446,083,307	437,665,619
Loan Processing Fees	45,057,377	34,942,623
Interest Income	(74,713,131)	(163,797,922)
Provision for Gratuity & Leave Encashment	1,129,080	(9,193,809)
Bad Debts and Provision for Doubtful Debts	(34,280,273)	(27,796,402)
Provision against advances	(371,825)	(13,395,741)
Profit on Sales of Mutual Fund	-	(634,356)
(Profit)/ Loss on Sale of Fixed Assets (Net)	760,723	25,595,316
Operating Profit before working capital changes	(168,733,253)	(276,408,101)
Adjustments for changes in Working Capital:		
(Increase)/ Decrease in Stock in Trade	(1,037,952)	12,682,918
(Increase) / Decrease in Trade Receivables	73,135,235	135,462,104
(Increase) / Decrease in Other Receivables	11,084,866	(79,803,399)
Increase / (Decrease) in Trade and Other Payables	(66,944,005)	(92,922,126)
Cash Generated from Operating Activities	(152,495,109)	(300,988,604)
Tax Paid	-	-
Net Cash from Operating Activities (A)	(152,495,109)	(300,988,604)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(8,927,297)	(70,333,341)
Purchase of Investments	-	-
Proceed from Sale of Fixed Assets	22,268,519	20,292,413
Profit on Sales of Mutual Fund	-	634,356
Advance for Purchase of fixed Assets	(93,531,679)	(30,579,366)
Disbursement Unsecured Loans (net)	1,342,500,000	(1,172,500,000)
Interest received	117,517,809	120,842,212
Investment in FD (Non Current)	(9,667,976)	3,594,726
Purchase of Long Term Investments	-	-
Net Cash from Investing Activities (B)	1,370,159,376	(1,128,048,999)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Fresh Issue of Share Capital	-	-
Receipts of Secured Loans (net)	(1,847,388,079)	1,290,100,000
Receipts of Unsecured Loans (net)	1,087,250,000	545,000,000
Loan Processing Fees	(45,057,377)	(34,942,623)
Interest Paid	(429,910,686)	(404,983,667)
Bank Overdraft	-	-
Net Cash from Financing Activities (C)	(1,235,106,142)	1,395,173,710
Net Increase in cash and cash equivalents (A+B+C)	(17,441,875)	(33,863,893)
Cash and Cash equivalents as at the beginning of the Year	35,961,182	69,825,075
Cash and Cash equivalents as at the end of the Year	18,519,307	35,961,182
Cash and cash equivalents comprise of :-		
- Cash, cheques and drafts (in hand) and Remittances in Transit	160,766	39,879
- Fixed Deposits with Schedule Banks	4,834,326	8,512,641
- Balance with scheduled banks in Current/ Escrow accounts	13,524,215	27,408,662
Total	18,519,307	35,961,182

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement notified under Companies (Accounting Standard) Rules, 2006 and relevant provisions of Companies Act 1956.
- Fixed Deposits with Scheduled Banks includes Rs 1,60,84,633/- (Previous Year Rs 1,00,94,972/-) Lacs pledged against the bank guarantees issued by bank and ₹ 8,18,515/- (Previous Year Rs 8,18,515/-) Lacs pledged with Statutory Authorities.
- Figures in bracket indicate cash outgo / income.

As per our Audit Report of even date attached

For and on behalf of.
RRCA & Associates
(Chartered Accountants)
Firm Registration No. 022107N

Sd/-
Ravi Kumar (Partner)
Membership No. 508424

Place : New Delhi
Date : 17th May, 2013

For and on behalf of Board of Directors

Sd/-
M. S. Grewal
Managing Director
(DIN: 00648031)

Sd/-
Sunil Godhwani
Director
(DIN: 00174831)

Sd/-
Vivek Kumar Singh
(Company Secretary)
Membership No. A19348



NOTES TO FINANCIAL STATEMENT

1 OVERVIEW

The Company was incorporated as a limited liability company by the name of Religare Technova Services Limited on 22nd May 2009. It received the certificate of Commencement of Business on 3rd June 2009.

W.e.f. June 12, 2009 name of the Company was changed from "Religare Technova Services Limited" to "Religare Technologies Limited".

W.e.f. April 29, 2013 name of the Company has been changed from Religare Technologies Limited to "HealthFore Technologies Limited"

2 SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, on going concern basis and in terms of the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 in compliance with Section 211(3C) of the Companies Act, 1956. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles in India.

The Company has prepared its financial statements in accordance with Schedule VI as inserted by Notification- S.O. 447(E), dated 28.2.2011 (As amended by Notification No F.NO. 2/6/2008-CL-V, Dated 30.3.2011). The Schedule does not impact recognition and measurement principle followed for the preparation of financial statement for accounting in subsidiaries companies. However it has necessitated significant changes in the presentation of and disclosures in financial statements. The Company has reclassified its previous year figures to confirm to the classification as per the aforesaid Schedule.

b. USE OF ESTIMATES

The presentation of Financial Statements require estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

c. REVENUE RECOGNITION

- (i) Revenue from fixed price service contracts is recognized in proportion to the degree of completion of service by reference to and based on milestones/acts performed as specified in the contracts and in case of time and material service contracts, it is recognized on the basis of hours completed and material used.
- (ii) Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license.
- (iii) Revenue from annual maintenance contracts is recognized proportionately over the period in which services are rendered.
- (iv) Revenue from Software Consultancy and Support Services is recognized based on proportionate completion method as per specific agreements with the customers.
- (v) Interest and other dues are accounted on accrual basis.
- (vi) Revenue excludes Value added tax/sales tax and service tax.
- (vii) Revenue in excess of billings on service contracts is recorded as unbilled receivables and is included in trade accounts receivable. Billings in excess of revenue that is recognized on service contracts are recorded as deferred revenue until the above revenue recognition criteria are met and are included in current liabilities.

d. FIXED ASSETS

Fixed assets are stated at cost inclusive of incidental expenses, less accumulated depreciation.

Advances paid towards the acquisition of fixed assets outstanding as of each balance sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work in progress.

e. RESEARCH AND DEVELOPMENT

Revenue expenditure on research and development is charged to Profit and Loss account and capital expenditure on development is shown as addition to fixed assets.

f. STOCK IN TRADE

Stocks of IT Products are valued at lower of Cost or Realisable Value. Cost is computed on 'Weighted Average Method'.

g. INTANGIBLE ASSETS

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at their acquisition cost.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.



h. DEPRECIATION/ AMORTISATION

Depreciation on fixed assets (other than Intangible) is provided on straight line method as per the following rates:

Class of Assets	Put to use up to March 31st 2010	Put to use after March 31st 2010	
	Depreciation Rate (%)	Depreciation Rate (%)	Estimated Useful Life of the assets
Office Equipments	4.75	20 / 33.33	5 / 3 years
Vehicles	9.5	9.5	10.5 years
Computer Networking & Equipments	16.21	20 / 25	5 / 4 years
Computer & Peripherals	16.21	33.33	3 years
Furniture & Fixture	6.33	10	10 years

Leasehold Improvements are amortized over the lease period or 6 years whichever is earlier.

Depreciation on Intangible assets is provided on straight line method as per the following rates:

Class of Assets	Put to use up to March 31st 2010	Put to use after March 31st 2010	
	Depreciation Rate (%)	Depreciation Rate (%)	Estimated Useful Life of the assets
Software	16.21/20	20/33.33	5/3 years
Copyright & Trademark	20	20	5 years
Non Compete Fees	50	50	2 years

Goodwill generated in the process of amalgamation (purchased method) is amortised over a period of five years. Goodwill generated in the process of consolidation is tested for Impairment.

Depreciation on additions/ deletions to fixed assets is provided on pro-rata basis from/up to the date the asset is put to use/ discarded. Assets costing Rs 5000 or less are fully depreciated in the year of acquisition.

Depending on estimated economic useful life of assets in commercial use, different depreciation rates are charged for the same class of assets.

i. INVESTMENTS

Investments are classified into long term investments and current investments. Investments which are intended to be held for one year or more are classified as long term investments and investments which are intended to be held for less than one year are classified as current investments. Long term investments are accounted at cost and any decline in the carrying value other than temporary in nature is provided for. Current investments are valued at cost or market / fair value, whichever is lower.

j. EMPLOYEE BENEFITS

1. Provident fund is a defined contribution scheme and the contributions as required by the statute are charged to profit and loss account as incurred.
2. Gratuity liability is a defined obligation and is wholly unfunded. The company accounts for liability for future gratuity benefits based on actuarial valuation.
3. The employees of the company are entitled to compensated absences and leave encashment as per the policy of the company. The liability in this respect is provided, based on actuarial valuation.
4. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions and are recognised immediately in the profit and loss account as income or expenses.
5. The undiscounted amount of short – term employee benefits expected to be paid in exchange for services rendered by an employee is recognised during the period when the employee renders the services.

k. TAXES ON INCOME

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred tax is recognised on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, subject to the consideration of prudence in respect of deferred tax asset.

l. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



m. IMPAIRMENT OF FIXED ASSETS

An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

n. BORROWING COST

Borrowing costs incurred for the acquisition or developing of qualifying assets are recognized as part of cost of such assets when it is considered probable that they will result in future economic benefits to the company. While other borrowing cost are expensed in period in which they are incurred.

o. CASH FLOW STATEMENTS

Cash Flow is reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generation, investing and financing activities of the company are segregated.

p. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rate. Exchange differences resulting from the settlement of such transactions and from the restatement of such monetary assets and liabilities are recognized in the Profit and Loss Account.

q. PREPAID EXPENSE

Prepaid Expenses are recognized only where the amount of prepaid is in excess of ₹ 20000 /-.

r. PROVISION FOR BAD DEBTS

Provision for Bad and Doubtful debts have been created on case to case basis after assessing the recoverability aspect.

s. INVESTMENTS IN ASSOCIATES

Company has holding of 27.48% in C2L BIZ Solutions Pvt. Ltd., hence having significant influence as per AS-23. However as per AS-21 the company does not required to prepare Consolidated Financial Statement, hence investment has been accounted for in accordance with AS-13 (Accounting for Investment).

t. OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.



3. Share Capital

Particulars	As at 31 March 2013		As at 31 March 2012	
	Number	Amount (₹)	Number	Amount (₹)
Authorised				
Equity Shares of 10/- each				
Opening	46,500,000	465,000,000	46,500,000	465,000,000
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	46,500,000	465,000,000	46,500,000	465,000,000
Preference shares of Rs 10 each				
Opening	3,500,000	35,000,000	3,500,000	35,000,000
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	3,500,000	35,000,000	3,500,000	35,000,000
Total	50,000,000	500,000,000	50,000,000	500,000,000
Issued, Subscribed & Fully Paid Up Capital				
Equity Shares of 10/- each				
Opening	8,129,463	81,294,630	8,129,463	81,294,630
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	8,129,463	81,294,630	8,129,463	81,294,630
Preference shares of Rs 10 each				
Opening	-	-	-	-
Additions	-	-	-	-
Deductions	-	-	-	-
Closing	-	-	-	-
Total	8,129,463	81,294,630	8,129,463	81,294,630

The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital;

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is entitled to one vote per share. The company declares and pays dividend in Indian Rupee. The dividend proposed by the Board of the Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2013 the amount per share recognised as distribution to equity holders was ₹ Nil (March 31, 2012 Rs Nil). The total dividend appropriation for the year ended March 31, 2013 amounts to ₹ Nil (March 31, 2012 Rs Nil) including Corporate Dividend Tax of ₹ Nil (March 31, 2012 Rs Nil). In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity share holders.

Details of share held by shareholders more than 5% of aggregate share of the company.

Name of Shareholders	As at 31 March 2013		As at 31 March 2012	
	No. of Share held	% of Holding	No. of Share held	% of Holding
a. Equity Shares				
– RHC HOLDING PRIVATE LIMITED	1,255,975	15.45	1,255,975	15.45
– LOGOS HOLDING COMPANY PRIVATE LIMITED	967,907	11.91	967,907	11.91
– SHIVI HOLDINGS (P) LIMITED	801,037	9.85	801,037	9.85
– MALAV HOLDINGS PRIVATE LIMITED	744,840	9.16	744,840	9.16
– FERN HEALTHCARE PRIVATE LIMITED	707,780	8.71	707,780	8.71
– MODLAND WEARS PRIVATE LIMITED	642,969	7.91	642,969	7.91
– ABHINEET PESTICIDES (P) LIMITED	435,783	5.36	435,783	5.36
TOTAL	5,556,291	68.35	5,556,291	68.35

4. Reserves and Surplus

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Surplus		
Balance as at the beginning of the year	(1,943,605,154)	(1,214,263,407)
(+) Net Profit/(Net Loss) For the current year	(678,900,015)	(729,341,747)
Balance as at the end of the year	(2,622,505,169)	(1,943,605,154)



5. Long Term Borrowings - Secured

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Term loans -from banks	-	1,078,125,000
Total	-	1,078,125,000

The requisite particulars in respect of borrowings are as under:

Particulars	As at 31 March 2013 Amount (₹)	As at 31 March 2012 Amount (₹)	Particulars of security / guarantees / terms of repayment / default
Term loans -from banks			Briefs : Yes bank has sanctioned Secured Loan of ₹ 170 Cr on 29th Mar'11 at the rate of base +2.5% i.e. rate of interest as on 31st Mar'12 is 12.25%. Amount of ₹ 55 Cr has been paid on 27th Mar'12 and on the same date Yes Bank has reshuffled the same facilities of ₹ 115 Cr. at the same term & conditions. Hypothecation: Secured first pari-passu charge against present and future Current assets & Movable fixed assets of the company. Further RHC Holding Pvt. Ltd, Malav Holding Pvt. Ltd. and Shivi Holding Pvt. Ltd. (in which Directors of the company are interested) have extended unconditional and irrevocable guarantee for the repayment of outstanding amount in 2010-11. Repayment schedule: Repayment to be made in 16 equated quarterly repayments after 12 months of Moratorium period plus 12 month extended period. Rollover facilities: The company has taken a facilities of rollover of this loans with the bank depends in term of put/call option. with the facilities at the end of 4 month from the date of 1st disbursement and subsequently at the end of every 4 month (in the event put/call option is not exercised, YBL shall have the right to reset the pricing of the facility. This facility has been taken at 1% quarterly of the outstanding borrowings and it has been increased to 2% w.e from 27th Mar'12."
- Yes Bank			
Balance outstanding	-	1,150,000,000	
Overdue maturity			
Current Maturity	-	71,875,000	
Non - current amount	-	10,78,125,000	

6. Other Long Term Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Security Deposit	288,237	169,066
Total	288,237	169,066

7. Long Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Provision for employee benefits		
Gratuity	7,961,862	7,009,491
Leave Encashment	1,677,205	1,624,038
Total	9,639,067	8,633,529

8. Short Term Borrowings

Particulars	As at 31 March 2013		As at 31 March 2012	
	Secured	Unsecured	Secured	Unsecured
Loan repayable on demand from banks	45,000,000	-	20,000,000	-
Loans and advances from related parties	1,097,711,921	2,018,950,000	1,820,100,000	931,700,000
Total	1,142,711,921	2,018,950,000	1,840,100,000	931,700,000
Grand Total	3,161,661,921		2,771,800,000	



The requisite particulars in respect of borrowings and Unsecured borrowings are as under:

Particulars	As at 31 March 2013 Amount (₹)	As at 31 March 2012 Amount (₹)	Particulars of security / guarantees / terms of repayment / default
Secured Borrowings			
Loan repayable on demand from banks			
- Yes Bank	45,000,000	20,000,000	Working Capital Loan on first pari-passu charge on all Current Assets and Movable Fixed Assets both Present and future at the rate of Interest Bank base Rate plus 3.25% i.e. rate of interest as on 31st Mar'13 is 14.25% on Rs 3 Cr and 14% on Rs 1.50 Cr
Loans and advances from related parties repayable on demand			
- Inter corporate Loans Religare Finvest Limited	1,097,711,921	1,820,100,000	Nature: Loan secured by hypothecation of all present and future assets and repayable on demand Rate of Interest 14% p.a
Unsecured Borrowings			
Loans and advances from related parties repayable on demand			
- Inter corporate Loans RHC Holding Pvt. Ltd.	614,850,000	858,700,000	"Nature: Unsecured in Nature and repayable on demand "Rate of Interest: 13% to 14.5% p.a."
- Inter corporate Loans Oscar Investment Limited	1,404,100,000	5,000,000	"Nature: Unsecured in Nature and repayable on demand "Rate of Interest: 13% to 14.5% p.a."
- Inter corporate Loans R. C. Nursery Privated Limited	-	68,000,000	"Nature: Unsecured in Nature and repayable on demand "Rate of Interest: 13% to 14.5% p.a."
- Total of Loans and advances from related parties repayable on demand	2,018,950,000	931,700,000	

9. Trade Payables

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Dues to MSMED parties	-	-
Dues to other than Micro Small Medium Enterprises Development parties	21,722,789	14,852,256
Total	21,722,789	14,852,256

10. Other Current Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
- Current maturities of long-term debt	-	71,875,000
- Interest accrued and due but not paid on Secured Loans	34,484,598	35,318,355
- Interest accrued and due but not paid on Unsecured Loans	60,396,384	43,390,005
- Unearned Income	15,255,438	4,000,103
- Others Payable	39,342,590	124,531,634
Total	149,479,010	279,115,097

11. Short Term Provisions

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Provision for employee benefits		
Gratuity	884,651	778,832
Leave Encashment	559,069	541,346
Total	1,443,720	1,320,178



12 Tangible Asset (Financial Year 2012-13)

Amount (₹)

Particulars	Gross Carrying Value			Depreciation			Impairment		Net Carrying Value	
	Balance as at 1 April 2012	Additions	Disposals	Balance as at 1 April 2012	Depreciation for the period	Other Adjustments	Balance as 1 April 2012	Impairment /Write off during the period	Balance as at 31 March 2013	Balance as at 31 March 2012
Leasehold Improvements	5,726,451	4,352,142	2,880,000	1,931,522	2,362,409	1,439,211	-	-	4,343,873	3,794,929
Furniture and Fixtures	1,783,441	41,688	78,645	629,456	142,329	40,418	14,843	(14,843)	1,015,117	1,139,142
Vehicles	927,137	961,633	927,137	641,497	38,544	641,497	285,640	(285,640)	923,089	-
Office equipment	16,536,074	622,466	5,386,425	4,413,823	1,768,934	1,960,980	140,266	(140,266)	7,550,338	11,981,986
Computer Networking & Equipment	67,014,595	7,352	5,364,126	30,576,573	18,994,048	2,939,775	-	-	15,026,975	36,438,022
Computer & Peripheral	47,017,283	577,046	17,308,395	25,183,130	6,607,554	8,618,430	282,656	(282,656)	7,113,680	21,551,497
Networking Equipment	60,268,152	-	4,394,562	55,873,590	14,067,857	1,962,822	12,234	(12,234)	18,596,375	35,103,738
Total	199,273,133	6,562,327	36,339,290	88,528,181	44,001,675	17,603,133	735,639	(735,639)	54,569,447	110,009,314

(Financial Year 2011-12)

Amount (₹)

Particulars	Gross Carrying Value			Depreciation			Impairment		Net Carrying Value	
	Balance as at 1 April 2011	Additions	Disposals	Balance as at 1 April 2011	Depreciation for the period	Other Adjustments	Balance as 1 April 2011	Impairment /Write off during the period	Balance as at 31 March 2012	Balance as at 31 March 2011
Leasehold Improvements	16,006,149	6,206,932	16,486,630	7,243,044	4,188,235	9,499,757	-	-	3,794,929	8,763,105
Furniture and Fixtures	2,000,821	710,455	927,835	1,324,954	166,148	861,646	14,843	-	1,139,142	661,024
Vehicles	1,532,022	-	604,885	927,137	7,155	163,084	285,640	-	-	448,956
Office equipment	14,722,964	5,503,016	3,689,907	16,536,074	2,004,872	1,077,019	140,266	-	140,266	11,096,728
Computer Networking & Equipment	85,259,334	6,292,619	24,537,358	67,014,595	21,831,354	11,536,708	-	-	36,438,022	64,977,408
Computer & Peripheral	62,764,534	5,320,349	21,067,600	47,017,283	11,098,245	10,222,459	282,656	-	21,551,497	38,174,534
Networking Equipment	53,949,379	6,651,640	332,867	60,268,152	16,151,771	124,033	12,234	-	35,103,738	44,812,703
Total	236,235,203	30,685,011	67,647,082	199,273,133	55,447,780	33,484,706	735,639	-	110,009,314	168,934,459

The following disclosure should be made for each class of asset as required

Particulars	Year				Amount (₹)
	2012-13	2011-12	2010-11	2009-10	
Asset details:					
Office Equipment Impairment/ Write Off	-140,266	140,266	-	-	-
Vehicles Impairment/ Write Off	-285,640	285,640	-	-	-
Computer & Peripherals Impairment/ Write Off	-282,656	282,656	-	-	-
Furniture & Fixture Impairment/ Write Off	-14,843	14,843	-	-	-
Networking Equipments Impairment/ Write Off	-12,234	12,234	-	-	-



13 Intangible Assets Financial Year 2012-13

Amount (₹)

Particulars	Gross Carrying Value			Amortisation			Impairment		Net Carrying Value	
	Balance as at 1 April 2012	Additions	Disposals	Balance as at 31 March 2013	Depreciation for the period	Other Adjustments	Balance as at 1 April 2012	Impairment /Write off during the period	Balance as at 31 March 2013	Balance as at 31 March 2012
Intangible Assets										
Goodwill	79,794,629	-	-	79,794,629	15,958,926	-	-	-	15,958,926	31,917,852
Brands /trademarks	77,374,825	-	-	77,374,825	15,474,965	-	-	-	30,101,987	45,576,952
Computer software	251,359,972	2,364,970	11,239,145	242,485,797	134,956,350	6,206,611	3,808	(3,808)	62,670,120	116,399,815
Non Compete Fee	9,134,508	-	-	9,134,508	9,134,509	-	-	-	-	-
Total	417,663,934	2,364,970	11,239,145	408,789,759	82,499,829	6,206,611	3,808	(3,808)	108,731,033	193,894,618

Financial Year 2011-12

Amount (₹)

Particulars	Gross Carrying Value			Amortisation			Impairment		Net Carrying Value	
	Balance as at 1 April 2011	Additions	Disposals	Balance as at 31 March 2012	Depreciation for the period	Other Adjustments	Balance as at 1 April 2011	Impairment /Write off during the period	Balance as at 31 March 2012	Balance as at 31 March 2011
Intangible Assets										
Goodwill	79,794,629	-	-	79,794,629	15,958,926	-	-	-	31,917,852	47,876,777
Brands /trademarks	77,374,825	-	-	77,374,825	15,474,965	-	-	-	45,576,952	61,051,917
Computer software	225,834,276	39,648,330	14,122,634	251,359,972	78,349,653	2,397,281	3,808	-	116,399,815	166,826,491
Non Compete Fee	9,134,508	-	-	9,134,508	4,316,993	-	-	-	-	4,316,993
Total	392,138,238	39,648,330	14,122,634	417,663,934	114,100,538	2,397,281	3,808	-	193,894,618	280,072,178

The following disclosure should be made for each class of asset as required

Particulars	Year				Amount (₹)
	2012-13	2011-12	2010-11	2009-10	
Asset details:					
Softwares					
Impairment/ Write Off	-3,808	3,808	-	-	



14. Intangible Assets under Development

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Softwares	145,412,906	51,881,227
Total	145,412,906	51,881,227

15. Non Current Investments

Particulars	Face Value	As at 31 March 2013		As at 31 March 2012	
		No.	Amount (₹)	No.	Amount (₹)
Non-Trade Investments at cost					
(a) Investment in Equity instruments of Associates – C2L Biz Solutions Pvt. Ltd.	10	600,000	30,900,000	600,000	30,900,000
(b) Other non-current investments – National Saving Certificate VIII Issue		–	3,000		3,000
Total	10	600,000	30,903,000	600,000	30,903,000

Particulars	As at 31 March 2013		As at 31 March 2012	
	At Cost	Other than at Cost*	At Cost	Other than at Cost*
Aggregate amount of :				
- Quoted Investments	-	-	-	-
- Unquoted Investments	30,903,000	-	30,903,000	-
Market Value of Unquoted Investments	30,903,000	-	30,903,000	-

*Investments are being valued at Cost

16. Long Term Loans and Advances

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
a. Security Deposits		
Unsecured, considered good	17,188,024	17,308,824
Doubtful	-	603,039
Less: Provision for doubtful deposits	-	603,039
	17,188,024	17,308,824
b. Advance payment of Taxes & tax deducted at source		
Unsecured, considered good	-	907,825
Advances Tax & FBT	158,641,544	156,647,305
TDS Receivable	-	23,843
Wealth Tax	-	-
	158,641,544	157,578,973
c. Prepaid Expenses		
Unsecured, considered good	-	14,100
	-	14,100
	175,829,568	174,901,897

17. Other Non Current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Other Bank balances		
- Fixed Deposit Account (See note 20.2)	12,068,822	2,400,846
Total	12,068,822	2,400,846

18. Inventories

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Finished goods (Valued at Moving Weighted Average cost or NRV Whichever is lower)	12,176,439	16,506,852
Consumable of testing Kit	5,368,365	-
Total	17,544,804	16,506,852



19. Trade Receivables

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	64,946,652	48,950,238
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	64,946,652	48,950,238
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	14,686,123	69,537,498
Unsecured, considered doubtful	17,998,036	52,278,310
Less: Provision for doubtful debts	(17,998,036)	(52,278,310)
	14,686,123	69,537,498
Total	79,632,775	118,487,736

20.1 Cash and Bank Balances

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
a. Cash & Cash Equivalents		
Cash in hand	160,766	39,879
Balances with banks in :		
– Current Account (Scheduled Bank)	13,524,215	27,408,662
– Fixed Deposit Account (Refer note 20.2)	-	2,000,000
b. Other Bank Balances		
– Fixed Deposits Account (Refer note 20.2)	4,834,326	6,512,641
	18,519,307	35,961,182

* Bank deposit with more than 12 months maturity-separately stated.

20.2

Particulars	As at 31 March 2013	As at 31 March 2012
Fixed Deposit balance with Banks	Kept as Security (*)	Kept as Security (*)
– Upto 3 months maturity from the date of Acquisition	-	2,000,000
– Upto 12 months maturity from the date of Acquisition	2,727,737	1,419,853
– Maturity more than 12 months but within one year from the Reporting Date	2,106,589	5,092,788
Shown as Current Assets	4,834,326	8,512,641
– Maturity more than 12 from the Reporting Date	12,068,822	2,400,846
Shown as Non-Current Assets	12,068,822	2,400,846
Total	16,903,148	10,913,487

* Details of FDR kept as security

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
(a) Margin money or security against Guarantee		
– Pledged with Bank Guarantees Taken	16,084,633	7,953,131
– Security with VAT Authorities	818,515	818,515
Total	16,903,148	8,771,646

21 Short Term Loans and Advances

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
a. Loans and advances to related parties		
Unsecured, considered good		
– Inter Company Deposits	-	1,342,500,000
– Other Advances	249,169	2,984,818
	249,169	1,345,484,818



21 Short Term Loans and Advances (Contd.)

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
b. Other Loans & Advances		
a. Loans & Advances recoverable in cash or in kind		
Unsecured, considered good	3,566,849	3,492,166
Doubtful	702,544	254,402
Less: Provision for doubtful loans and advances	702,544	254,402
	3,566,849	3,492,166
b. Prepaid Expenses		
Unsecured, considered good	2,820,441	24,934,496
	2,820,441	24,934,496
c. Balances with Service Tax		
Unsecured, considered good	3,333,497	2,008,955
	3,333,497	2,008,955
d. Advances to Business Vendors		
Unsecured, considered good	10,943,009	15,546,505
Doubtful	-	193,827
Less: Provision for doubtful loans and advances	-	193,827
	10,943,009	15,546,505
e. Earnest Money Deposit		
Unsecured, considered good	14,828,684	5,463,218
Doubtful	111,878	111,878
Less: Provision for doubtful Earnest Money Deposit	111,878	111,878
	14,828,684	5,463,218
f. Security Deposits		
Unsecured, considered good	409,152	522,848
Doubtful	-	23,100
Less: Provision for doubtful deposits	-	23,100
	409,152	522,848
g. Staff Loan		
Unsecured, considered good	-	-
	-	-
h. Advance payment of Taxes & tax deducted at source		
Unsecured, considered good	120,800,189	112,296,314
	120,800,189	112,296,314
i. Balance with Sales Tax & VAT Authorities		
Unsecured, considered good	584,022	32,746
	584,022	32,746
Total	157,535,012	1,509,782,066

22 Other Current Assets

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Other Current Assets		
– Interest Accrued but not due on Fixed Deposits	1,213,715	1,015,998
– Interest Accrued and due on ICD	-	43,002,396
– Accrued Income	-	-
– Other Receivables	1,063,815	2,957,470
	2,277,530	46,975,864

23 Contingent Liabilities

Particulars	As at 31 March 2013	As at 31 March 2012
	Amount (₹)	Amount (₹)
Money for which the company is contingently liable		
– Disputed Income Tax Demands not provided for	37,457,110	37,457,110
– Disputed Service Tax Demands not provided for	4,297,280	4,297,280
– Disputed VAT/ CST Demands not provided for	2,311,805	34,810,211
– Other contingent liabilities with respect to litigations	385,000	446,000
	44,451,195	77,010,601



DETAILS OF CONTINGENT LIABILITIES

- (i) Religare Technova IT Services Limited (now merged with Religare Technologies Limited) has received an order, passed by Service Tax department, Ludhiana dated December 4, 2009 under Section 73 of the Finance Act, 1994 wherein a demand of ₹5,40,824 has been raised on the Company.

The Company had filed an appeal before the Commissioner of Central Excise (Appeals) - II, Chandigarh against the said order. The commissioner had confirmed the order against which appeal was filed to CESTAT where the order was given in favour for the company and sent back for regular assessment. The proceedings are pending before the assessing officer for regular assessment.

- (ii) Appeal has been filed to Commissioner (Appeal) of Value Added Tax, Kolkata in respect of VAT Demand for Financial Year 2008-09 amounting to ₹ 10,74,026/-. The proceedings are still pending before Commissioner (Appeal) of Value Added Tax, Kolkata.

- (iii) The Income Tax Assessment of Religare Technova IT Services Limited (now merged with Religare Technologies Limited) for the assessment year 2008-09 has been completed by the Deputy Commissioner of Income Tax, Circle-VII, Ludhiana under section 143(3) of the Act vide order dated December 24, 2010. Consequential to certain disallowances made in the assessment order, a demand of ₹ 35,451,530 has been raised on the Company. The AO has also initiated penalty proceedings under section 271(1) (c) of the Act against the Company.

The Company has filed an appeal with Commissioner of Income Tax (Appeals), II, Ludhiana against the said assessment order. In reply to the notice for initiation of penalty proceedings, the Company has filed a letter with the AO requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT(A).

- (iv) Religare Technova IT Services Limited (now merged with Religare Technologies Limited) ("the Company") has received order dated Mar-30, 2011 passed by Assessing officer u/s 201(1)/201(1A) of the Act for financial year 2008-09, wherein demand amounting to Rs 2,005,580 has been raised on the Company on account of TDS not deducted/TDS deducted but not paid by the Company. The said demand was primarily on account of mismatch in the online database of tax department with the returns/ challans filed by the Company.

The company has filed correction statement and status of liability as on 31 march 2012 is ₹ 79,995/- . The Company has also preferred an appeal against the same to CIT(A)-XXX and the same is pending for disposal.

- (v) The Income tax assessment of Religare Technova Business Intellect Limited (now merged with Religare Technologies Limited) for assessment year 2008-09 was completed by the Assistant Commissioner of Income Tax, Circle-15 (1), New Delhi under section 143(3) of the Act vide assessment order dated December 31, 2010. Pursuant to the additions made in the said assessment order, the returned loss of the subject assessment year has been reduced from Rs 7,947,388 to Rs 1,238,895. The AO has also initiated penalty proceedings under section 271(1) (c) of the Act against the Company.

The Company has filed an appeal with Commissioner of Income Tax (Appeals), XVIII, New Delhi against the said assessment order. In reply to the notice for initiation of penalty proceedings, the Company has filed a letter with the AO requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT(A).

- (vi) The company has received a show cause notice dated 03 Feb 2012 from Service tax department on account of disallowance of CENVAT credit in relation to company's premises for which late registration was taken. The amount involve in such show cause notice is ₹ 37,56,456/- including interest.

The company has filled a suitable reply against such notice as the late intimation filed for few company's premises is a procedural gap only and management expects a favourable order on reply against such notice.

- (vii) The company has been assessed by Department of VAT, U.P. dated 24 Jan, 2013 under provisions U.P. VAT ACT, 2008 wherein a demand of ₹ 1237,779/- has been raised on the Company in the assessment order by Dy. Commissioner, VAT for the financial year 2008-09.

The Company is in process of filing an appeal before the Additional Commissioner of VAT (Appeals) Noida against the said assessment order as the management is in bonafied belief to get the favourable order in the case.

- (viii) Religare Technologies Limited received a notice dated 16th May, 2011 from Presiding Officer, Industrial Tribunal, New Court Complex, Ludhiana regarding a complaint filed by Mr. Rajesh Bansal disputing his termination and claiming an amount of ₹ 3,85,000. Further a notice dated 30th September, 2011 was received from the Controlling Authority under Payment of Gratuity Act, 1972 and Assistant Labour Commissioner (Central), Kendriya Sadan, Sector 9-A, Chandigarh with respect to an application filed by Mr. Rajesh Bansal regarding non-payment of alleged full gratuity payable to him. The matters are currently pending.



24. Revenue from Operations

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Sale of Products		
IT Sales	13,039,270	177,743,784
Sale of Services		
IT Services	120,709,109	328,097,049
Business Process Management	9,405,304	43,668,656
Export Sale Service	78,482,949	68,896,984
Other Operating Revenue		
Subscriptions	-	752,113
Total	221,636,632	619,158,586

25. Other Income

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Interest Income		
- Banks	2,454,569	1,122,503
- Staff Loan	-	1,875
- ICD	71,063,807	162,673,544
- IT Refund	1,194,755	-
Profit on sale/redemption of Mutual funds	-	634,356
Other Non Operating Income (net of expenses)		
Commission Backend and ORC	4,496,043	4,477,391
Exchange Fluctuation (Net)	527,084	3,369,801
Balance Written Back	8,635,355	-
Miscellaneous Income	7,750,741	264,898
Total	96,122,354	172,544,368

26. Purchases of Stock - in - trade

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
IT Product	11,766,740	155,626,322
Total	11,766,740	155,626,322

27. Changes in Inventories of Finished Goods, Work - in - Progress and Stock - in - trade

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Closing Stock		
IT Product	12,176,439	16,506,852
	12,176,439	16,506,852
Less:		
Opening Stock		
IT Product	16,506,852	29,189,770
	16,506,852	29,189,770
Total	4,330,413	12,682,918

28. Employee Benefit Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Salaries and Wages	192,867,177	412,694,001
Contribution to Provident and Other Funds	18,978,851	19,855,536
Staff Welfare and Training Expenses	3,392,878	11,299,278
Insurance	4,056,123	10,686,089
Total	219,295,029	454,534,904



29. Finance Costs

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Interest Expense		
- Inter Corporate Loans	348,142,493	231,047,616
- Interest on term Loan	97,384,897	205,828,835
- Others	147,854	532,057
Other Borrowing Costs		
- Put Call Option Rollover Charges	45,057,377	34,942,623
- Bank Guarantee Commission	408,063	257,110
Total	491,140,684	472,608,241

30. Depreciation, Impairment & Amortization

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
- Depreciation	44,001,675	55,447,780
- Impairment	-	-
- Amortization	82,499,829	114,100,538
Total	126,501,504	169,548,318

31. Other Expenses

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Rent	28,338,515	64,720,594
Repair to Others	2,100,671	5,533,040
Office Maintenance	6,270,158	10,294,822
Office General Expenses	374,089	1,994,009
Guest House Expenses	1,060,745	381,355
Corporate Meet Expense	27,526	138,097
Cartage Outward	-	39,393
Stock Written off	1,690,918	12,345,852
Bad Debts	46,690,205	46,339,965
Advance Written Off	3,902,858	-
Insurance	708,407	1,168,347
Rates and Taxes, excluding, taxes on income	21,210	57,649
License Expenses	135,703	361,158
Registration Exp.	35,631	89,825
Fees & Subscriptions'	228,229	977,966
Printing & Stationery	1,086,047	1,059,494
Postage Telephone	9,237,233	16,934,763
Electricity and water expenses	4,262,358	11,262,807
Legal & Professional Charges	12,312,683	15,460,651
Internal Audit Fee	315,205	642,614
Filing Fees	3,934	7,456
Advertisement & Sales Promotion	4,764,859	32,673,951
Traveling and Conveyance Expenses	27,238,613	21,875,163
Bank Charges	116,681	356,417
Commission and Marketing	(3,001,933)	6,359,462
Loss on sale of Fixed assets(Net)	760,723	25,595,316
Direct Expenses	18,003,908	17,273,505
Data Procurement Charges	(103,157)	1,905,547
Software/Website Charges	791,350	5,365,286
Provision for bad & doubtful Debts	(34,280,273)	(27,796,402)
Provision against advances	(371,825)	(13,395,741)
Miscellaneous Expenses	(45,807)	779,763
Payment to Auditors (Refer Note below 32.1)	362,500	277,000
Prior Period Items	10,586,668	(5,035,127)
Total	143,624,631	256,043,998



32. Payment to Auditor

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
As Auditor:		
Statutory Audit fee	110,000	110,000
Tax Audit Fee	40,000	40,000
In other Capacity		
For Other Services	212,500	127,000
Total	362,500	277,000

33. Earnings per Equity Share

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
(i) Net Profit after Tax available for Equity Shareholders	(678,900,015)	(729,341,747)
(ii) Weighted Average number of equity Shares for Basic and diluted EPS (Nos)	8,129,463	8,129,463
(iii) Nominal value of each share	10	10
(iv) Earning Per Share Basic and diluted (in Rs)	(83.51)	(89.72)

34. Transfer from / to Provisions

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Transfer to Provisions		
Provision for bad & doubtful Debts	(34,280,273)	(27,796,402)
Provision against advances	(371,825)	(13,395,741)
Total	(34,652,098)	(41,192,143)

35. Expenditure in Foreign Currency on account of:

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Business & Sales Promotion	1,850,406	1,053,969
Other Operating Expenses	8,871,236	765,969
Professional & Consultation Fee	563,870	1,430,532
Office Rent	459,773	594,888
Salaries	4,731,536	1,464,828
Traveling	162,225	6,765
Purchase of fixed Assets	1,207,435	-
Telephone	88,402	-
Insurance Other than Personal	5,362	-
Other Exp.	738	38,721
Total	17,940,983	5,355,672

36. Earning in Foreign Exchange from:

Particulars	For the year ended 31 March 2013	For the year ended 31 March 2012
	Amount (₹)	Amount (₹)
Royalty, professional & consultation fee	78,482,949	68,896,984
Other	-	-
Total	78,482,949	68,896,984



37 SEGMENT REPORTING:

Business Segment:

- (i) The business segment has been considered as the primary segment.
- (ii) The company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns.
- (iii) The Company's primary business comprises of three segment viz., 'IT Services', 'Knowledge Services' and 'Healthcare Services'.
- (iv) Segment revenue, results, assets and liabilities include amounts identifiable to each segments allocated on reasonable basis.
- (v) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as stated in (1) above.

Geographical Segment:

As the company is primarily operating in one Geographic segment "Within India" hence no separate information for Geographic segment wise disclosure is required.

Particulars	Knowledge Services March 31, 2013	Knowledge Services March 31, 2012	IT Services March 31, 2013	IT Services March 31, 2012	Health Care March 31, 2013	Health Care March 31, 2012	Total Unallocated March 31, 2013	Total Unallocated March 31, 2012	Total March 31, 2013	Total March 31, 2012
(i) Segment Revenue										
External Revenue	(1,113,239)	77,547,412	89,715,143	457,852,973	158,093,275	88,235,592	71,063,807	168,066,977	317,758,986	791,702,954
Inter-Segment Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenue	(1,113,239)	77,547,412	89,715,143	457,852,973	158,093,275	88,235,592	71,063,807	168,066,977	317,758,986	791,702,954
(ii) Segment Results	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
Total Segment Results	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
Income taxes (Current, Deferred and Fringe benefit tax)	-	-	-	-	-	-	-	-	-	-
Profit/(Loss) after tax	(5,253,311)	(91,213,916)	20,292,309	13,865,969	(244,809,886)	(347,288,644)	(449,129,128)	(304,705,156)	(678,900,015)	(729,341,747)
(iii) Segment Assets	58,123,244	352,476,728	233,417,447	947,791,051	430,821,744	837,279,422			722,362,436	2,137,547,201
Unallocated Corporate assets							80,661,769	154,157,401	80,661,769	154,157,401
Total Assets	58,123,244	352,476,728	233,417,447	947,791,051	430,821,744	837,279,422	80,661,769	154,157,401	803,024,205	2,291,704,602
(iv) Segment Liabilities	1,361,528	665,455,551	613,305,458	1,735,354,407	1,413,928,398	1,715,268,024	1,315,639,360	37,937,143	3,344,234,744	4,154,015,126
Total Liabilities	1,361,528	665,455,551	613,305,458	1,735,354,407	1,413,928,398	1,715,268,024	1,315,639,360	37,937,143	3,344,234,744	4,154,015,126
(v) Capital Expenditure	-	492,137	-	39,423,116	7,933,864	29,127,512			7,933,864	69,042,765
Unallocated Capital expenditure							993,433	1,290,576	993,433	1,290,576
Total Capital Expenditure	-	492,137	-	39,423,116	7,933,864	29,127,512	993,433	1,290,576	8,927,297	70,333,341
(vi) Depreciation/ Amortisation	454,872	11,564,847	34,480,049	75,217,726	73,054,474	60,008,719	18,512,109	22,757,026	126,501,504	169,548,318
Total Depreciation	454,872	11,564,847	34,480,049	75,217,726	73,054,474	60,008,719	18,512,109	22,757,026	126,501,504	169,548,318
(vii) Non Cash Expenditure other than Depreciation	(37,023,161)	39,696,786	(7,794,121)	33,753,002	(17,038,148)	52,354,016	7,801,184	1,977,396	(54,054,247)	127,781,200
Total Non Cash Expenditure	(37,023,161)	39,696,786	(7,794,121)	33,753,002	(17,038,148)	52,354,016	7,801,184	1,977,396	(54,054,247)	127,781,200



38 Related Party Disclosures as required by Accounting Standard 18 "Related Party Discloser" issued by Companies (Accounting Standard) Rules, 2006 and the relevant provision of Companies Act are Given below:

	Nature of Relationship	Name of Party
1	Holding company/Controlling Enterprises	NA
2	Fellow Subsidiary & Subsidiaries of Fellow-Subsidiaries.	NA
3	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associates or a joint venture.	C2L Biz Solutions Private Limited
4	Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;	Mr. Malvinder Mohan Singh Mr. Shivinder Mohan Singh Mrs. Nimmi Singh Mrs. Harjit Grewal Mrs. Japna Malvinder Singh Baby Nanaki Parvinder Singh Baby Nandini Parvinder Singh Mrs. Aditi Shivinder Singh Master Udayveer Parvinder Singh Master Anhad Parvinder Singh Master Vivan Parvinder Singh Master Kabir Parvinder Singh
5	Enterprises over which any person described in (c) or (d) is able to exercise significant influence. (includes the enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the reporting enterprise)	Dion Global Solutions Limited Religare Invesco Asset Management Company Pvt. Ltd. (Formerly Known as Religare Asset Management Company Limited) Religare Enterprises Limited Religare Finvest Limited RHC Holding Private Limited R C Nursery Pvt Ltd Religare Aviation Limited Religare Securities Limited Religare Bullion Ltd Aegon Religare Life Insurance Co. Ltd Religare Wellness Limited Religare Arts Initiative Limited Religare Capital Markets Limited Religare Commodities Limited Religare Financial Consultancy Services Limited (Formerly Known as Religare Insurance Broking Limited) Religare Macquarie Wealth Management Limited Ligare Travels Limited (Formerly Known as Religare Travels India Ltd.) SRL Limited (Formerly Known as Super Religare Laboratories Limited) Fortis Clinical Research Limited Fortis Hospitals Limited Fortis Escorts Hospital Limited Fortis Healthcare Limited (formerly Known as Fortis Healthcare (India) Limited) International Hospital Limited Oscar Investments Limited Medsources Healthcare Private Limited Religare Housing Development Finance Corp. Ltd (Formerly Known as Maharishi Housing Development Finance Corp. Ltd.) Religare Aviation Training Academy Limited Quality HealthCare Medical Services Limited Religare Corporate Services Ltd Religare Finance Ltd Religare Capital Markets Plc REL Infracilities Limited (Formerly known as Religare Reality Limited) Religare Health Insurance Company Limited Escorts Heart Institute and Research Centre Limited Eximius Business Services Private Limited (Formerly Known as Religare Voyages Business Services Private Limited) Religare Infotech Private Limited



Following transactions were carried out with related parties in the ordinary course of business

Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associates or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		(Amount in ₹)	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
		-	-	-	-	-	-	-	-	-	-
Subscription to Equity Capital	Dion Global Solutions Limited	-	-	-	-	-	-	-	-	-	-
Subscription to Equity Capital Total		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Investments		-	-	-	-	-	-	-	-	-	-
Investment	C2L Biz Solutions Private Limited	-	-	-	-	-	-	-	-	-	-
Investments Total		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Purchase of Fixed Assets		-	-	-	-	-	-	-	-	-	-
Purchase of Fixed Assets	Religare Finvest Limited	-	-	-	-	-	-	961,633	-	961,633	-
	Dion Global Solutions Limited	-	-	-	-	-	-	359,675	17,554,546	359,675	17,554,546
Purchase of Fixed Assets Total		-	-	-	-	-	-	1,321,308	17,554,546	1,321,308	17,554,546
		-	-	-	-	-	-	-	-	-	-
Sale of Fixed Assets		-	-	-	-	-	-	-	-	-	-
Sale of Fixed Assets	Religare Infotech Private Limited	-	-	-	-	-	-	27,752	250,856	27,752	250,856
	Religare Finvest Limited	-	-	-	-	-	-	-	26,421	-	26,421
	Religare Corporate Services Ltd	-	-	-	-	-	-	23,331,944	-	23,331,944	-
	Dion Global Solutions Limited	-	-	-	-	-	-	104,128	1,119,051	104,128	1,119,051
Sale of Fixed Assets Total		-	-	-	-	-	-	23,463,824	1,396,328	23,463,824	1,396,328
		-	-	-	-	-	-	-	-	-	-
Finance Transaction		-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits Taken	Religare Finvest Limited	-	-	-	-	-	-	3,944,500,000	8,340,700,000	3,944,500,000	8,340,700,000
	RHC Holding Private Limited	-	-	-	-	-	-	2,049,000,000	1,143,910,043	2,049,000,000	1,143,910,043
	R C Nursery Pvt Ltd	-	-	-	-	-	-	7,500,000	132,000,000	7,500,000	132,000,000
	Religare Infotech Private Limited	-	-	-	-	-	-	-	3,500,000	-	3,500,000
	Oscar Investment Limited	-	-	-	-	-	-	1,399,100,000	-	1,399,100,000	-
Inter Corporate Deposits Taken Total		-	-	-	-	-	-	7,400,100,000	9,620,110,043	7,400,100,000	9,620,110,043
		-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits Repaid	Religare Finvest Limited	-	-	-	-	-	-	4,666,888,079	6,894,300,000	4,666,888,079	6,894,300,000
	RHC Holding Private Limited	-	-	-	-	-	-	2,292,850,000	293,210,043	2,292,850,000	293,210,043
	R C Nursery Pvt Ltd	-	-	-	-	-	-	75,500,000	64,000,000	75,500,000	64,000,000
	Religare Infotech Private Limited	-	-	-	-	-	-	-	3,500,000	-	3,500,000
	Oscar Investment Limited	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits Repaid Total		-	-	-	-	-	-	7,035,238,079	7,255,010,043	7,035,238,079	7,255,010,043
		-	-	-	-	-	-	-	-	-	-
Interest Paid on Inter Corporate Deposit	Religare Finvest Limited	-	-	-	-	-	-	187,237,153	207,738,329	187,237,153	207,738,329



Following transactions were carried out with related parties in the ordinary course of business (Contd...)

Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		(Amount in ₹)	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
	RHC Holding Private Limited	-	-	-	-	-	16,679,605	122,370,820	16,679,605	122,370,820	16,679,605
	R C Nursey Pvt Ltd	-	-	-	-	-	5,997,589	8,780,692	5,997,589	8,780,692	5,997,589
	Religare Infotech Private Limited	-	-	-	-	-	1,271	-	1,271	-	1,271
	Oscar Investment Limited	-	-	-	-	-	630,822	45,431,373	630,822	45,431,373	630,822
Interest Paid on Inter Corporate Deposit Total		-	-	-	-	-	231,047,616	363,820,037	231,047,616	363,820,037	231,047,616
Inter Corporate Deposits Given (Assets)	Dion Global Solutions Limited	-	-	-	-	-	1,247,000,000	-	1,247,000,000	-	1,247,000,000
	Religare Aviation Limited	-	-	-	-	-	700,000,000	-	700,000,000	-	700,000,000
	Religare Housing Devlp. Finance Corp. Ltd.	-	-	-	-	-	765,000,000	92,000,000	765,000,000	92,000,000	765,000,000
	Religare Capital Markets Ltd	-	-	-	-	-	2,572,500,000	2,725,000,000	2,572,500,000	2,725,000,000	2,572,500,000
	Religare Commodities Ltd.	-	-	-	-	-	1,050,000,000	602,500,000	1,050,000,000	602,500,000	1,050,000,000
	Religare Securities Limited	-	-	-	-	-	220,000,000	-	220,000,000	-	220,000,000
	Religare Bullion Ltd	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits Given total		-	-	-	-	-	6,554,500,000	3,419,500,000	6,554,500,000	3,419,500,000	6,554,500,000
Inter Corporate Deposits Repaid (Assets)	Dion Global Solutions Limited	-	-	-	-	-	1,247,000,000	-	1,247,000,000	-	1,247,000,000
	Religare Aviation Limited	-	-	-	-	-	700,000,000	-	700,000,000	-	700,000,000
	Religare Housing Devlp. Finance Corp. Ltd.	-	-	-	-	-	857,000,000	857,000,000	-	857,000,000	-
	Religare Capital Markets Ltd	-	-	-	-	-	1,995,000,000	3,302,500,000	1,995,000,000	3,302,500,000	1,995,000,000
	Religare Commodities Ltd.	-	-	-	-	-	1,050,000,000	602,500,000	1,050,000,000	602,500,000	1,050,000,000
	Religare Securities Limited	-	-	-	-	-	220,000,000	-	220,000,000	-	220,000,000
	Religare Bullion Ltd	-	-	-	-	-	170,000,000	-	170,000,000	-	170,000,000
Inter Corporate Deposits Repaid (Assets) total		-	-	-	-	-	5,382,000,000	4,762,000,000	5,382,000,000	4,762,000,000	5,382,000,000
Interest received from Inter Corporate Deposit	Religare Securities Limited	-	-	-	-	-	2,662,603	-	2,662,603	-	2,662,603
	DION Global Solutions Limited	-	-	-	-	-	52,288,716	-	52,288,716	-	52,288,716
	Religare Aviation Limited	-	-	-	-	-	33,341,096	-	33,341,096	-	33,341,096
	Religare Housing Devlp. Finance Corp. Ltd.	-	-	-	-	-	38,826,370	37,871,260	38,826,370	37,871,260	38,826,370
	Religare Capital Markets Ltd	-	-	-	-	-	34,529,897	31,707,626	34,529,897	31,707,626	34,529,897
	Religare Commodities Ltd.	-	-	-	-	-	698,836	1,484,922	698,836	1,484,922	698,836
	Religare Bullion Ltd	-	-	-	-	-	326,027	-	326,027	-	326,027
Interest received from Inter Corporate Deposit Total		-	-	-	-	-	162,673,544	71,063,808	162,673,544	71,063,808	162,673,544
Trading Transaction		-	-	-	-	-	-	-	-	-	-



Following transactions were carried out with related parties in the ordinary course of business (Contd...)											
Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		(Amount in ₹)	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
Sales/ Services to other Companies	Dion Global Solutions Limited	-	-	-	-	-	-	-	21,365,433	-	21,365,433
	Religare Infotech Private Limited	-	-	-	-	-	-	-	220,644	-	220,644
	Aegon Religare Life Insurance Co. Ltd	-	-	-	-	-	-	-	22,425,685	-	22,425,685
	Religare Wellness Limited	-	-	-	-	-	-	-	1,687,340	-	1,687,340
	Religare Aviation Limited	-	-	-	-	-	-	-	1,383,062	-	1,383,062
	Religare Invesco Asset Management Company Pvt. Ltd.	-	-	-	-	-	-	-	788,109	-	788,109
	Religare Arts Initiative Limited	-	-	-	-	-	-	-	171,822	-	171,822
	Religare Capital Markets Limited	-	-	-	-	-	-	-	1,335,628	-	1,335,628
	Religare Commodities Limited	-	-	-	-	-	-	-	3,110,017	-	3,110,017
	Religare Enterprises Limited	-	-	-	-	-	-	-	147,864,013	-	147,864,013
	Religare Finvest Limited	-	-	-	-	-	-	238,304	20,707,498	238,304	20,707,498
	Religare Financial Consultancy Services Limited	-	-	-	-	-	-	-	800,592	-	800,592
	REL Infrafacilities Limited	-	-	-	-	-	-	-	39,009,219	-	39,009,219
	Religare Securities Limited	-	-	-	-	-	-	943,430	48,404,749	943,430	48,404,749
	Ligare Travels Limited	-	-	-	-	-	-	-	497,070	-	497,070
	SRL Limited	-	-	-	-	-	-	-	11,649,155	-	11,649,155
	Escorts Heart Institute & Research Centre Limited	-	-	-	-	-	-	775,000	-	775,000	-
	Fortis Clinical Research Limited	-	-	-	-	-	-	-	691,493	-	691,493
	Fortis Healthcare Limited	-	-	-	-	-	-	35,981,075	45,317,618	35,981,075	45,317,618
	Fortis Hospitals Limited	-	-	-	-	-	-	250,000	3,474,786	250,000	3,474,786
	Fortis Escorts Hospital Limited	-	-	-	-	-	-	-	6,150	-	6,150
	Fortis Healthcare (India) Limited	-	-	-	-	-	-	1,572,380	14,723,447	1,572,380	14,723,447
	International Hospital Limited	-	-	-	-	-	-	-	29,768	-	29,768
	Religare Health Insurance Company Ltd	-	-	-	-	-	-	2,524,685	6,987,158	2,524,685	6,987,158
	Medsource Healthcare Private Limited	-	-	-	-	-	-	-	126,592	-	126,592
	Religare Housing Development France Corp. Ltd	-	-	-	-	-	-	-	161,827	-	161,827
	Religare Aviation Training Academy Limited	-	-	-	-	-	-	-	197,061	-	197,061
	Eximius Business Services Private Limited	-	-	-	-	-	-	-	72,549	-	72,549
	Quality Health Care Medical Services Ltd	-	-	-	-	-	-	870,081	4,947,867	870,081	4,947,867
	Religare Corporate Services Ltd	-	-	-	-	-	-	71,943,908	112,980,656	71,943,908	112,980,656
	Religare Finance Ltd	-	-	-	-	-	-	-	5,481	-	5,481
	Religare Capital Markets Plc	-	-	-	-	-	-	-	-	-	-
Sale / Services to other Companies Total		-	-	-	-	-	-	115,098,863	511,142,488	115,098,863	511,142,488
Sale / Services by other Companies	Dion Global Solutions Limited	-	-	-	-	-	-	-	-	-	-



Following transactions were carried out with related parties in the ordinary course of business (Contd....)

(Amount in ₹)

Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associates or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		Total	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
	Ligare Travels Limited	-	-	-	-	-	-	8,499,770	9,805,087	8,499,770	9,805,087
	C2L Biz Solutions Private Limited	2,680,636	3,012,519	-	-	-	-	-	-	2,680,636	3,012,519
	Religare Health Insurance Company Ltd	-	-	-	-	-	-	1,176,100	-	1,176,100	-
	RHC Holding Private Limited	-	-	-	-	-	-	112,360	-	112,360	-
	Religare Finvest Limited	-	-	-	-	-	-	666,897	302,315	666,897	302,315
Sale / Services by other Companies Total		2,680,636	3,012,519	-	-	-	-	10,455,127	10,107,402	13,135,763	13,119,921
REIMBURSEMENT OF EXPENSES											
Expense Reimbursement by other Companies	Dion Global Solutions Limited	-	-	-	-	-	-	3,387,644	39,543,606	3,387,644	39,543,606
	Religare Capital Markets Limited	-	-	-	-	-	-	4,395	2,292	4,395	2,292
	Religare Finvest Limited	-	-	-	-	-	-	230,952	1,191,270	230,952	1,191,270
	REL Infrafacilities Limited	-	-	-	-	-	-	14,890,953	-	14,890,953	-
	Religare Enterprises Limited	-	-	-	-	-	-	15,379,439	17,396,627	15,379,439	17,396,627
	Religare Commodities Limited	-	-	-	-	-	-	7,588	1,211	7,588	1,211
	RHC Holding Pvt. Ltd.	-	-	-	-	-	-	-	91,916	-	91,916
	Religare Infotech Private Ltd	-	-	-	-	-	-	-	-	-	-
	Religare Securities Limited	-	-	-	-	-	-	1,324,820	313,922	1,324,820	313,922
Expense Reimbursement by other Companies Total		-	-	-	-	-	-	35,225,791	58,540,844	35,225,790	58,540,844
Expense Reimbursement to other Companies	Dion Global Solutions Limited	-	-	-	-	-	-	8,836,582	4,947,037	8,836,582	4,947,037
	Religare Capital Markets Limited	-	-	-	-	-	-	6,510	5,977	6,510	5,977
	Religare Commodities Limited	-	-	-	-	-	-	12,120	10,452	12,120	10,452
	Religare Enterprises Limited	-	-	-	-	-	-	19,609	226,967	19,609	226,967
	Religare Finvest Limited	-	-	-	-	-	-	2,210	38,500	2,210	38,500
	Religare Financial Consultancy Services Limited	-	-	-	-	-	-	-	1,297	-	1,297
	Religare Securities Limited	-	-	-	-	-	-	59,490	59,045	59,490	59,045
	Religare Macquarie Wealth Management Ltd.	-	-	-	-	-	-	1,481	7,259	1,481	7,259
	Religare Corporate Services Ltd	-	-	-	-	-	-	3,105,648	553,803	3,105,648	553,803
	Religare Infotech Private Ltd	-	-	-	-	-	-	185,450	80,077	185,450	80,077
	Religare Health Insurance Company Ltd	-	-	-	-	-	-	-	-	-	-
	REL Infrafacilities Limited	-	-	-	-	-	-	-	-	-	-
Expense Reimbursement to other Companies Total		-	-	-	-	-	-	12,229,100	5,930,416	12,229,101	5,930,416
Professional Fees	Maninder Singh Grewal	-	-	-	-	10,587,705	11,486,025	-	-	10,587,705	11,486,025
Professional Fees Total		-	-	-	-	10,587,705	11,486,025	-	-	10,587,705	11,486,025
OUTSTANDING BALANCES		-	-	-	-	-	-	-	-	-	-



Following transactions were carried out with related parties in the ordinary course of business (Contd...)													(Amount in ₹)	
Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		Total				
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12			
Receivables			-	-	-	-	-	-	-	-	-			
	Religare Housing Devlp. Finance Corp. Ltd.		-	-	-	-	-	765,000,000	-	-	765,000,000			
	Religare Capital Markets Ltd		-	-	-	-	-	577,500,000	-	-	577,500,000			
	Religare Commodities Ltd.		-	-	-	-	-	-	-	-	-			
Inter Corporate Deposits (Assets) Total			-	-	-	-	-	1,342,500,000	-	-	1,342,500,000			
	Interest on Inter Corporate Deposits		-	-	-	-	-	-	-	-	-			
	Don Global Solutions Limited		-	-	-	-	-	-	-	-	-			
	Religare Housing Devlp. Finance Corp. Ltd.		-	-	-	-	-	24,460,610	-	-	24,460,610			
	Religare Capital Markets Ltd		-	-	-	-	-	18,401,242	-	-	18,401,242			
	Religare Commodities Ltd.		-	-	-	-	-	140,544	-	-	140,544			
			-	-	-	-	-	-	-	-	-			
			-	-	-	-	-	43,002,396	-	-	43,002,396			
Interest on Inter Corporate Deposits Total			-	-	-	-	-	712,044	-	-	712,044			
	Receivables		-	-	-	-	-	133,163	-	-	133,163			
	Religare Aviation Limited		-	-	-	-	-	157,700	-	-	157,700			
	Religare Arts Initiative Limited		-	-	-	-	-	-	-	-	-			
	Religare Capital Markets Limited		-	-	-	-	-	492,511	8,294	8,294	492,511			
	Religare Commodities Limited		-	-	-	-	-	-	214,197	214,197	-			
	Religare Finvest Limited		-	-	-	-	-	15,378,034	-	-	15,378,034			
	Religare Health Insurance Company Limited		-	-	-	-	-	-	710,207	710,207	1,052,772			
	Religare Financial Consultancy Services Limited		-	-	-	-	-	35,880	196	196	35,880			
	Religare Macquarie Wealth Management Limited		-	-	-	-	-	-	8,740	8,740	-			
	REL. Infrafacilities Limited		-	-	-	-	-	-	-	-	-			
	Ligare Travels Limited		-	-	-	-	-	-	417,859	417,859	6,493,737			
	Religare Wellness Limited		-	-	-	-	-	580,184	-	-	580,184			
	Escorts Heart Institute and Research Centre Limited		-	-	-	-	-	1,615,521	-	-	1,615,521			
	Fortis Clinical Research Limited		-	-	-	-	-	-	112,360	112,360	52,209			
	Fortis Hospital Limited		-	-	-	-	-	-	-	-	-			
	Fortis Healthcare Limited		-	-	-	-	-	-	-	-	-			
	Fortis Healthcare (India) Limited		-	-	-	-	-	454,035	883,363	883,363	454,035			
	Fortis Hospotel Limited		-	-	-	-	-	-	-	-	-			
	RHC Holding Pvt. Ltd.		-	-	-	-	-	273,166	-	-	273,166			
	International Hospital Limited		-	-	-	-	-	33,090	-	-	33,090			
	Religare Securities Limited		-	-	-	-	-	-	7,344	7,344	29,768			
	Religare Venture Capital Limited		-	-	-	-	-	-	-	-	-			
	Religare Housing Development Finance Corp. Ltd		-	-	-	-	-	5,482	-	-	5,482			
			-	-	-	-	-	237,246	-	-	237,246			



Following transactions were carried out with related parties in the ordinary course of business (Contd...)										(Amount in ₹)	
Nature of Transactions	Name of the Related Party	Associates and joint ventures of the reporting enterprise and the investing party or venturer in respect of which the reporting enterprise is an associate or a joint venture		Individual owing directly or indirectly interest in voting power that gives them control		Key management personnel and relatives of such personnel		Enterprises over which Key Management Personnel / Relatives thereof are having Significant Influence		Total	
		2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
	Fortis Escorts Hospital Limited	-	-	-	-	-	19,247	-	19,247	-	19,247
	Religare Aviation Engineering Private Limited	-	-	-	-	-	24,183	-	24,183	-	24,183
	Religare Aviation Training Academy Limited	-	-	-	-	-	118,416	-	118,416	-	118,416
	Religare Capital Markets Plc	-	-	-	-	-	-	2,316	-	2,316	-
	Eximius Business Services Private Limited	-	-	-	-	-	26,434	-	26,434	-	26,434
	Medsource Healthcare Private Limited	-	-	-	-	-	121,335	-	121,335	-	121,335
	Hiranandani Healthcare Pvt Ltd.	-	-	-	-	-	-	-	-	-	-
	Religare Finance Ltd	-	-	-	-	-	4,945	2,807	4,945	2,807	4,945
	Don Global Solutions Limited	-	-	-	-	-	18,259,913	5,362,925	18,259,913	5,362,925	18,259,913
	Religare Infotech Private Limited	-	-	-	-	-	-	172,790	-	172,790	-
	Quality Health Care Medical Services Ltd	-	-	-	-	-	363,558	347,093	363,558	347,093	363,558
	Religare Corporate Services Ltd	-	-	-	-	-	8,120,871	49,143	8,120,871	49,143	8,120,871
	SRL Limited	-	-	-	-	-	3,639,324	797,392	3,639,324	797,392	3,639,324
Receivables Total		-	-	-	-	-	74,558,247	21,342,445	74,558,247	21,342,447	74,558,247
Payables		-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits	Religare Finvest Limited	-	-	-	-	-	1,820,100,000	1,097,711,921	1,820,100,000	1,097,711,921	1,820,100,000
	RHC Holding Private Limited	-	-	-	-	-	858,700,000	614,850,000	858,700,000	614,850,000	858,700,000
	R C Nursery Pvt Ltd	-	-	-	-	-	-	-	68,000,000	-	68,000,000
	Oscar Investments Limited	-	-	-	-	-	-	-	5,000,000	-	5,000,000
Inter Corporate Deposits Total		-	-	-	-	-	2,751,800,000	3,116,661,921	2,751,800,000	3,116,661,921	2,751,800,000
Interest on Inter Corporate Deposits	Religare Finvest Limited	-	-	-	-	-	57,557,144	34,104,255	57,557,144	34,104,255	57,557,144
	RHC Holding Private Limited	-	-	-	-	-	3,653,831	20,318,653	3,653,831	20,318,653	3,653,831
	R C Nursery Pvt Ltd	-	-	-	-	-	675,714	-	675,714	-	675,714
	Oscar Investments Limited	-	-	-	-	-	49,686	40,077,730	49,686	40,077,730	49,686
Interest on Inter Corporate Deposits Total		-	-	-	-	-	61,936,375	94,500,639	61,936,375	94,500,639	61,936,375
Other Payables	Religare Invesco Asset Management Company Pvt. Ltd.	-	-	-	-	-	4,313	-	4,313	-	4,313
	Religare Commodities Limited	-	-	-	-	-	143,395	-	143,395	-	143,395
	Religare Securities Limited	-	-	-	-	-	14,992,225	-	14,992,225	-	14,992,225
	Religare Enterprises Limited	-	-	-	-	-	11,165,168	2,085	11,165,168	2,085	11,165,168
	Religare Infotech Private Ltd	-	-	-	-	-	239,726	-	239,726	-	239,726
	Religare Macquarie Wealth Management Ltd.	-	-	-	-	-	51,398	-	51,398	-	51,398
	Religare Finvest Limited	-	-	-	-	-	1,624,116	-	1,624,116	-	1,624,116
Other Payables Total		-	-	-	-	-	26,596,225	1,626,201	26,596,225	1,626,201	26,596,225
Payables Total		-	-	-	-	-	2,840,332,600	3,212,788,760	2,840,332,600	3,212,788,760	2,840,332,600



39 Disclosures relating to actuarial valuation of Leave Encashment and Gratuity Liability:

(Amount in ₹)

		Leave Encashment		Gratuity	
		2012-13	2011-12	2012-13	2011-12
I	Assumptions as at 31st March, 2013				
	Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
	Discount Rate	8% p.a.	8% p.a.	8% p.a.	8% p.a.
	Rate of Increase in Compensation	6% p.a.	6% p.a.	6% p.a.	6% p.a.
	Rate of return(expected) on plan assets	N.A	N.A	N.A	N.A
	Withdrawal Rates	20% p.a. to 2% p.a.	20% p.a. to 2% p.a.	20% p.a. to 2% p.a.	20% p.a. to 2% p.a.
	Expected Average Remaining Service	23	24	23	24
II	Changes in present value of obligations				
	PBO at beginning of period	2,165,384	4,776,078	7,788,323	13,218,945
	Interest Cost	198,064	344,431	624,093	982,201
	Current Service Cost	1,630,929	1,663,098	3,693,653	4,642,069
	Benefits Paid	1,808,451	6,021,359	3,598,623	3,456,817
	Actuarial (Gain)/Loss on Obligation	50,348	1,403,136	339,067	(7,598,075)
	PBO at end of period	2,236,274	2,165,384	8,846,513	7,788,323
III	Changes in Fair Value of Plan Assets	N.A.	N.A.	N.A.	N.A.
	Fair Value of Plan Assets at beginning of period				
	Expected Return of Plan Assets				
	Contributions				
	Benefits paid				
	Actuarial Gain / (Loss) on Plan Assets				
	Fair Value of Plan Assets at end of period				
IV	Fair Value of Plan Assets	N.A	N.A	N.A	N.A
	Fair Value of Plan Assets at beginning of period				
	Actual Return of plan assets				
	Contributions				
	Benefit paid				
	Fair Value of Plan Assets at end of period				
	Funded Status				
	Excess of actual over estimated return on Plan Assets				
V	Actuarial Gain/(Loss) Recognised				
	Actuarial Gain/(Loss) for the period (Obligation)	50,348	(1,403,136)	(339,067)	7,598,075
	Actuarial Gain/(Loss) for the period (Plan Assets)	N.A	N.A	N.A	N.A
	Total Gain/(Loss) for the period	50,348	(1,403,136)	(339,067)	7,598,075
	Actuarial Gain/(loss) Recognised for the period	50,348	(1,403,136)	339,067	(7,598,075)
	Unrecognised Actuarial Gain /(Loss) at the end of period	NIL	NIL	NIL	NIL
VI	Amounts to be recognised in the Balance Sheet				
	PBO at the end of period	2,236,274	2,165,384	8,846,513	7,788,323
	Fair Value of Plan Assets at end of period	N.A	N.A		N.A
	Funded Status	-	-		-
	Unrecognised Actuarial Gain /(Loss)	-	-		-
	Net (Asset)/Liability recognised in the Balance Sheet	2,236,274	2,165,384	8,846,513	7,788,323
VII	Expense Recognised				
	Current Service Cost	1,630,929	1,663,098	3,693,653	4,642,069
	Interest Cost	198,064	344,431	624,093	982,201
	Expected Return on Plan Assets	N.A	N.A	N.A	N.A
	Net Actuarial Gain /(Loss) recognised for the period	(50,348)	(1,403,136)	(339,067)	7,598,075
	Expense recognised in the statement of Profit & Loss A/c	1,879,341	3,410,665	4,656,813	(1,973,805)
VIII	Movements in the liability recognised in Balance Sheet				
	Opening Net Liability	2,165,384	4,776,078	7,788,323	13,218,945
	Expenses as above	1,879,341	3,410,665	4,656,813	(1,973,805)
	Contribution paid	1,808,451	6,021,359	3,598,623	3,456,817
	Closing Net Liability	2,236,274	2,165,384	8,846,513	7,788,323



40 OTHER NOTES

- (i) Due to change of policy regarding recognition of prepaid expenses in case of expenses more than ₹ 20,000/-, nothing impact in the financial in respect of expenditure during the period.
- (ii) In view of accumulated losses, no provision for income tax is considered necessary.
- (iii) The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act 1961. Accordingly, keeping in view absence of virtual certainty, deferred tax assets have not been recognised.
- (iv) Taking into account management's assessment of growth of business, the accounts of the company have been prepared on a "Going Concern" basis even though, the net worth of the Company has substantially eroded due to accumulated losses.
- (v) During the financial year the balances which were lying with the creditors and old outstanding cheque having outstanding more then 3 years has been written back.
- (vi) During the financial year amounting to ₹ 935.32 Lakhs (Including ₹ 157.98 Lakhs of Interest on borrowing) has been capitalized to CWIP/intangible assets (the project Infinity is under the development phase for which this expenses has been incurred).

41 PREVIOUS YEAR FIGURES

The financial statements for the year ended March 31, 2012 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2013 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements except for accounting for dividend on investments in subsidiaries.

As per our Audit Report of even date attached

For and on behalf of
RRCA & Associates
 (Chartered Accountants)
 Firm Registration No. 022107N

Sd/-
Ravi Kumar (Partner)
 Membership No. 508424

Place : New Delhi
 Date : 17th May, 2013

For and on behalf of Board of Directors

Sd/-
M. S. Grewal
 Managing Director
 (DIN: 00648031)

Sd/-
Sunil Godhwani
 Director
 (DIN: 00174831)

Sd/-
Vivek Kumar Singh
 (Company Secretary)
 Membership No. A19348



HealthFore Technologies Limited

Prestige Blue Chip, # 9, 4th Floor,
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FORM B

1.	Name of the Company	HealthFore Technologies Limited
2.	Annual financial statements for the year ended	March 31, 2013
3.	Type of Audit qualification	Adverse Remarks
4.	Frequency of qualification	Since last financial year 2011-12
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Clauses IX (a) and (b) of Annexure to Auditor's Report at page no. 26 of the Annual Report for the financial year ended March 31, 2013.</p> <p>Management's response to the adverse remarks:-</p> <p>With reference to adverse remarks in Clause IX (a) and (b) of Annexure to Auditor's Report for the financial year ended March 31, 2013, we would like to state that we have reconciled our total liability towards Professional Tax & Labour Welfare Fund and have paid the required dues in full vide cheques. However, in few cases, the same has not yet been encashed by the authorities. We have been following up with the authorities and expect that the same will be resolved soon.</p>
	Additional comments from the Board/ Audit Committee Chair:	No additional comments.

For RRCA & Associates
Chartered Accountants
Firm Registration No. 022107N

Mr. Ravi Kumar
Partner
Membership No. 508424
Date: August 6, 2013

For HealthFore Technologies Limited

Mr. Maninder Singh Grewal
Managing Director

Mr. Amit Gupta
Chief Finance Officer

Mr. R. K. Shetty
Chairman, Audit Committee

CERTIFIED TRUE COPY

For HEALTHFORE TECHNOLOGIES LIMITED

Director/ Company Secretary/ Auth. Signatory