Annual Report 2015

The Medical and Surgical Centre Limited
and Its Subsidiary

Fortis CLINIQUE DARNÉ

Launch of LASIK Department

Launch of Erectile Dysfunction Campaign

Inauguration of ICU

Health Summit

Launch of FCD Training Centre

Launch of Clinical Meet

Ferney Trail - Launch of FCD Workfit Program

Official Sponsor of COCAD

Dear Shareholder,

The Board of Directors ("the Board") of The Medical and Surgical Centre Limited ("the Company") is pleased to present the Annual Report of the Company and its subsidiary for the year ended 31 March 2015. The Audited Financial Statements of the Company and its subsidiary as well as the Corporate Governance Report and Other Statutory Disclosures made pursuant to Section 221 of the Companies Act 2001, have been approved by the Board at a meeting held on 10 June 2015.

On behalf of the Board, I invite you to go through the Annual Report and join me at the Annual Meeting of the shareholders of the Company which will be held:

Date: 29 September 2015

Time: 14.00 hours

Venue: CIEL's Offices
5th Floor, Ebène Skies
Rue de l'Institut
Ebène

Yours Sincerely

Mrs. Christine SAUZIER

Chairperson

Notice of Annual Meeting To shareholders

Notice is hereby given that the Annual Meeting ("the Meeting") of the shareholders of **THE MEDICAL AND SURGICAL CENTRE LIMITED** ("the Company") will be held at CIEL's Offices, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène on 29 September 2015 at 14.00 hours, to transact the following business:

1. To receive, consider and approve the Group's and the Company's Financial Statements for the year ended 31 March 2015, including the Annual Report and the Auditors' Report, in accordance with section 115(4) of the Companies Act 2001.
2. To appoint Mr. Alex Alexander* as Director of the Company.
3. To appoint Mr. Jérôme De Chasteauneuf* as Director of the Company.
4. To re-elect, as Directors of the Company and by way of separate resolutions, to hold office until the next Annual Meeting, the following persons who offer themselves for re-election:
   - Mrs. Christine Sauzier*
   - Dr. Guy Adam*
   - Mr. Ashish Bhatia*
   - Mr. Jean-Pierre Dalais*
   - Mr. Rajiv Puri*
   - Mr. Michel Thomas*
5. To take note of the automatic re-appointment of Messrs. Ernst & Young as auditors of the Company in accordance with section 200 of the Companies Act 2001 for the ensuing year and to authorize the Directors to fix their remuneration.
6. To ratify the remuneration paid to the auditors for the year ended 31 March 2015.

By Order of the Board

CIEL Corporate Services Ltd
Company Secretary

01 September 2015

Notes:

- A shareholder of the Company entitled to attend and vote at the Meeting may appoint a proxy, whether a member or not, to attend and vote in his/ her stead.
- Proxy forms should be deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, 2nd Floor, MCB Centre, Sir William Newton Street, Port Louis, not less than twenty-four hours before the start of the Meeting, and in default, the instrument of proxy shall not be treated as valid.
- A proxy form is included in this Annual Report and is also available at the following address: 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.
- For the purpose of this Annual Meeting, the Directors have resolved, in compliance with section 120 (3) of the Companies Act 2001, that the shareholders who are entitled to receive notice and vote at the Meeting, shall be those shareholders whose names are registered in the share register of the Company as at 31 August 2015.
- The minutes of proceedings of the Annual Meeting of the shareholders held on 24 September 2014 are available for inspection at the following address, Attention: The Secretary, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène, during normal trading office hours.

* The profiles and categories of the Directors are set out on pages 26 to 27 of the Annual Report 2015.

Fortis Clinique Darné - Timeline

Founded in 1953 by Dr. Francois Darné, a highly respected surgeon,the clinique initially had a capacity of 12 rooms and 1 operating theatre.

1953

In 1996, renovation work was carried out and the facility reverted to its former trade name, Clinique Darné.

1996

The Emergency Department and the pharmacy were both renovated in October 2009.

2009

The Nest for Newborns, was also launched. It comprises the Well-Baby Unit and the Neonatal Intensive Care Unit (NICU) which consists of two levels of care - NICU Level I, Level II.

2009

Official launch of the Dentistry Department. The launch ceremony was conducted by the minister of Health and Quality of Life, Lormus Bundhoo. The new Dental Clinic will be headed by Dr Jerome Bhunjun, senior dental surgeon.

2011

1972

2009

In January 2009, CIEL Group joined hands with Fortis Healthcare Ltd. and was rechristened Fortis Clinique Darné.

2009

In November 2009, Fortis Clinique Darné introduced its new cardiac surgery team, that was further strengthened with the expertise of Fortis-Escorts Cardiac Program from the Fortis network.

2011

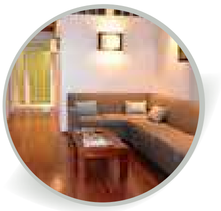
Physiotherapy and Rehabilitation Centre

2011

Launch of FCD Website- www. fortiscliniquedarne. com

Launch of PHC Lounge/
Vaccination Centre

2012



Upgradation
of Cath Lab

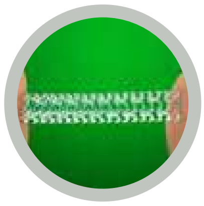
2013

Launching of 60
years and beyond
for FCD 60 years
anniversary

2013

First Bioresorbable
Vascular Scaffold
(BVS) implant in
Mauritius done
at FCD.

2013



New training centre
at Duval house
Inaugurated by
Dr. Ashish Bhatia,
the Executive
Director of Fortis
Clinique Darné.

2014

2012
Launch of Endoscopy Suite

2013
Renovation and
relocation of 6-bedded
Dialysis Centre.

2013
Expansion of services
– North Satellite
Centre

2014
Launch of Lasik
Laser Surgery Unit

2015
Inauguration
of ICU

In the News

Une hausse du cancer colorectal notée

Reckless food
intake entails heavy consequences

DO WE lose weight in summer or winter? The question must have crossed your mind. Summer is usually more helpful for weight loss as the day is longer and so are outdoor activities.. Dr Faheema Korumtollee, Dietician at Fortis Clinique Darné explains that the season matters less than what we eat.

It is no secret that during festive period food intake is most likely to be uncontrolled, spending on junk food increases and there is more indulgence in meat. "Calorie intake during festive period rises. There is a tendency to eat out as the atmosphere propels spending and all types of rich food, chocolates and desserts are available. People let go on their food hygiene easily in December," Dr Faheema points out.

Meat consumption is more frequent for parties, barbecues and casual snacks. Statistic shows that the amount of meat consumed in developing countries over the past has grown three times as much as it did in the developed countries. Mass production of livestock and structural changes in the diets of billions of people cause serious health problems

Red-meat addicts will surely be surprised to know that a recent study, the European Prospective Investigation into Cancer and Nutrition, found that people who eat just (283 g) of red meat a week are more likely to develop colon cancer than those who don't.

MAXIMUM NUTRIENTS

Properly choosing and cooking food should be a daily concern and not a taken for granted issue. "Go mostly for baking, steaming or raw food for maximum nutrient gains. Avoid frying as much as possible," she says, adding that seasonal fruits such as water melons, mangoes and litchis are beneficial in summer for hydration, along with 2-3L of water daily. Food habits should include milk intake with three serves a day for healthy bones. "Low bone density is an issue of major concern among young adults. Calcium intake can be a set of three dairy products. One yogurt, one glass of milk and some cheese or two glasses of milk and cheese or yogurt or any preferred combination," she explains.

SKIPPING MEALS

when trying to lose weight. Not only is it unhealthy, but you can damage your metabolism beyond repair.

Celebrations are in the air and difficult for some to dodge alcohol drinking. It is strongly advised not to drink on an empty stomach. When there is no food to slow the absorption of the booze, the alcohol gets absorbed faster and you get intoxicated more rapidly. You'll get just as drunk as if your stomach was full, but it will hit you harder. On the other hand, drinking alcohol on a full stomach allows you to go through a gradual ascent into tipsiness.

Alcohol may also cause dehydration. The body starts breaking down alcohol as soon as you take your first sip, in order to safely excrete it. To properly dispose of it, your liver needs HYPERLINK "http://www.askmen.com/sports/health_100/144_mens_health.html" \o "water" water to dilute the toxins, so it pulls water reserves from other parts of the body. But since alcohol is a diuretic (it stimulates urination), water leaves your body at a higher rate, so your liver must obtain water from other organs, including your brain, which essentially leaves you high and dry.

FORTIS CLINIQUE DARNÉ : L'ICU réaménagée pour plus de patients

ARTICLE PARU DANS LE MAURICIEN | 16 FEBRUARY, 2015 - 22:00

Fortis Clinique Darné (FCD) a inauguré la semaine dernière son Intensive Care Unit (ICU), réaménagée et agrandie, pour mieux répondre aux attentes de ses patients, en augmentation constante. L'unité de soins intensifs de FCD est dotée d'un matériel technique et informatisé de pointe pour donner les meilleures chances à ceux qui sont entre la vie et la mort de recouvrer la santé. Elle préserve son cadre convivial, assuré par un personnel médical et d'aides-soignants dynamique et enthousiaste.

Le nombre de lits à l'unité des soins intensifs passe à 13, plus deux autres lits en chambres stériles (Isolation ICU). « Compte tenu des limites de nos surfaces exploitables, nous devons redoubler d'ingéniosité pour accroître notre capacité afin d'accueillir le nombre croissant de patients qui sollicitent nos services », explique Unnati Negi, COO

Fortis Clinique Darné
L'innovation continue

L'établissement sis à Floréal, a récemment tenu son *Health Summit annuel*. Pour l'occasion, le gratin de la médecine était convié à l'hôtel Le Touessrok, à Trou-d'Eau-Douce. Lors de cet événement, la Fortis Clinique Darné a procédé à une présentation des prestations médicales et chirurgicales disponibles chez elle. Également au programme : des discussions autour de la santé.

Le Dr Kevin Teerovengadum, chirurgien pédiatrique, aux côtés de Trishla Dunnoo-Teerovengadum, psychologue clinicienne, du Dr Subir Das, anesthésiste, et du Dr Hussein Nanhuck, *Nephrologist*, tous de la FCD.

Daniel Fitzpatrick, *Professeur de l'Australian National University*, en compagnie de Suzanne Coles, *Australian High Commissioner*, Shantanu Mukharji, *National Security Adviser to the Prime Minister*, et Sumita Mukharji.

Panna Gill, le Dr Simmardeep Gill, *Chief Operating Officer* de la Fortis Clinique Darné (FCD), Krisnen Ammogum, *Head of Support Services* de la FCD, et Nootan Jhugroo, *Client Service Executive* chez P & P Link.

Yul Mutuza, *Senior Marketing E*[...] Mohit, *Medical Representative*, [...] *Medical Representative*, tous d'[...]

Collecte de sang à Fortis Clinique Darné

Jean Claude Le Roy

27 September 2014

Le30 septembre, Fortis Clinique Darné (FCD) organise une journée de don de sang, qui se déroulera sur le parking avant de la clinique.

Collecte de sang

Les inscriptions pour votre don seront ouvertes dès 9h30 et ce, jusqu'à 16h30. FCD invite les membres du public à venir faire don de leur sang à des personnes dans le besoin. Des conseils en diététique et nutrition seront prodigués sur place de 11h30 à 13 h30.

Les transfusions de sang et de produits sanguins aident à sauver des millions de vie chaque année. Elles contribuent à améliorer l'espérance de vie et la qualité de vie des patients atteints de maladies engageant un pronostic vital.

Chaque donneur de sang est un héros. Puisqu'il n'existe aucun produit encore capable de se substituer au sang humain, FCD fait appel à la générosité des donneurs éligibles car le don de sang est un acte aussi indispensable qu'irremplaçable, gratuit, et solidaire.

Collecte de sang à Fortis Clinique Darné – maurice-info.mu, 27 septembre 2014

FORTIS CLINIQUE DARNÉ
Collecte de sang annuelle

Fortis Clinique Darné organise, ce mardi, sa journée annuelle de collect[e] de sang sur le parking de l'établissement. Cette activité bénéficie du soutien du ministère de [la] Santé et de la Blood Donors Association. Les inscriptions seront ouvertes dès 9 h 30 et ce, jusqu'à 1[6 h] 30. Des conseils en diététique et nutrition seront prodigués sur place [de] 11 h 30 à 13 h 30. Suivra, à 16 h 15, une conférence publique par la direct[ion] et le personnel de la clinique.

FCD présente ses derniers traitements en matière cardiaque et rénale

December festivities increase alcohol risks

I DON'T have a problem with alcohol he says, yet it's hard for him to stay sober during the festive period. He is the common party person, sometimes called the party animal. The female counterpart is becoming increasingly vulnerable too. Walk into better life hygiene and avoid as much as possible December festivities temptations. Dr Zouberr Joomaye at Fortis Clinique Darne says relapses and casualties increase during this period.

Loved and hated, alcohol has had an ambivalent reputation. Fine dining and good wine, toast to celebrate success and many more occasions when it accompanied smiles. However, it has also caused serious health problems, road accidents, broken families and other social evils. Around 11 million litres of alcohol is yearly consumed in Mauritius, with beer having a spread of

FORTIS CLINIQUE DARNÉ
INTÉRÊT ACCRU POUR LA CHIRURGIE OCULAIRE LASIK

QUELQUES MOIS après son introduction à Maurice par Fortis Clinique Darné (FCD), la chirurgie oculaire LASIK, mise en place en partenariat avec Spectra Eye Ltd, connaît un franc succès. A ce jour, plus d'une trentaine de patients ont été traités, et il y a des demandes en attente. « *Notre service a changé la vie de*

chirurgie vendredi dernier, au Gymkhana Club, à Vacoas, en présence d'ophtalmologues et de médecins généralistes. Des patients qui ont été opérés à la technique LASIK au FCD y étaient présents également.

Le Dr Suraj Munjal a exposé les nombreux avantages de la technique LASIK. Selon lui, la technologie en place au FCD

Investments in Gynecology enhance standard of living

It is increasingly recognised that gynecological problems affect the quality of life of the mother and the child. Major global healthcare players have invested in modern clinics, with improvements in imaging technology, endoscopic equipment, drug treatment and scientific innovations in Mauritius. Fortis Clinic Darne, one of the biggest stakeholders in the sector, has registered a constant 10-15 % growth in this department as regards to inpatients.

Tasleemah Joomun

BEYOND sophisticated machines. It is a story of human generosity. It's about giving life and seeing life. Investments in gynecology have mixed both technology and human resources at FCD. The Nest, an innovative concept at Fortis Clinic was set up to uplift the services given to mother and baby, offering a wide range of services from care of premature infants and full term newborns to toddlers, children, and mothers. It is backed by five core specialties – Gynecology, Obstetrics, Neonatology, Pediatrics, and Critical Care.

The Nest is designed to initiate the strongest bond between mother and baby right from the conception up to the birth. Pre-natal classes are offered to prepare parents for the arrival of the newborn. A team of dedicated obstetricians and midwife nurses guide mothers from early initiations to breastfeeding to basics of baby care.

BEAT THE HEAT

Hot, Humid and Heavy. Summer is tedious for pregnant women and December festivities and rush add their dose of stress. Gynecologist, Dr Chandra Shekar Ramdaursingh advises pregnant women to be careful with weight gain (1-2 kg per month acceptable). "All types of snacks being

Fortis Clinique darné

[...] (FCD) vient de lancer sa campagne de lutte contre le cancer de la prostate, la Prostate Cancer Awareness Campaign. La clini[...] [...]age qui inclut le test pour détecter l'antigène spécifique de la prostate et plusieurs autres analyses. Le Package coûte Rs 2 800 [...] [2]014. Le Dr Balbir Verma, urologue à la FCD, nous parle de l'importance du dépistage de cette maladie qui touche les hommes [...] [d]omaine de la chirurgie liée à l'urologie. *- Propos recueillis par Zubair HANSYE*

l'alimentation. Les Mauriciens consomment beaucoup de fast-foods, de viande rouge, de produits de mer et d'aliments en conserve. Je suis contre les produits en conserve ou des surgelés. Les produits frais sont supérieurs à eux, car il y a des produits chimiques additionnels pour aider à les conserver plus longtemps. Aussi une grande consommation de viande rouge augmente les risques de dével-opper des pierres.

Heureusement, contrairement au cancer, la plupart des pierres vont se manifester avec des symptômes tels que des douleurs aiguës ou des saignements. Aussi, la chirurgie n'est pas nécessaire dans beaucoup de cas. Il y a des traitements et un suivi régulier à effectuer.

Q Est-ce lié à une faible consommation d'eau ?

Cancer du col de l'utérus
Restez vigilante

Même si les chiffres chutent depuis ces dix dernières années, les quelque 200 cas diagnostiqués en 2012 sont toujours de trop.

Sexuellement transmissible, le cancer du col de l'utérus apparaît généralement vers la cinquantaine. Mais cette maladie peut aussi toucher les plus jeunes dans des cas rares, explique le Dr Ramdaursingh, gynécologue-obstétricien à la Fortis Clinique Darné. Parmi les plus grands facteurs à risque, le virus du papillome humain. Bien que les femmes sexuellement actives sont en contact avec le virus, seules quelques-unes développent le cancer du col utérin. « *D'autres facteurs peuvent être les partenaires multiples,*

Autres facteurs, partenaires multiples ou tabagisme.

et Corinne (*prénom fictif*), 59 ans, se sont confiées à nous. Les trois ont développé un cancer du sein, avant d'être diagnostiquées positives au cancer du col de l'uté-

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Corporate Info

BOARD OF DIRECTORS

Christine Marie Isabelle Sauzier, Chairperson (as from 10 June 2015)

Ashish Bhatia, Chairperson (up to 10 June 2015)

Marie Marc Guy Adam

Alex Alexander (as from 10 June 2015)

Jean-Pierre Dalais

Jérôme De Chasteauneuf (as from 10 June 2015)

Rajiv Puri

Antoine Michel Thomas

CHIEF OPERATING OFFICER

Simmardeep Singh Gill (up to 31 January 2015)
Unnati Negi (as from 1 February 2015)

COMPANY SECRETARY

CIEL Corporate Service Ltd

5th Floor, Ebène Skies
Rue de l'Institut, Ebène
Mauritius
Tel : +230 404 2200
Fax: +230 404 2201

REGISTERED OFFICE

C/o Fortis Clinique Darné
Georges Guibert Street, Floréal
Mauritius
Telephone: +230 601-2300
Fax: +230 696-3612
Email: clinique@cliniquedarne.com

BANKERS

The Mauritius Commercial Bank Limited
Bank One Limited

BOARD COMMITTEES

CORPORATE GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE

Marie Marc Guy Adam, Chairperson
Ashish Bhatia
Christine Marie Isabelle Sauzier

AUDIT & RISK COMMITTEE

Jérôme De Chasteauneuf, Chairperson
Rajiv Puri
Antoine Michel Thomas

SHARE REGISTRY AND TRANSFER OFFICE

If you are a shareholder and have inquiries regarding your account, wish to change your name and address, or have questions about lost certificates, share transfers or dividends, please contact our Share Registry and Transfer Office:

MCB Registry & Securities Limited
2nd Floor, MCB Centre
Sir William Newton Street, Port Louis
Mauritius
Tel: +230 202 5397
Fax: +230 208 1167

EXTERNAL AUDITORS

Ernst & Young

INTERNAL AUDITORS

BDO & Co

On behalf of the Board of Directors, I am pleased to present the Group's Annual Report for the financial year ended 31 March 2015.

The results of the Group has been satisfactory with recorded revenue of Rs 643M(March 31, 2014-Rs 599M) and profits after taxation of Rs 57.4M (March 31, 2014-Rs 56.5M). Interim dividend of Rs 0.01 were paid during the year and a final dividend of Rs 0.03 paid in June 2015, resulting in a total of Rs 0.04 per share(March 31, 2014 – Rs 0.04 per share).

The Group has maintained its strategy of continuous improvement of services and introduction of new services including those not available in the country.

The major projects launched in the year under review were as follows:

- Creation of patient counselling desks with dedicated staff to enhance our service delivery

- Expansion of our Intensive care unit to provide specialised lifesaving care to patients.

- Refurbishment of patient rooms to improve the level of comfort during the stay of patients.

- Introduction of Lasik eye surgery, a procedure which corrects nearsighted, farsighted or astigmatism; surgery earlier unavailable in the country.

- Launch of spinal surgery program by a renowned doctor from abroad.

In addition, the group embarked on a customer service program touching the front end employees with the objective to raise the level of customer care and enhance further service delivery at all levels.

I am confident that our approach to maintain and increase our service range coupled with improved service delivery will forge the way for better performance in the future. This will help maintain our position of the best quality healthcare provider in Mauritius.

I take this opportunity to welcome and congratulate the new Chairperson, Mrs Christine Sauzier. I am confident that under her guidance the group will grow from strength to strength.

I would like to thank and appreciate all the Directors, the Management team and members of the Clinique's staff for their dedication and efforts.

Mr. Ashish BHATIA

Chairperson

10 June 2015

Key Personnel

From Left to Right (Standing):

Mr. Vikram Dookayka

Mrs. Unnati Negi (Chief Operating Officer)

Dr. Ashish Sharma

From Left to Right (Sitting):

Mr. Krisnen Armoogum

Mrs. Dora Ramsamy

Mr. Ramkumarsing Emrith

Board of Directors

Christine Sauzier
Chairperson as from 10 June 2015
Non-Executive Director

Ashish Bhatia
Chairperson up to 10 June 2015
Executive Director

Jean-Pierre Dalais
Non-Executive Director

Rajiv Puri
Non-Executive Director

Michel Thomas
Independent Director

Dr Marie Marc Guy Adam
Independent Director

Jérôme De Chasteauneuf
Non-Executive Director
as from 10 June 2015

Alex Alexander
Non-Executive Director
as from 10 June 2015

UNNATI NEGI TAKES OVER AS FORTIS CLINIQUE DARNÉ COO

Mrs Unnati Negi – Chief Operating Officer

Mauritius' respected healthcare service provider Fortis Clinique Darné has appointed a new Chief Operating Officer (COO), India-born Unnati Negi, as a successor to Dr Simardeep Singh Gill, who had been in office since March 2011. The new COO has stated her primary agenda as strengthening the mission of the establishment to offer patient-centric health services that place emphasis on highly specialised treatment so that the patients can benefit from it without having to travel out of the island.

Unnati Negi has more than 20 years of experience in upper management positions across Indian and international institutions. She has handled business development, marketing and project management roles for national and international organisations, including the British High Commission and General Dental Council (UK). She has been associated with the healthcare industry since 2003, and was associated with Max Health Care and Medicity prior to joining Fortis Healthcare.

CLINICAL EXCELLENCE

Continuous Medical Education remains an important aspect of Clinical Excellence at FCD. For the first time in April 2014, Fortis Clinique Darné launched the Grand Clinical Meet for its in-house doctors to help promote competence and provide a platform for doctors to share their experiences and learn about new trends in their field.

Traditionally, the FCD Health Summit was held in November 2014 where FCD Doctors shared their knowledge and expertise on latest trends in Bioresorbable Vascular Scaffolds, Vitamin D, Urological Procedures and Cancer. The FCD Health Summit is made accessible to the Mauritian Medical Fraternity at large to provide access to the latest knowledge in the medical field to all Mauritian doctors.

IMPROVING PATIENT CARE

With a view to enhancing patient satisfaction, Fortis Clinique Darné made further investments in infrastructure, introduction and modernization of equipments, as well as development of medical facilities. New rooms were added on level 3 and 4 in July 2014 to respond to the demand in the market. The Paediatric Unit was renovated, the number of rooms increased to 10 and the playroom revamped. The team at Fortis Clinique Darné recognizes that little details make all the difference; therefore in December 2014, the flooring and furniture in 40 single rooms were upgraded. The Cashier, Admission & Reception were redecorated to reflect a more modern set-up and welcoming environment. The Isolation Intensive Care Unit was also modernised on February 2015 to accommodate 13 rooms to offer an even higher standard of care. For the safety of our patients and visitors, FCD also installed cameras at various strategic locations around the clinic.

CONTINUOUS GROWTH

Fortis Clinique Darné has seen constant growth for the 12 months ended 31 March 2015 (FY 2014 – 2015). The group reported a turnover of Rs 643 Mn (against Rs 599 Mn in 2014) and Profits after Tax of 57.42 Mn compared to 56.48 Mn in 2013 – 2014.

HUMAN RESOURCES

At Fortis Clinique Darné, our focus lies on the improvement of our employees by investing in training programs for them to be better equipped while at the same time supporting our values. In line with this, the HR Department officially launched the Training Institution on 24th September 2014 located on 1st floor of Duval House, Floréal. With an aim at improving our people investment through clear productivity measures, we designed programs such as "Train the trainer course" for Ward supervisors, First Aid Course, workshops on Customer Communication & Telephone Techniques, Managing Customer complaints within the Organization and Leading through Innovation for staffs of various departments. Mrs. Evelyn Ramluckun, previously a nurse supervisor, is currently appointed as Clinical Instructor to manage the training programs designed for our employees.

To promote team interactions and for overall staff engagement, the HR Department organized a Divali competition where 28 departments participated. Along with this, a Divali Challenge Cup was organized for our FCD Football Team.

Patient-centric care is fundamental to our ethos. Thus, on Nurse's Day, Fortis Clinique Darné celebrated the FCD nursing staff on Monday 12th May 2014, with a theme on "Nurses A Force for Change – A vital resource for health". On that occasion, blue and white ribbons were distributed to all staffs of Fortis Clinique Darné to reinforce the sense of belonging and as a reminder of the significant contribution of a nurse to the recovery of a patient. This was followed by a distribution of gifts and cakes in all nursing departments. The launching of the official celebration started by the lighting of a lamp, speeches by the Management Team and a get together with cake cutting & cocktails.

The HR department also organized the End of Year party on Friday 12th December 2014 at Domaine Anna, Flic-en-Flac where employees were rewarded for their dedication and perseverance in the medical field. The Annual End of Year Mass was held on Wednesday 17th December 2014 at La Chapelle St Jean Bosco, Floréal.

PROMOTING GOOD HEALTH

In line with its philosophy to create a healthier future, FCD continued during this past year, to focus on spreading awareness on preventive medicine.

In collaboration with Rotary Club Ebene & Vacoas, FCD organized a free health screening "Be healthy with Rotary" at Kendra St Pierre where over 500 persons were screened. Our objective for this medical screening was to spread awareness that adopting a healthy lifestyle can significantly reduce the risk of diseases. Moreover, to mark the World Heart Day, FCD North organized a free Health screening at Grand Bay, La Croisette Mall where our services were promoted and patients were counselled on healthy living by our doctors and dieticians. A live radio intervention was also organised where one of our cardiologists advised the Mauritian public on cardiovascular diseases – the risk factors, symptoms and prevention measures.

FCD continues to remain associated with sporting events. It was designated as the official health partner and sponsor of the Royal Raid for the fifth consecutive year in May 2014 and of Ferney Trail for the seventh consecutive year in August 2014.

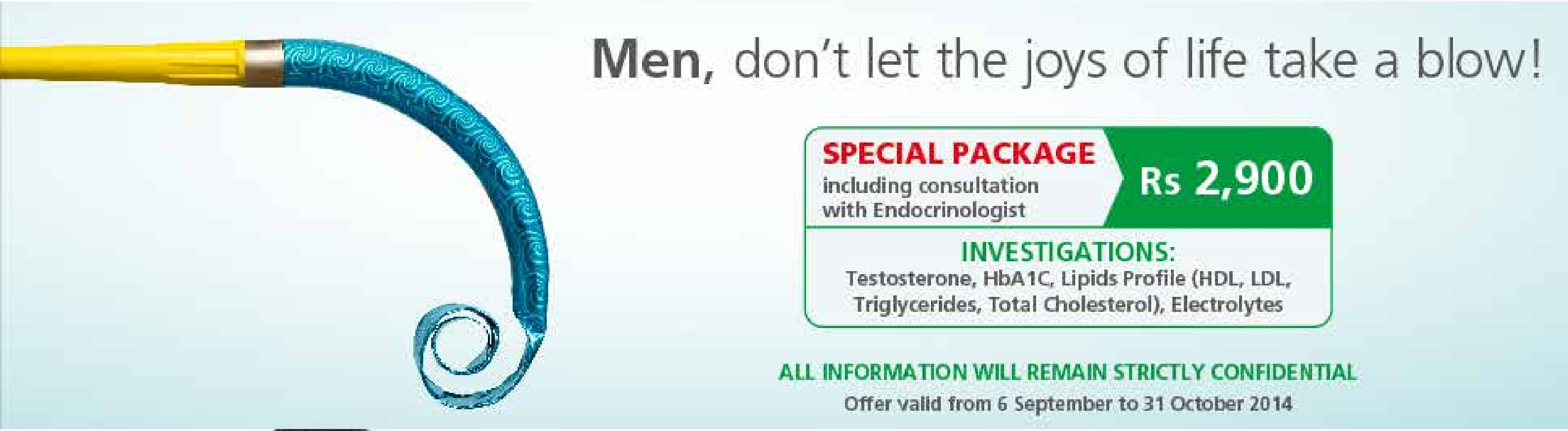
COMMUNITY OUTREACH

As a socially responsible and service-conscious healthcare organization, FCD takes social activities at heart. Fortis Clinique Darné, in collaboration with the Blood Donors Association and the Blood Bank, organized its yearly mobile blood collection on the premises of the clinic on 30th September 2014. Our aim was to enable our personnel, corporates in the vicinity and the public to participate in this Blood Collection initiative. Furthermore, to help women and children in distress at Icery road, Forest Side, FCD contributed through the purchase of table calendars in December 2014.

Fortis Clinique Darné continues to support the Muscular Dystrophy Association by offering free spirometry and cardio check-ups. Additionally, FCD sponsored and designed the FCD Workfit Program for the Ferney Trail 2014 that was held in August 2014 at La Valley de Ferney, Vieux Grandport where the funds were collected for the Vallée de Ferney Conservation and Muscular Dystrophy Association.

Building The Brand


It's far better to be **closer**
Fortis CLINIQUE DARNÉ
For a Healthier Future
La Croisette - 4.8 km
118 RESCUE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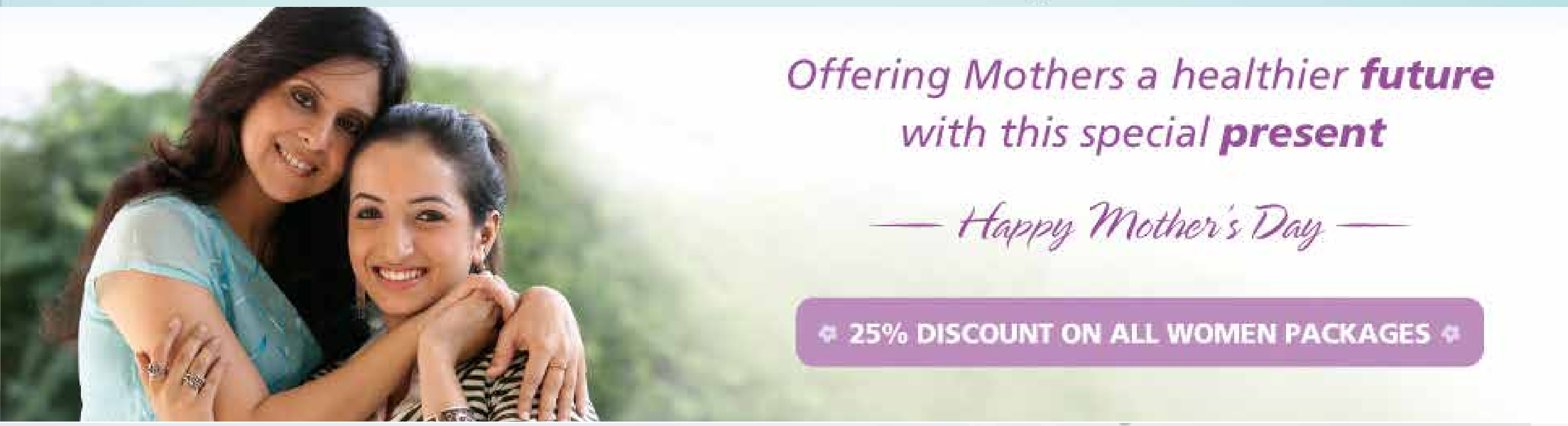
SPECIAL PACKAGE
including consultation with Endocrinologist
Rs 2,900
INVESTIGATIONS:
Testosterone, HbA1C, Lipids Profile (HDL, LDL, Triglycerides, Total Cholesterol), Electrolytes
ALL INFORMATION WILL REMAIN STRICTLY CONFIDENTIAL
Offer valid from 6 September to 31 October 2014


Offering Mothers a healthier **future** with this special **present**
Happy Mother's Day
25% DISCOUNT ON ALL WOMEN PACKAGES


TOGETHER, LET'S WAGE
WAR AGAINST FLU


Optez pour le
FCD WORKFIT PROGRAM
L'entraînement parfait pour une performance remarquable dans l'entreprise et sur le terrain

Corporate Governance Report 2015

The Board of Directors of The Medical and Surgical Centre Limited ("MSCL" or the "Company") has the pleasure in submitting the Corporate Governance Report of the Company for the financial year ended 31 March 2015, inclusive of other statutory disclosures of the Companies Act 2001.

OVERVIEW

MSCL is a public company incorporated on 17 July 1972 with the Registrar of Companies, Mauritius. The Company is listed on the Development & Enterprise Market ("DEM") of the Stock Exchange of Mauritius Ltd ("SEM") and has been registered as a Reporting Issuer with the Financial Services Commission ("FSC") since the promulgation of the Securities Act 2005.

MSCL is an established healthcare service provider in Mauritius operating under the name of Fortis Clinique Darné ("FCD"). With a highly trained and motivated staff and equipped with state-of-the art medical technology, FCD is committed to meeting and exceeding the expectations of its patients through its unremitting dedication in every aspect of service. It runs a 112 bedded capacity and is fully equipped with 4 Operating Theatres, a Cardiac Catheterisation Lab, a 13-bedded Critical Care Unit, a 2-bedded Isolated Critical Care Unit, a 2-bedded Neonatal Intensive Care Unit and 15 day care beds.

The Company is also committed to continuing its tradition of being a pioneer in the medical industry across Mauritius through the offer of medical and paramedical services across 25 key specialities all under one roof; and of striving for unsurpassed excellence.

In its endeavour to be "***a globally respected healthcare organisation known for clinical excellence and distinctive patient care***", the Company successfully launched its newly implanted satellite centre in the North of Mauritius in January 2014. Located at Grand Bay La Croisette, the new outpatient medical facility offers a wide range of services in primary healthcare including a 24/7 Emergency service backed by an Advanced Cardiac Life Support ambulance.

STATEMENT OF COMPLIANCE

Corporate governance provides the foundation upon which the Company is managed in accordance with the highest standards of ethics and in a manner that is efficient and accountable. Transparency and accountability are strictly applied, along with the adherence to the Company's core values, namely ***Innovation, Ownership, Teamwork, Integrity, Patient Centricity,*** as the key principles that guide all the Company's business activities.

The Board of Directors of MSCL works under a set of well-established corporate governance framework and related policies. These include, amongst other rules and regulations, the Constitution of the Company, the Code of Corporate Governance for Mauritius, Terms of reference of the Board Committees, the Companies Act 2001, the Securities Act 2005, the DEM Rules and Securities (Disclosure Obligations of Reporting Issuers) Rules 2007.

The Board is committed to complying with all applicable legislations and regulations and is kept informed of changes to standards, codes and relevant sector developments that could potentially affect the Company and its operations.

The Board, with the support of the management team of MSCL, regularly reviews the Company's corporate governance framework, policies and practices to ensure that they meet the expectations of the shareholders of MSCL and evolve in line with the best practices in corporate governance.

This Corporate Governance Statement outlines the key components of MSCL's corporate governance framework in place during the financial year ended 31 March 2015. The Board believes that the Company's corporate governance policies and practices have complied with most of the disclosures required under the Code issued by the National Committee on Corporate Governance established under the Financial Reporting Act 2004. Reasons for non-compliance to some sections have been duly disclosed.

CONSTITUTION

The Constitution of the Company complies with the provisions of the Companies Act 2001 and the DEM Rules. A copy is available upon written request to the Company Secretary at the following address: CIEL Corporate Services Ltd, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène.

Its salient features are:

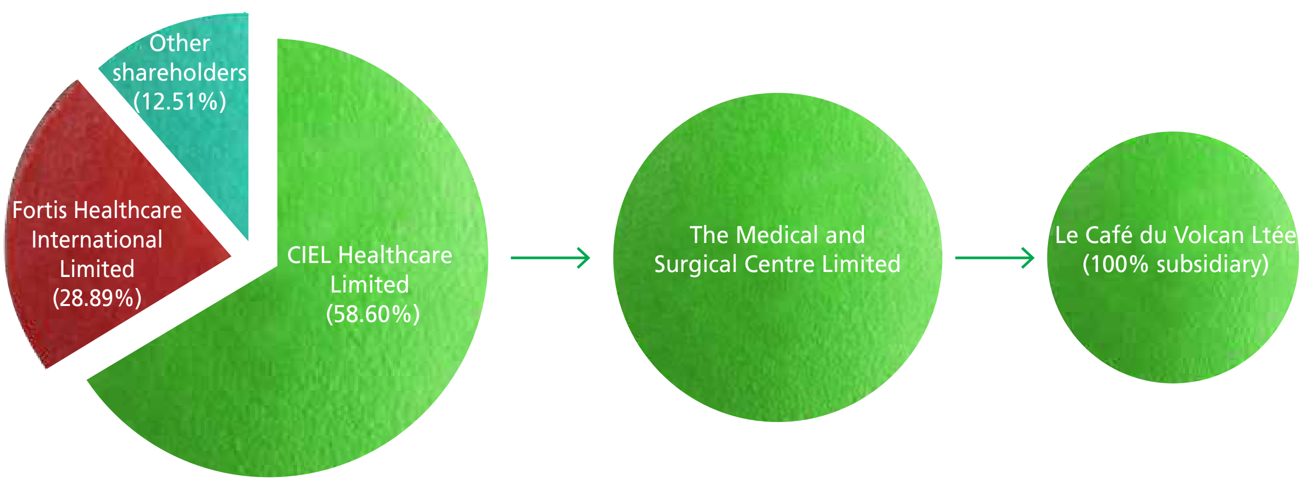
- There shall be no restrictions on the transfer of fully paid up shares in the Company.
- Subject to the provisions of Section 61 of the Companies Act 2001 and the other requirements thereof, the Board may, without the need for an approval of the shareholders by Ordinary Resolution, authorise a distribution by the Company;
- A quorum for a meeting of shareholders shall be present where three shareholders holding shares of the Company carrying voting rights at the meeting are present and/or represented and/or participating by means of audio, or audio and visual or any communication by which all shareholders can simultaneously hear each other throughout the meeting;
- In case of an equality of votes, the Chairperson of a shareholders' meeting shall not be entitled to a casting vote;
- The minimum number of directors shall be three (3) and the maximum number shall be twelve (12);
- A quorum for a meeting of the Board shall be fixed by the Board and if not so fixed shall be a majority of the directors.

SHAREHOLDING

- Register date: 31 March 2015
- Issued share capital: 569,940,822 no par value ordinary shares worth in total Rs 289, 801,318/-

HOLDING STRUCTURE

The holding structure of MSCL as at 31 March 2015 was as follows:



CHANGE IN SHAREHOLDING

During the year under review the following changes occurred in the share capital structure of the Company.

- On 17 October 2014, CIEL Healthcare Limited ("CHL") acquired 86,234,892 additional shares in MSCL (the "Transaction"), thus increasing its shareholding in MSCL from 29.80% to 44.93%.

- The Transaction gave CHL effective control over MSCL and triggered a mandatory takeover under Rule 33 (1) (b) of the Securities (Takeover) Rules 2010. Effective control is defined in Rule 2 of the Securities (Takeover) Rules 2010 as the holding of securities by any person which will result in that person having the right to exercise or control the exercise of, more than 30% of the rights attached to the voting shares of the company and Rule 33 (1) (b) of the Securities (Takeover) Rules 2010 mandatorily requires a person who acquires effective control of a company to make an unconditional offer to purchase the shares of the shareholders not already held by that person.

- Pursuant to the above, CHL issued an Offer Document to the shareholders of MSCL detailing the terms of the offer which was opened on 22 January 2015 till close of business of 25 February 2015. CHL offered to the shareholders of MSCL to purchase their shares in MSCL for a cash consideration of Rs 1.75 per share (the "Offer"); price determined in line with Rule 14(2) (a) of the Securities (Takeover) Rules 2010 whereby the highest of the price paid for the acquisition of the 86,234,892 additional shares was compared to average of the weekly high (Rs 1.69) and low (Rs 1.67) of the closing prices of MSCL's shares listed on the stock market during the 6 months preceding 17 October 2014.

- In the best interest of its shareholders and in accordance with Rule 21 of the Securities (Takeover) Rules 2010, the Board of Directors of MSCL appointed BDO & Co as independent adviser advising on whether the Offer from CHL was fair and reasonable. A valuation exercise was carried out by BDO & Co with the submission of a report to the Board of Directors of MSCL.

- In compliance with Rule 18 of the Securities (Takeover) Rules 2010, the Board of Directors of MSCL had a legal obligation towards its shareholders to recommend whether to accept or decline CHL's offer. In that respect, a Reply Document together with an Explanatory note was issued, on behalf of the Board of MSCL, to all shareholders of MSCL, other than CHL, registered on the share register of MSCL at close of business on 12 January 2015 providing the shareholders of MSCL with additional information to make an informed decision on the Offer from CHL.

- The Offer expired on 25 February 2015 at 17h00 Mauritius time.

- On 26 February 2015, CHL acquired 77,940,095 ordinary shares of MSCL on the Crossing Board of the SEM at a price of Rs 1.75 per share.

- The effective shareholding of CHL in MSCL, after the said transaction, increased from 44.93%, represented by 256,064,393 ordinary shares to 58.60%, represented by 334,004,488 ordinary shares.

COMMON DIRECTORS

For the year under review, the common Directors within the holding structure of the Company were as follows:

Name of Directors of MSCL	CIEL Healthcare Limited
Jean-Pierre Dalais	√
Christine Sauzier	√
Jérôme De Chasteauneuf (*Alternate Director*)	√

SUBSTANTIAL SHAREHOLDERS

The shareholders holding more than 5% of the issued share capital of the Company as at 31 March 2015 were :

Shareholders	Number of shares owned	% Holding
CIEL Healthcare Limited	334,004,488	58.60%
Fortis Healthcare International Limited	164,670,801	28.89%

SHAREHOLDING PROFILE

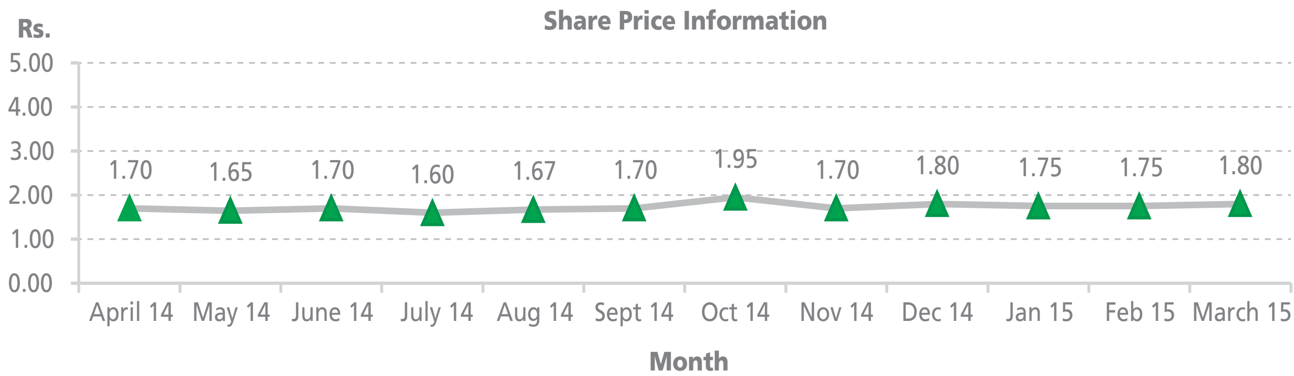
A breakdown of the category of shareholders and the share ownership as at 31 March 2015 is set out as below:

Number of shareholders	Size of shareholding	Number of shares owned	% Holding
84	1 - 500	6, 808	0.0012
15	501 - 1,000	14, 500	0.0025
32	1,001 - 5,000	100, 960	0.0177
19	5,001 - 10,000	152, 100	0.0267
24	10,001 - 50,000	587, 698	0.1031
3	50,001 - 100,000	198, 197	0.0348
7	100,001 - 250,000	1, 052, 100	0.1846
2	250,001 - 500,000	707, 820	0.1242
13	Over 500,000	567, 120, 639	99.5052
199		**569, 940,822**	**100.00**

Number of shareholders	Category of shareholders	Number of shares owned	% Holding
163	Individuals	1, 777,654	0.3120
2	Insurance and Assurance Companies	30, 000,000	5.2637
15	Investment and Trust Companies	521, 554,212	93.8005
1	Pension Provident Funds	48,500	0.0085
18	Other Corporate Bodies	16, 560,456	0.6153
199		**569,940,822**	**100.00**

SHARE PRICE INFORMATION

The price movement of the Company's ordinary shares for the year under review is graphically represented as follows:



RELATIONS WITH SHAREHOLDERS

The Board of Directors, supported by the management team, is responsible for ensuring effective communication with the shareholders of the Company to keep them informed of the Company's strategy, business operations and governance. Through communication, the Board also learns about and addresses shareholders' expectations and concerns.

MSCL communicates with its shareholders through the Annual Meeting of the Shareholders ("AMS"); the publication of a yearly Annual Report providing information on the Company's results and operations; press releases relating to financial results and material events; and its website hosted at *http://www.fortiscliniquedarne.com.*

The AMS of the Company remains foremost the ideal platform for shareholders to interact with the Board of Directors and the management team on matters pertaining to the Company and its performance. Representatives of the external auditors are also present at the AMS to answer shareholders' queries. Shareholders are strongly encouraged to attend the AMS to remain updated on the Company's initiatives/projects and goals.

CALENDAR OF FORTHCOMING EVENTS *(INDICATIVE)*

Declaration of Final Dividend	May 2015
Payment of Final Dividend	Jun 2015
Publication of audited accounts for the year ended 31 March 2015	Jun 2015
Publication of unaudited accounts for the quarter ending 30 June 2015	Aug 2015
Annual Meeting of Shareholders	Sep 2015
Publication of unaudited accounts for the six months ending 30 September 2015	Nov 2015
Declaration of Interim Dividend*	Dec 2015
Payment of Interim Dividend*	Jan 2016
Publication of unaudited accounts for the nine months ending 31 December 2015	Feb 2016

**Subject to the approval of the Board of Directors*

DIVIDEND POLICY

The Company has no formal dividend policy. Dividends are usually declared and paid twice yearly, subject to the performance of the Company, its cash availability and future capital commitments or as otherwise decided by the Board.

The Board of Directors ensures that the Company satisfies the solvency test for each declaration of dividend and signs a certificate of compliance, in accordance with the provisions of the Companies Act 2001.

For the financial year ended 31 March 2015, the following dividends were declared:

- 19 Dec 2014 : Declaration of an interim dividend of Rs 0.01 (1 cent) per ordinary share and paid on 26 January 2015
- 14 May 2015 : Declaration of final dividend of Rs 0.03 (3 cents) per ordinary share and payable on 15 June 2015

SHARE REGISTRY AND TRANSFER OFFICE

MCB Registry and Securities Limited is responsible for the Share Registry and Transfer Office of the Company.

For any queries regarding an account and/or change in name or address, and/or questions about lost share certificates, share transfers or dividends, shareholders are kindly invited to contact the MCB Registry and Securities Limited as per the details below:

MCB Registry & Securities,
2nd Floor, MCB Centre
9-11 Sir William Newton Street, Port Louis
Tel: +230 202 5397
Fax: +230 208 1167

SHARES IN PUBLIC HANDS

In accordance with the DEM Rules of the SEM, more than 10% of the shareholding of MSCL is in the hands of the public.

BOARD OF DIRECTORS

Role of the Board

The Board of Directors of MSCL is collectively responsible for the overall direction and supervision of management and holds the ultimate decision-making authority for the Company, except for those decisions reserved to shareholders.

The Board leads the Company's corporate governance encompassing the business, service, safety, and quality aspects of MSCL's activities. Committees of the Board have been established to deal with specific components of governance.

The Directors perform their duties, responsibilities and powers to the extent permitted by law. Some of their key roles include:

- Agreeing MSCL's long-term direction and objectives;
- Determining the nature and extent of the significant risks the Company is willing to take in achieving its strategic objectives;
- Oversight of MSCL's operations;
- Setting MSCL's values and standards;
- Ensuring that the necessary financial and people resources are in place to meet the Company's objectives;
- Responsibility to ensure that the highest standards of both corporate and clinical governance are followed;
- Committing to continuously promoting health and safety; and
- Committing to protecting the environment.

BOARD OF DIRECTORS (Cont'd)

Governance Framework

MSCL continues to improve its corporate governance framework by entrenching responsible governance and effective operation of Board Committees. In accordance with the established principles of delegation of authority, the Board has delegated specific duties to Board Committees that are responsible for assisting the Board in discharging its responsibilities and providing an in-depth focus on specific areas in accordance with the Company's governance structure.

The governance framework provides the roadmap for the Company to reach its strategic objectives with compliance requirements, balancing the interests of stakeholders, minimising and avoiding conflicts of interest, and practicing good corporate behaviour. Sound corporate governance practices are implicit in the Company's values, culture and processes.

Below is an illustration of the Company's governance structure for the year under review : -

Annual Meeting of the Shareholders

Approves annual report and financial statements, elects Board members, ratifies remuneration paid to auditors

Board of Directors

↓

Audit and Risk Committee | Corporate Governance, Nomination and Remuneration Committee

Sets strategic direction of MSCL, appoints and oversees key executives, approves major transactions and investments

External Auditors

Provides opinion on compliance of financial statements with applicable standards, rules and regulations

Internal Auditors

Provides opinion on effectiveness of internal controls

Management Level

↓

Clinical Governance Committee

Responsible for the clinical governance of the Company

Composition of the Board of Directors and its Committees

Board of Directors

- Ashish Bhatia, Executive Chairperson
- Guy Adam, Independent
- Jean-Pierre Dalais, Non-Executive
- Rajiv Puri, Non-Executive
- Christine Sauzier, Non-Executive
- Michel Thomas, Independent

BOARD OF DIRECTORS (Cont'd)

Governance Framework (Cont'd)

MSCL is committed to ensuring that the composition of the Board continues to comprise directors who bring an optimal mix of skills, experience and diversity to Board decision-making. The skills and experience of the Current Directors are detailed on pages 26 to 27 of this annual report.

As at 31 March 2015, MSCL had a unitary Board structure comprising of one executive, three non-executive and two independent directors. The Board believes that the recommendation of the Code to have at least two executive directors is met through the attendance and participation of the Chief Operating Officer and of other Senior Executives during Board discussions and deliberations.

In line with its Constitution, the Directors of the Company, including the Chairperson, are re-elected annually and individually by shareholders at the AMS.

Division of Responsibility between Board and management

MSCL believes that there should be a clear division of duties and responsibilities between the Chairperson and the Chief Operating Officer to ensure a proper balance of power.

Mr Ashish Bhatia, Chairperson of the Board of Directors of MSCL, is responsible for the leadership of the Board and is pivotal in the creation of the conditions for overall Board and individual Director effectiveness, both in and outside the boardroom, including:

- Embedding constructive relations between Board and management;
- Setting agendas;
- Ensuring adequate time in meetings to discuss agenda items, in particular strategic items;
- Ensuring clear, accurate and timely information is provided to the Board; and
- Effective Board Governance.

It is also the Chairperson's role to ensure effective communication with the shareholders and to chair the AMS.

Mr Bhatia performs an executive role in the Company by virtue of the management contract between MSCL and Fortis Healthcare International Limited but nevertheless makes his best endeavour to bring independence of mind and honesty to his role as Chairperson of the Board of Directors of the Company.

Mrs Unnati Negi is the new Chief Operating Officer of the Company, effective as from 1 February 2015, in replacement of Dr Simmardeep Singh Gill who had completed a successful four years' service at FCD.

Mrs Negi, supported by her managerial team, is responsible for the day-to-day leadership and management of the business, in line with the strategy and long-term objectives approved by the Board. The Chief Operating Officer may take decisions in all matters affecting the operations, performance and strategy of FCD's businesses, with the exception of those matters reserved for the Board or specifically delegated by the Board to its Committees.

BOARD OF DIRECTORS (Cont'd)

Board Responsibilities and Charter

The Board is accountable to shareholders and other stakeholders for the performance of the Company. It is responsible for the strategic direction of the Company and its primary objective of creating and building sustainable value for all its stakeholders.

In line with the New Draft of the Code of Corporate Governance for Mauritius, the Board is reviewing the purpose of implementing a board charter.

Board Induction and Access to Information and Advice

Following any appointment to the Board and/or its Committees, a personalised induction programme is drawn up to assist the newly appointed member in understanding his/her fiduciary duties and responsibilities, to familiarize himself/herself with the Company's operations, business environment and management team. The programme is coordinated by the Company Secretary and supported by the Chairman.

All Directors are entitled, at the Company's expense, to seek professional advice about the affairs of the Company, and have unrestricted access to all Company's information, records, documents and property. This can be procured independently or through the support of the Company Secretary.

Board Appraisal

There was no board appraisal during the financial year ended 31 March 2015. The Directors feel that the composition of the Board is stable and efficient in managing and monitoring the affairs of the Company.

Directors' Profiles

The biographies of the Board members set out the particular qualifications that led the Board to conclude that a Board member is qualified to serve on the Board of MSCL, creating a Board that today is diverse in terms of background, qualifications, interests and skills.

Ashish Bhatia - *Executive Director – Appointed Director on 27 September 2011 and Chairperson as from 12 June 2013 up to 10 June 2015*

Ashish Bhatia, born in 1962, currently holds the position of Chief Operating Officer with Fortis Healthcare Limited, India. He has been associated with Fortis Healthcare Limited since its inception and has held many key positions within the Fortis Group during the past twelve years. From being appointed Director Administration of Fortis Hospital Mohali in 2002, with his zeal and dedication towards his responsibilities and astute knowledge of the region and its people, he was promoted to Chief Operating Officer of the said hospital within a short span of four years. Under his leadership, among other achievements, Fortis Hospital Mohali became the first hospital of the network to receive the prestigious international "Joint Commission International" ("JCI") accreditation. As from November 2007, Ashish Bhatia assumed responsibility as Chief Operating Officer of Fortis Escorts Heart Institute, India – one of the world's largest stand-alone cardiac institutions and has helped to create a valuable enterprise with his vision, innovative skills and commitment towards quality healthcare delivery. Ashish Bhatia held the position of Regional Director for three years and was responsible for the management of three Fortis hospitals in New Delhi, namely Fortis Escorts Heart Institute, Fortis La Femme and Fortis Hospital Vasant Kunj in addition to Fortis Hospital Mohali and Fortis Escorts Hospital Amritsar. His aspiration is to lead the large and dynamic teams of Fortis Hospitals to continuously provide world-class healthcare with patient centricity as its goal.

Directorships in other companies listed on the Official Market of the SEM:

- None

Christine Marie Isabelle Sauzier - *Non-Executive Director – Appointed Director on 4 June 2014 and Chairperson as from 10 June 2015*

Christine Sauzier, born in 1966, is Head of Legal of CIEL Group. She is an Attorney-at-Law, holds an LLB (Hons) from the University of Mauritius and a Licence en droit privé from the Faculté des Sciences Juridiques, Université de Rennes, France. She advises the Board on compliance, deal structuring and shareholder matters, while also liaising with international and local lawyers in drafting, reviewing and negotiating commercial contracts and other legal documents. She has also been instrumental in dealings with the regulators like Bank of Mauritius, Financial Services Commission and with the Stock Exchange of Mauritius. Christine Sauzier has been involved in various M&A transactions for the Group with exposure to diverse industries like Banking, Hotels, Property, Healthcare, Private Equity, Textiles, Agro Business and Fiduciary. She has also been involved in cross border deals in various countries notably in Sub-Saharan Africa, Indian Ocean and Asia.

Directorships in other companies listed on the Official Market of the SEM:

- IPRO Growth Fund Ltd

Marie Marc Guy Adam - *Independent Director – Appointed Director on 25 May 2009*

Guy Adam, born in 1950, is a Fellow of the Association of Surgeons of Great Britain & Ireland and has been practicing as a General Surgeon in Mauritius since 1988. For most of his medical career in Mauritius, he has been closely associated with MSCL. Dr. Adam is also a Medical Advisor to Swan Health Insurance and a member of the Board of Directors of Rogers and Company Limited since 1994.

Directorships in other companies listed on the Official Market of the SEM:

- Rogers and Company Limited

Jean-Pierre Dalais - *Non-Executive Director – Appointed Director on 25 May 2009 and Chairperson as from May 11, 2011 till 12 June 2013*

Jean-Pierre Dalais, born in 1964, is the Executive Director of CIEL Limited, formerly known as Deep River Investment Limited, the merged entity with and into which CIEL Investment Limited has been amalgamated. With an MBA from The International University of America, Jean-Pierre Dalais acquired some working experience from Arthur Andersen (Mauritius and France) before joining the CIEL Group. He played and continues to play an active role in the development of the Group's operations both in Mauritius and internationally.

Directorships in other companies listed on the Official Market of the SEM:

- Alteo Limited • CIEL Limited • IPRO Growth Fund Ltd
- Phoenix Beverages Limited (Alternate Director) • Sun Resorts Limited

Directors' Profiles (cont'd)

Rajiv Puri - *Non-Executive Director – Appointed Director on 4 June 2014*

Rajiv Puri, born in 1970, is currently the Head of Risk & Audit function at Fortis Healthcare Limited, India. He is an Accounting Professional with over 22 years of experience in advising clients across industries on Governance, Risk Management, Audit and Control practices. Before joining Fortis Group, Rajiv Puri was working as Associate Director in Advisory Services with EY, India assisting clients across geographies in Risk Management and IA function.

Directorships in other companies listed on the Official Market of the SEM:

- None

Antoine Michel Thomas - *Independent Director – Appointed Director on 25 May 2009*

Michel Thomas, born in 1959, holds a Master of Laws (UK) and is a Fellow of the Chartered Insurance Institute (UK) as well as an Associate member of the Chartered Institute of Arbitrators. He is also a Chartered Insurer (UK) and a member of the British Insurance Law Association. He was appointed Operations Executive in 2005 and is responsible for the Short-Term Operations of the Swan Group. He is presently the Chief Operations Officer (COO) as well as a board member of Swan General Limited.

His principal areas of specialisation are insurance and reinsurance contract law including policy drafting. He has extensive experience and skill in the handling of complex liability claims including medical negligence/malpractice claims. He has worked with international law firms and barristers on a variety of high value casualty and engineering claims as well as on reinsurance conflict of laws and coverage issues. He has also been specialising in arbitration law and alternative dispute resolution (ADR) procedures.

Directorships in other companies listed on the Official Market of the SEM:

- Swan General Limited

Jérôme De Chasteauneuf - *Non-Executive Director – Appointed Alternate Director to Jean-Pierre Dalais on 1 February 2011 up to 10 June 2015 - Appointed Director on 10 June 2015*

Jérôme De Chasteauneuf, born in 1966, is a Chartered Accountant of England and Wales and holds a BSC honours in Economics from the London School of Economics and Political Science. He joined the CIEL Group in 1993 as Corporate Finance Advisor and became Head of Finance of the CIEL Group in 2000 where he effectively acts as Group Treasurer. Jérôme De Chasteauneuf is also the Managing Director of CIEL Corporate Services Ltd and Executive Director of CIEL Limited, formerly known as Deep River Investment Limited, the merged entity with and into which CIEL Investment Limited has been amalgamated.

Directorships in other companies listed on the Official Market of the SEM:

- Alteo Limited
- CIEL Limited
- Harel Mallac & Co. Ltd
- Sun Resorts Limited

Alex Alexander - *Non-Executive Director – Appointed Director on 10 June 2015*

Alex Alexander, born in 1978, is a result-oriented professional specialized in strategy, finance and operational execution within the healthcare market segment across Sub-Saharan Africa, Mauritius and India. He has over twelve years of rich and varied experience across the streams of Corporate Finance, Accounting, Business Development and Operations in the healthcare sector. A majority of this experience has been with Fortis Healthcare Limited where he led a variety of finance, marketing, business development and operational teams. Through Fortis' association with the CIEL Group, Alex Alexander was deputed as the General Manager at International Hospital Kampala (IHK). Following the successful turnaround of IHK in a short span of twenty months, he has now joined CIEL Healthcare Africa, fully-owned subsidiary of CIEL Healthcare Limited (in association with Fortis) as its Managing Director.

Alex Alexander holds a Bachelor's degree in Commerce from Delhi University and an MBA specializing in Finance from the University of Lincoln, UK.

Directorships in other companies listed on the Official Market of the SEM:

- *None*

BOARD OF DIRECTORS (CONT'D)

Board Meetings

The Board met four times during the year with all meetings convened by formal notice. Ad hoc meetings are held when necessary or decisions are taken by way of written resolutions in accordance with Clause 7 of the Eighth Schedule of the Companies Act 2001.

Board Committees

The Board has delegated certain responsibilities to two standing Committees, being the:

- Audit and Risk Committee; and
- Corporate Governance, Nomination and Remuneration Committee.

These Committees enable the Board to work in an efficient and effective manner, ensuring a thorough review and discussion of issues, while giving the Board more time to deal with non-technical matters.

Each Committee operates independently under a specific Charter and thereby confirms that it has discharged its responsibilities for the year in compliance with its terms of reference.

The constitution and functions of the respective Board Committees are as follows:

Audit and Risk Committee	**Corporate Governance, Nomination and Remuneration Committee**
Members • Jérôme De Chasteauneuf, Chairperson • Rajiv Puri • Michel Thomas *Functions* • Reviewing the Company's interim and audited financial statements and any formal announcements relating to the Company's financial performance, before submission to the Board for approval; • Recommending dividend declarations; • Reviewing the effectiveness of the Company's internal control and risk management systems; • Monitoring and reviewing the effectiveness of the Company's internal audit function; approving the appointment or termination of the internal auditor; • Approving the remuneration and terms of engagement of the external auditors; and • Maintaining lines of communication between the Board and the internal/external auditors.	*Members* • Guy Adam, Chairperson • Ashish Bhatia • Christine Sauzier *Functions* • Determine, agree and develop the Company's general policies and strategies on corporate governance in accordance with the recommendations of the Code; • Ensure that disclosures on corporate governance, whether in the annual report or on an on-going basis, are made in accordance with the principles of the Code; • Review the Board structure, size and composition and make recommendations to the Board with regards to any adjustments that are deemed necessary; • Ensure that the right balance of skills, expertise and independence is maintained; • Determine specific remuneration packages for the medical and non-medical staff of the Company, including but not limited to basic salary, benefits in kind, any annual bonuses, performance-based incentives, share incentive pensions and other benefits; and • Determine any criteria necessary to measure the performance of the medical and non-medical staff in discharging their functions and responsibilities.

BOARD OF DIRECTORS (CONT'D)

Audit and Risk Committee	Corporate Governance, Nomination and Remuneration Committee
In attendance and consultation • The Chief Operating Officer, the Finance Manager and members of management, Internal Auditor and External Auditor to provide reports and/or guidance where appropriate.	*In attendance and consultation* • The Chief Operating Officer. The Committee may also request members of management to attend meetings and/or provide information where appropriate.

Each Committee has the authority to retain external consultants and other advisors when deemed necessary.

Attendance at Board and Board Committee Meetings during the year ended 31 March 2015

Directors/Members	Board Attended (Held)	Audit and Risk Committee Attended (Held)	Corporate Governance, Nomination and Remuneration Committee Attended (Held)
Ashish Bhatia[1]	3 (4)	-	0 (2)
Guy Adam	4 (4)	-	2 (2)
Jean-Pierre Dalais	3 (4)	-	-
Bruno Jullienne[2]	1 (4)	-	1 (2)
Rajiv Puri	4 (4)	4 (4)	-
Christine Sauzier[1]	3 (4)	-	1 (2)
Michel Thomas	4 (4)	4 (4)	-
Jérôme De Chasteauneuf	-	4 (4)	-

1. *Ashish Bhatia and Christine Sauzier were appointed as members of the Corporate Governance, Nomination and Remuneration Committee on 4 June 2014.*
2. *Bruno Jullienne resigned as Director and member of the Corporate Governance, Nomination and Remuneration Committee on 4 June 2014.*

Dealing in Shares

Subject to the restriction that persons may not deal in any securities when they are in possession of price-sensitive information; Directors may only buy or sell MSCL shares in the period immediately following any price-sensitive announcements, including the quarterly, half-yearly and full year results and the AMS. At other times, Directors dealing in MSCL shares must obtain prior approval from the Chairperson.

As at 31 March 2015, none of the Directors of MSCL held any shares in the Company whether directly and indirectly.

EVENTS AFTER REPORTING DATE

Change in Chairmanship / Directorship

At a Board Meeting of the Company held on 10 June 2015,

- Mrs Christine Sauzier was appointed Chairperson of the Company in replacement of Mr Ashish Bhatia who remains on the Board as Director;
- Messrs Jérôme De Chasteauneuf and Alex Alexander were appointed additional Directors of the Company; and
- Mr Jérôme De Chasteauneuf resigned as Alternate Director of Jean-Pierre Dalais.

MANAGEMENT TEAM

Composition of the Management Team

Unnati Negi
Chief Operating Officer

Ashish Sharma
(Head Medical Services)

Ramkumarsing Emrith
(Finance Manager)

Vikram Dookayka
(Head Marketing and Patient Care Services)

Dora Ramsamy
(Human Resources Manager)

Krisnen Armoogum
Head of Support Services)

The Board has delegated to the management team, headed by Mrs Unnati Negi, the overall responsibility for and oversight over the operational management of MSCL. This includes:

- Developing policies and strategic plans for Board approval, and implementing those approved;
- Submitting to the Board and its Committees proposed changes in management positions of material significance; investments; financial measures; acquisitions or disinvestments; contracts of material significance; and targets;
- Informing the Board of all matters of fundamental significance to the businesses;
- Ensuring the efficient operation of the Company and achievement of optimal results;
- Promoting an active internal and external communications policy; and
- Dealing with any other matters delegated by the Board.

Unnati Negi – Chief Operating Officer

Mrs. Unnati Negi is a healthcare professional with over 20 years of work experience, she has held significant positions in Healthcare Industry in India as well as Internationally. In her career, she has handled business development, marketing and project management for National and International organisations, including British High Commission, National Health Services (UK) and General Dental Council (UK). She has represented the NHS as 'Country Head - India' based out of British Foreign and Commonwealth Office before going to work in regulatory team at London for General Dental Council. Prior to joining Fortis Clinique Darné, she was working at Fortis Memorial Research Institute (FMRI), Gurgaon, India, as Head - Operations (FMRI Allied Hospitals). She was responsible for driving the business as well as for overall management of three Hospitals - Fortis - CDOC, Fortis Aashlok Hospital, New Delhi and Kalyani Hospital, Gurgaon. In her association with FMRI she has handled key roles in streamlining Emergency and Health 4 U (Preventive Health Checks). She also worked in Vice Chairman's office during the start up of FMRI and worked in the core team for the grand launch of FMRI which turned out to be an Award winning National event. She has been associated with the healthcare industry since year 2003, and started Max Cancer Centres at Max Health Care and also played a key role during the start up of Medanta - The Medicity Hospital in India. She has attended several national and international workshops including a course from Indian Institute of Management (IIM, Joka) on Brand Management. She has also attended several trainings on Advanced Management, Customer handling and Effective Selling with International Trainers which have helped hone her analytical, organisational, and interpersonal skills.

Dr. Ashish Sharma – Head Medical Services

Dr. Ashish Sharma joined MSCL as Deputy Medical Superintendent in July 2011. He completed his Diploma in Healthcare Management from Symbiosis, Pune and also holds an M.D from the Higher Medical Institute, Pleven, Bulgaria. Dr. Sharma brings with him 6 years of experience whereby he has worked as a Medical Officer providing inpatient care in Hematology, Oncology, Cardiology as well as Renal department. He was also Ward in Charge at Fortis Hospital, Mohali and House Surgeon at the Government Multispeciality Hospital, Chandigarh, India. Dr. Sharma also held the position of Assistant Manager- Materials at Fortis Hospital, Mohali and has a rich experience in Clinical Patient Care, material management and profit margin achievement with Fortis Healthcare Limited.

Ramkumarsing Emrith – Finance Manager

Mr. Ramkumarsing Emrith joined MSCL in 2007 as Head of the Finance Department of the clinic. Mr. Emrith studied and acquired part of his training in London for his professional degree and is a Fellow of the Association of Chartered Certified Accountants (FCCA). He also holds a Master in Business Administration (MBA) from Oxford Brookes University, Oxford, England. He is registered as a Professional Accountant and Public Accountant in Practice with the Mauritius Institute of Professional Accountants (MIPA). Before joining the Company, Mr. Emrith has worked in a reputed Audit firm and was formerly Group Financial Controller of a group of companies in the manufacturing sector and fast-moving consumer goods ("FMCG") distribution sector of internationally well-known brands.

Vikram Dookayka– Head Marketing and Patient Care Services

Mr. Vikram Dookayka joined MSCL in 2011 as Head of International Sales and in 2012 he was appointed as Head of Sales and Marketing and as Head Marketing and Patient Care Services in 2014 where his remit is to help Fortis Clinique Darné in delivering excellent services to exceed customer expectations at all times. The early years of his career were focused on the application of technology to the Medical sector. Being highly trained by Global firms such as ABBOTT Laboratories helped him in implementing cutting edge technology in both public and private hospitals. He successfully managed the Mauritian arm of a South African Medical company from 2004 to 2009. His business and management acumen was recognized when he was appointed as the Business Development Manager by Apollo Bramwell Hospital in 2009. Within two years in this role, Mr. Dookayka developed the facility start up from scratch to a fully operational private hospital.

Dora Ramsamy – Human Resource Manager

Mrs. Dora Ramsamy joined MSCL in 2005 and is responsible for the Human Resources of the clinic. She is holder of a Diploma in Human Resource Management (Mauritius) and a Diploma in Management Training (France) as well as holder of a 'Brevet Commercial'. For her continued professional development, she has attended several training courses in Human Resource Management and Industrial Relations. She has also been President of the Association of Human Resource Professionals of Mauritius, in 2005 and an Executive member of the same. Mrs. Ramsamy previously worked as a teacher before spending more than 20 years of her career in the field of Human Resources and training at management level in some manufacturing companies of the country.

Krisnen Armoogum - Head of Support Services

Mr. Krisnen Armoogum joined MSCL in June 2013 as Head of Support Services. He is holder of a Diploma in Hotel Management from The International Institute of Tourism of Morocco. He brings with him 20 years of experience from the Hotel Industry. Mr. Armoogum has worked as Reservation Manager for Pullman Grand Bay (now known as Le Mauricia) and also as Front Office Manager at Berjaya Le Morne Hotel. He was Rooms Division Manager at La Plantation and Hotel Manager of Le Bougainville Hotel as well as Resident Manager of Ambre Hotel. He has also occupied the post of Acting General Manager for Indian Resorts, Le Morne. Mr. Armoogum was the Assistant General Manager of Paradise Cove Hotel before joining MSCL.

COMPANY SECRETARY

CIEL Corporate Services Ltd has been engaged for the provision of secretarial services to MSCL.

All Directors have access to the advice and services of the Company Secretary who acts as a conduit between the Board and the Company. The Company Secretary is also responsible for the flow of information to the Board and its Committees, and for ensuring compliance with Board procedures.

In addition to various statutory functions, the Company Secretary provides individual directors and the Board as a whole with guidance on duties, responsibilities and powers, and the impact of legislative and regulatory developments while maintaining an arm's length relationship with the Board.

The Company Secretary provides a pivotal role in ensuring the requisite advice is provided to the Board on issues of law, governance and related matters

AGREEMENTS

The Company has in place the following agreements with:

- CIEL Corporate Services Ltd for the provision of secretarial, legal and communication services;
- MCB Registry & Securities Ltd for the administration of the Company's Share Registry and Transfer department;
- Fortis Healthcare International Limited for the management of the day-to-day operational activities of the Company; and
- Shareholders Agreement between Fortis Healthcare International Limited and CIEL Healthcare Limited.

Other than those in the ordinary course of business, no major agreements were concluded by the Company during the year under review.

Save for the above, the Company is not aware of any agreement which affects the governance of the Company by the Board.

INTERNAL AUDIT

The Internal Audit function, represented by Messrs BDO & Co, carries out operational and system audits in accordance with an audit plan approved by the Audit and Risk Committee.

MSCL's Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve MSCL's control environment and operations.

The Internal Audit assists MSCL in accomplishing its objectives by bringing a systematic and disciplined approach to the evaluation, improvement and effectiveness of the internal control framework in place at the level of MSCL. It prepares reports on the audits it has performed and reports any anomalies to the Audit and Risk Committee and the Chief Operating Officer.

The Audit and Risk Committee, with the support of management team, regularly reviews the scope of Internal Audit, audit plans and internal audit results.

INTERNAL CONTROL AND RISK MANAGEMENT

MSCL places a high priority on risk identification and management throughout all its operations, and has processes in place to review their adequacy.

The Board has overall responsibility for maintaining MSCL's system of internal control and risk management and for reviewing its effectiveness. Such a system is designed to manage or mitigate rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, and not absolute, assurance against material misstatement or loss.

There is an on-going process for identifying, evaluating and managing significant risks faced by MSCL which is overseen by management for onward reporting to the Audit and Risk Committee.

Some of the prominent risks to which the Company is exposed are:

- *Financial*: The Company, in its daily operations, is exposed to a wide range of financial risks, market risks including currency risks and price risks, credit risks and liquidity risks as detailed in Note 25 of the Financial Statements.
- *Operational*: Operational risks are referred to risks of loss and/or opportunity foregone resulting from inadequate or failed internal processes, people and systems or from external events.
- *Compliance*: Compliance and non-conformance risks are risks to which the Company is exposed for not complying with laws, regulations and policies.
- *Reputational*: Reputational risks refer to risks of losses due to unintentional or negligent failure to meet a professional obligation towards stakeholders.

EXTERNAL AUDIT

Messrs Ernst and Young are responsible for the external audit of the Company.

The Audit and Risk Committee assesses the scope, fee, objectivity and effectiveness of the audit process annually. As part of the evaluation of the external auditors, the Audit and Risk Committee confirmed that they were satisfied that the external auditors had maintained their independence and continue to provide an effective audit service.

Fees paid to the external auditors for both audit and non-audit services performed during the year are set out on Page 37 of this Annual Report. The provision of these non-audit services was not in conflict with the role of the external auditors or their independence.

A resolution to re-appoint Messrs Ernst & Young as auditors of the Company for the ensuing year would be proposed at the forthcoming AMS.

STATEMENT OF REMUNERATION PHILOSOPHY

The aim of MSCL's remuneration policy is to provide remuneration at a level sufficient to attract and retain key personnel and to motivate them to deliver strong and sustainable business performance aligned with MSCL's motto:
"***To provide professional health services in a caring and friendly environment***".

The policy is intended to deliver a competitive level and mix of remuneration compared with companies of a similar scale and complexity to MSCL.

The Corporate Governance, Nomination and Remuneration Committee has been assigned the responsibility of reviewing the remuneration packages for the medical and non-medical staff of the Company, the Senior Executives (save for the top two personnel) and the Directors.

The remuneration packages of the Chief Operating Officer and the Deputy Medical Superintendent are determined and reviewed at level of Fortis Group.

No particular criteria have been taken into consideration when determining the remuneration of the Executive Chairman as he is not approaching retirement.

CONFLICTS OF INTEREST

In order to ensure that any 'interests' of Director in a particular matter to be considered by the Board are brought to the attention of each Director, the Company has reviewed its policies.

Appropriate procedures have been adopted to ensure that, where the possibility of a material conflict arises, the Director does not participate in discussion and/or vote on the particular issue.

RELATED PARTY TRANSACTIONS

For details on related party transactions, please refer to note 23 of the Financial Statements.

RETIREMENT BENEFIT OBLIGATION

Note 13 of the Financial Statements details the amount of provisions booked or otherwise recognised by the Company for the payment of pensions.

SOCIAL, ETHICAL, SAFETY, HEALTH AND ENVIRONMENT

Being a healthcare service provider, MSCL recognizes its role in providing a healthy, sound, safe and secure working environment for all its patients, employees, visitors and any authorised parties on its premises. Environmental and safety implications are strongly considered before any operational and strategic decisions.

In compliance with the Health and Safety legislation, the Company has implemented the recommended policies and practices to ensure that the plants, machinery and equipment are safe to operate; information, instructions and training are provided to enable its employees to perform their duties efficiently and safely; its patients are treated and served in the best conditions; and continuous improvement in the performance of its Health and Safety management system are maintained.

MSCL is committed to upholding the highest legal, moral and ethical standards in all of its corporate activities and has adopted a Code of Conduct consisting of guiding principles and policies on Business Conduct, which aim to strengthen its ethical climate and provide basic guidelines for situations in which ethical issues arise.

The Code of Conduct applies to Directors, executives, management and employees and any other person seen as representing or being associated with the Company.

CIEL Corporate Services Ltd
Company Secretary

Date: 10 June 2015

OTHER STATUTORY DISCLOSURES

(Pursuant to Section 221 of the Companies Act 2001)

NATURE OF BUSINESS

The Medical & Surgical Centre Limited is a public company incorporated and domiciled in Mauritius. The registered office of the Company is Georges Guibert Street, Floréal. The Company is engaged in the provision of the best healthcare services across Mauritius through a highly trained and motivated staff, state-of-the art equipment, progressive clinical care and collaborative teamwork. By endorsing the motto

"***To provide professional health services in a caring and healthy environment***",

the Company continuously evaluates, innovates and improves its services to meet the needs of its patients and the community it serves.

DIRECTORS' EMOLUMENTS

For the year under review, the actual remuneration and benefits perceived by the Directors were as follows:-

Independent Directors

- Fixed fee per year: Rs 200,000; and
- Board Committees: Rs 25,000 per attendance.

Executive/Non-Executive Directors

- Fortis Directors[1]: Rs 25,000 per board meeting; and
- CIEL Healthcare Limited Directors[2]: Rs 50,000 per board meeting.

1. Fortis Directors: Ashish Bhatia and Rajiv Puri; and

2. CIEL Healthcare Limited Directors: Jean-Pierre Dalais and Christine Sauzier.

None of the Independent, Executive and Non-Executive Directors who served as directors of the subsidiary company received any emolument from MSCL or its subsidiary for the year ended 31 March 2015.

DIRECTORSHIP OF SUBSIDIARY COMPANY

Le Café du Volcan Ltée is wholly owned by the Company. It is responsible for the catering needs of the visitors and the staff in general of the Company.

Mr Jean-Pierre Dalais and Mrs Unnati Negi are the Directors of Le Café du Volcan Ltée.

DIRECTORS' SERVICE CONTRACTS

There was no service contract between the Company and its subsidiary and any of its Directors during the year under review.

CONTRACT OF SIGNIFICANCE

No Director or any substantial shareholder was materially interested, either directly or indirectly, in a contract of significance entered into by the Company or its subsidiary.

EMPLOYEE SHARE OPTION SCHEME

The Company has no specific employee share option plan.

DIRECTORS' INDEMNITY AND INSURANCE

The Company indemnifies its Directors and Officers to the fullest extent permitted by law so that they will be free from undue concern about personal liability in connection with their service to the Company. The Company has subscribed to a Directors and Officers Liability insurance cover amounting to a total annual cover of Rs 25,000,000/-.

DONATIONS

The Company continues to fulfil its commitments in Corporate Social Responsibility ("CSR") activities.

MSCL contributed Rs 963,761/- to Fondation CIEL Nouveau Regard, the CSR arm of the CIEL Group. Fondation CIEL Nouveau Regard has been involved over the past years in community development projects throughout the island, focusing on children in distress, including those who grow up in the streets and those facing difficult family situations.

MSCL has also contributed Rs 1,100,000/- as donation to non-charitable organisations during the year.

EXTERNAL AUDIT FEES

External audit fees payable during the year were as follows:

	Company (Rs)		Subsidiary (Rs)	
	2014/2015	**2013/2014**	**2014/2015**	**2013/2014**
Audit fees to:				
Ernst & Young	**900,000**	900,000	**25,000**	25,000
Fees paid for other services provided by:				
Ernst & Young	**347,500**	420,000	**11,000**	11,000

Note: Fees are exclusive of VAT

The non-audit services refer to review of tax computation and quarterly reviews.

INTERNAL AUDIT FEES

Fees payable by the Company in respect of the internal audit and other services for the year under review were as per table below:

	Company (Rs)		Subsidiary (Rs)	
	2014/2015	**2013/2014**	**2014/2015**	**2013/2014**
Internal Audit fees to:				
BDO & Co	**709,500**	900,000	**-**	-
Fees paid for other services provided by:				
BDO & Co (Independent Advisory fees)	**800,000**	-	**-**	-

Note: Fees are exclusive of VAT

APPRECIATION

The Board expresses its appreciation and thanks to all those involved for their contribution during the year.

ON BEHALF OF THE BOARD

Mr Jean-Pierre Dalais
Director

Dr Guy Adam
Director

Date: 10 June 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors acknowledge their responsibilities for:

(i) adequate accounting records and maintenance of effective internal control systems;

(ii) the preparation of financial statements which fairly present the state of affairs of the Company as at the end of the financial year and the cash flows for that period and which comply with International Financial Reporting Standard (IFRS) and Companies Act 2001;

(iii) the use of appropriate accounting policies supported by reasonable and prudent judgements and estimates.

The external auditors are responsible for reporting on whether the financial statements are fairly presented.

The Directors report that:

(i) adequate accounting records and an effective system of internal controls and risk management have been maintained;

(ii) appropriate accounting policies supported by reasonable and prudent judgements and estimates have been used consistently;

(iii) International Financial Reporting Standards have been adhered to. Any departure has been disclosed, explained and quantified.

(iv) the Code of Corporate Governance has been adhered to in all material aspects and reasons provided for non-compliance.

ON BEHALF OF THE BOARD

Mr Jean-Pierre Dalais

Director

Dr Guy Adam

Director

Date: 10 June 2015

Certificate from the company secretary

I certify that, to the best of my knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Companies Act 2001 in terms of Section 166(d).

CIEL Corporate Services Ltd
Company Secretary

Registered Office:
5th Floor, Ebène Skies
Rue de l'Institut
Ebène
Mauritius

Date: 10 June 2015

STATEMENT OF COMPLIANCE

(Section 75(3) of the Financial Reporting Act)

Name: THE MEDICAL AND SURGICAL CENTRE LIMITED ("the PIE")

Reporting Period: Year ended 31 March 2015

On behalf of the Board of Directors of The Medical and Surgical Centre Limited, we confirm, to the best of our knowledge that the PIE has complied with all its obligations and requirements under the Code of Corporate Governance ("the Code") except with respect to section 2.2.3, 2.5.5 and 2.10.3.

The reasons for non-compliance with these sections are:

1. Section 2.2.3 – Composition of the Board

The recommendation of the Code is to have at least two executive directors.

The Board of Directors is of view that the recommendation of the Code is met through the attendance and participation of the Chief Operating Officer and of other Senior Executives during Board deliberations.

2. Section 2.5.5 – Role and Function of the Chairperson

The Executive Chairperson is involved in the day-to-day operations of the Company by virtue of the Management Agreement between the Company and Fortis Healthcare International Limited.

The Chairperson makes his best endeavour to bring independence of mind and honesty to his role.

3. Section 2.10.3 – Board and Director Appraisal

The Directors feel that the composition of the Board is stable and efficient in monitoring the affairs of the Company.

Mr. Ashish BHATIA
Chairperson

Mr Jean-Pierre DALAIS
Director

10 June 2015

FCD Campaign

Men, don't let the joys of life take a blow!

TREATING ERECTILE DYSFUNCTION (ED)

Unable to achieve or maintain penile erection during intercourse? Don't despair, because over 75% of Erectile Dysfunction cases are caused by an underlying physical health problem such as heart disease, high blood pressure, diabetes, and high cholesterol. Stress, anxiety or depression can also be affecting your sexual well-being. Talking to our specialist is the first step that will help in restoring your confidence; with the appropriate diagnosis and treatment, soon, you may be looking at life, with all its joys again.

For appointment, please call on 601 2300 from Monday to Friday between 09 00hrs and 17 00hrs.

SPECIAL PACKAGE
including consultation with Endocrinologist

Rs 2,900

INVESTIGATIONS:
Testosterone, HbA1C, Lipids Profile (HDL, LDL, Triglycerides, Total Cholesterol), Electrolytes

ALL INFORMATION WILL REMAIN STRICTLY CONFIDENTIAL

Offer valid from 6 September to 31 October 2014

THE MEDICAL & SURGICAL CENTRE LTD
HEAD OFFICE: Georges Guibert Street, Floréal, Mauritius
Tel: (230) 601 2300 | Fax: (230) 696 3612 (Administration) / (230) 696 1209 (Medical)
FCD NORTH: Office C, C0 – 05A & C2 – 204, La Croisette Mall, Grand Bay, Mauritius
Tel: (230) 601 2300 | Fax: (230) 269 6224
Email: clinique@cliniquedarne.com | www.fortiscliniquedarne.com | www.fortishealthcare.com
24/7 Emergency and Ambulance Services: Dial 118

Fortis CLINIQUE DARNÉ
For a Healthier Future

FCD Campaign

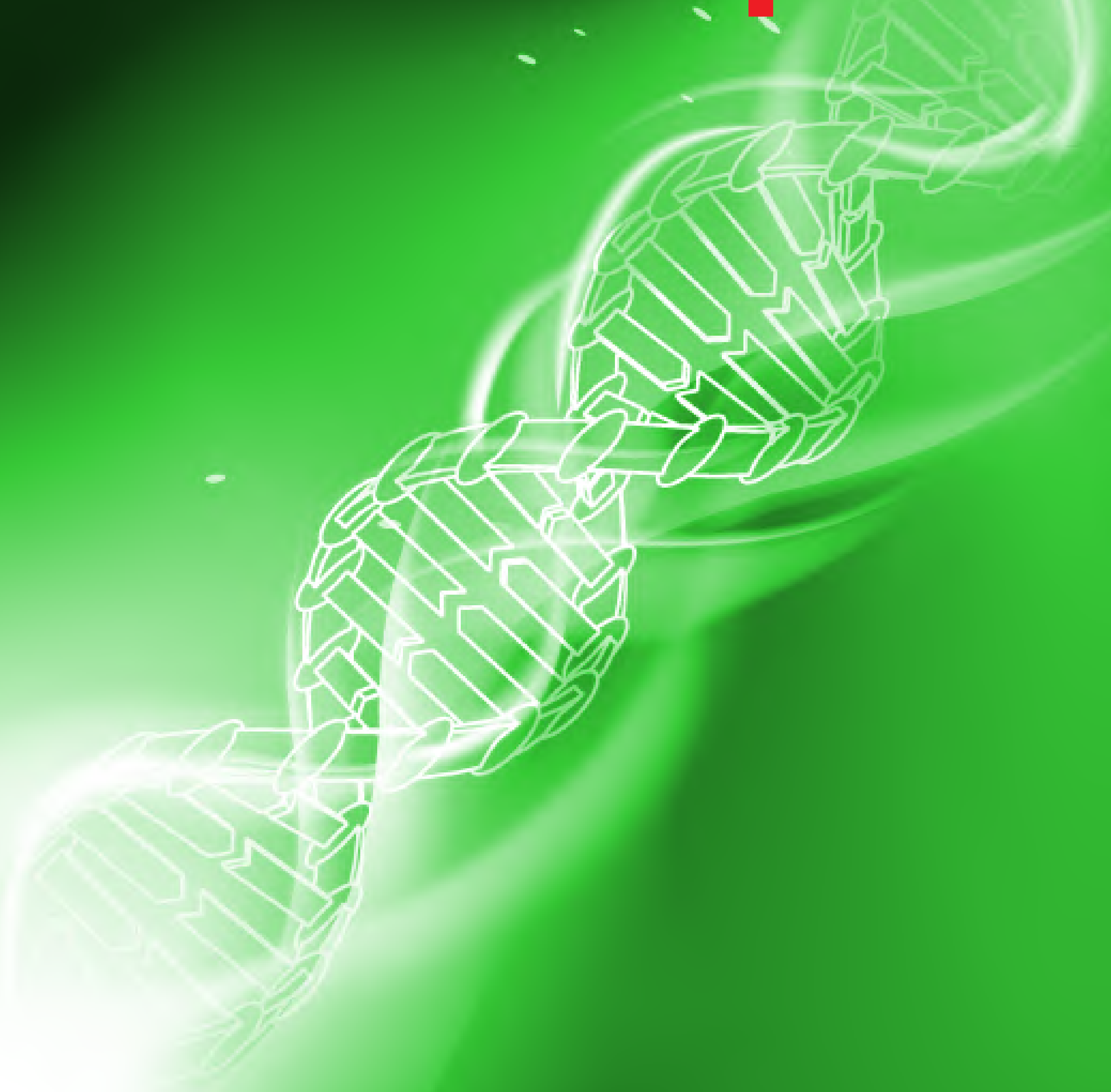
In matters of Life and Death,
the number to remember is **118**

CHEST PAIN • BRAIN STROKE • ROAD ACCIDENT

24/7 EMERGENCY SERVICES

Fortis CLINIQUE DARNÉ
For a Healthier Future

Independent Auditor's Report



Independent Auditors' Report

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of The Medical and Surgical Centre Limited (the "Company") and its subsidiary (the "Group") on pages 48 to 93 which comprise the statements of financial position as at 31 March 2015 and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001 and Financial Reporting Act 2004, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Opinion

In our opinion, the financial statements on pages 26 to 72 give a true and fair view of the financial position of the Group and the Company as at 31 March 2015 and of their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001 and Financial Reporting Act 2004.

REPORT ON THE FINANCIAL STATEMENTS (CONT'D)

Other matter

This report has been prepared solely for the Company's members, as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Companies Act 2001

We have no relationship with or interests in the Group and the Company other than in our capacities as auditors, tax advisors, and dealings in the ordinary course of business.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Financial Reporting Act 2004

The directors are responsible for preparing the Corporate Governance Report and making disclosures required by Section 8.4 of the Code of Corporate Governance of Mauritius (the "Code"). Our responsibility is to report on these disclosures. In our opinion, the disclosures in the Corporate Governance Report are consistent with the requirements of the Code.

ERNST & YOUNG
Ebène, Mauritius

LI KUNE LAN POOKIM, A.C.A, F.C.C.A
Licensed by FRC

FCD Campaign

Optez pour le

FCD WORKFIT PROGRAM

L'entraînement parfait pour une performance remarquable dans l'entreprise et sur le terrain

Le FCD WORKFIT PROGRAM est un plan d'activité physique simple et efficace, visant à améliorer la performance et la qualité de vie dans les entreprises mauriciennes, avec pour ligne de mire le Ferney Trail.

Course organisée par CIEL, le Ferney Trail se tiendra le 9 août prochain à la Vallée de Ferney, avec du nouveau au niveau des parcours pour sa 7e édition.

Au delà des bienfaits physiques, les activités comprises dans le FCD WORKFIT PROGRAM contribueront à générer plus d'énergie positive dans toute l'entreprise et influenceront les performances au travail.

La participation étant limitée, enregistrez-vous dès aujourd'hui. Soyez de ceux qui croient dans l'importance du bien-être de vos employés, et en même temps, démontrez votre solidarité pour la protection de la biodiversité locale et la Muscular Dystrophy Asscociation.

Places limitées. Exclusivement pour les entreprises.

PROGRAMME COMPLET : Rs 19,500*

- Présentation du projet en entreprise
- Présentation sur le régime alimentaire équilibré et la diététique du sport
- Présentation sur la gestion du stress par le sport
- Présentation des programmes d'entraînements et bilan des employés
- Présentation sur les bienfaits et la nécessité de l'étirement régulier dans la pratique sportive
- Présentation sur le soin du pied et la prévention à ce niveau
- Intervention de nos coaches en entreprise 3 fois pour suivre les progrès de chacun

PROGRAMME MINIMUM : Rs 9,500*

- Présentation du projet en entreprise
- Présentation des programmes d'entraînements et bilan des employés
- Présentation sur les bienfaits et la nécessité de l'étirement régulier dans la pratique sportive

TESTS	Stress Test • ECG • FBS • FBC • Urea Creatinine • HbA1C • Lipid Profile • Uric Acid	**Total Rs 3,600**

Date limite pour l'enregistrement : 13 juin 2014

Pour vos réservations, veuillez contacter Sarita sur le 601 2300 ou secretariat@rehab.mu. *Plus d'information disponible sur www.fortiscliniquedarne.com et www.ferneytrail.com

Tel: (230) 601 2300 | www.fortiscliniquedarne.com
24/7 Emergency and Ambulance Services: Dial 118

Ciel Beyond Horizons

FERNEY TRAIL 2014 Un évènement CIEL

Fortis CLINIQUE DARNÉ

For a Healthier Future

Financial Statements 2015

Statements of financial position
as at 31 March 2015

		THE GROUP		THE COMPANY	
	Notes	**2015**	2014	**2015**	2014
ASSETS		**Rs.**	Rs.	**Rs.**	Rs.
Non-current assets					
Property, plant and equipment	4	**532,231,044**	517,334,071	**532,152,686**	517,215,262
Intangible assets	5	**7,507,975**	7,518,155	**7,507,975**	7,507,975
Investment in subsidiary	6	**-**	-	**25,000**	25,000
		539,739,019	524,852,226	**539,685,661**	524,748,237
Current assets					
Inventories	7	**33,711,541**	27,134,042	**33,519,749**	26,958,234
Trade and other receivables	8	**62,045,972**	69,398,608	**64,185,219**	72,016,070
Income tax receivable	21(c)	**-**	658,267	**-**	658,267
Bank deposits	9(a)	**10,000,000**	10,000,000	**10,000,000**	10,000,000
Cash in hand and at banks	9(b)	**96,915,058**	23,867,372	**96,539,510**	23,308,465
		202,672,571	131,058,289	**204,244,478**	132,941,036
Total assets		**742,411,590**	655,910,515	**743,930,139**	657,689,273
EQUITY AND LIABILITIES					
Equity					
Issued capital	10	**289,801,318**	289,801,318	**289,801,318**	289,801,318
Revaluation reserve	11	**146,622,302**	128,932,218	**146,622,302**	128,932,218
Retained earnings		**156,228,788**	124,520,304	**158,449,534**	126,955,068
Total equity		**592,652,408**	543,253,840	**594,873,154**	545,688,604
Non-current liabilities					
Interest bearing loan and borrowings	12	**1,252,234**	660,725	**1,252,234**	660,725
Employee benefit liability	13	**29,107,204**	23,017,422	**29,107,204**	23,017,422
Deferred tax liability	14	**24,166,171**	14,950,834	**24,166,171**	14,950,834
		54,525,609	38,628,981	**54,525,609**	38,628,981
Current liabilities					
Trade and other payables	15	**76,758,000**	63,910,504	**76,055,803**	63,254,498
Income tax liability	21(c)	**4,130,046**	1,065,789	**4,130,046**	1,065,789
Interest bearing loan and borrowings	12	**14,345,527**	9,051,401	**14,345,527**	9,051,401
		95,233,573	74,027,694	**94,531,376**	73,371,688
Total equity and liabilities		**742,411,590**	655,910,515	**743,930,139**	657,689,273

These financial statements were approved by the Board of Directors on : 10 June 2015

Mr Jean-Pierre Dalais
Director

Dr Guy Adam
Director

The notes on pages 52 to 93 form an integral part of these financial statements.

Statements of comprehensive income
as at 31 March 2015

	Notes	THE GROUP		THE COMPANY	
		2015	2014	**2015**	2014
		Rs.	Rs.	**Rs.**	Rs.
Revenue	16	**642,690,426**	598,886,824	**633,456,637**	589,477,284
Cost of sales		**(362,713,450)**	(332,985,864)	**(358,304,370)**	(328,561,272)
Gross profit		**279,976,976**	265,900,960	**275,152,267**	260,916,012
Other operating income	17	**3,360,926**	2,499,596	**4,083,158**	3,234,983
Administrative expenses		**(214,068,606)**	(199,983,376)	**(210,180,147)**	(196,254,766)
Operating profit	18	**69,269,296**	68,417,180	**69,055,278**	67,896,229
Finance income	19	**484,100**	1,766,655	**484,100**	1,766,655
Finance costs	20	**(73,960)**	(2,639,263)	**(73,960)**	(2,639,263)
		69,679,436	67,544,572	**69,465,418**	67,023,621
Profit before tax		**69,679,436**	67,544,572	**69,465,418**	67,023,621
Income tax expense	21	**(12,259,761)**	(11,065,637)	**(12,259,761)**	(11,065,637)
Profit for the year		**57,419,675**	56,478,935	57,205,657	55,957,984
Other comprehensive Income:					
Other comprehensive Income not to be reclassified to profit or loss in subsequent periods:					
Revaluation of land and buildings	4 (a)	**23,923,371**	-	**23,923,371**	-
Tax effect of revaluation gain on land and buildings		**(6,233,287)**	-	**(6,233,287)**	-
Re-measurement gain on defined benefit obligations	13 (e)	**(3,510,311)**	1,570,303	(3,510,311)	1,570,303
Tax effect of re- measurement gain on defined benefit obligations		**596,753**	(235,549)	596,753	(235,549)
		14,776,526	1,334,754	**14,776,526**	1,334,754
Total comprehensive income for the year, attributable to equity holders		**72,196,201**	57,813,689	**71,982,183**	57,292,738
Basic and diluted earnings per share (Rs)	22	**0.10**	0.10		

The notes on pages 52 to 93 form an integral part of these financial statements.

Statements of changes in equity

as at 31 March 2015

	Issued Capital (Note 10)	Revaluation reserve (Note 11)	Merger reserve (Note 11)	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
THE GROUP					
As at 1 April 2013	289,801,318	128,932,218	5,792,244	78,012,596	502,538,376
Profit for the year	-	-	-	56,478,935	56,478,935
Other comprehensive income	-	-	-	1,334,754	1,334,754
Total comprehensive income	-	-	-	57,813,689	57,813,689
Transfer to retained earnings (note 11)	-	-	(5,792,244)	5,792,244	-
Dividend paid (Note 27)	-	-	-	(17,098,225)	(17,098,225)
As at 31 March 2014	289,801,318	128,932,218	-	124,520,304	543,253,840
As at 1 April 2014	**289,801,318**	**128,932,218**	**-**	**124,520,304**	**543,253,840**
Profit for the year	**-**	**-**	**-**	**57,419,675**	**57,419,675**
Other comprehensive income	**-**	**17,690,084**	**-**	**(2,913,558)**	**14,776,526**
Total comprehensive income	-	17,690,084	-	54,506,117	72,196,201
Dividend paid (Note 27)	**-**	**-**	**-**	**(22,797,633)**	**(22,797,633)**
As at 31 March 2015	**289,801,318**	**146,622,302**	**-**	**156,228,788**	**592,652,408**

	Issued Capital (Note 10)	Revaluation reserve (Note 11)	Merger reserve (Note 11)	Retained earnings	Total
	Rs.	Rs.	Rs.	Rs.	Rs.
THE COMPANY					
As at 1 April 2013	289,801,318	128,932,218	5,792,244	80,968,311	505,494,091
Profit for the year	-	-	-	55,957,984	55,957,984
Other comprehensive income	-	-	-	1,334,754	1,334,754
Total comprehensive income	-	-	-	57,292,738	57,292,738
Transfer to retained earnings (note 11)	-	-	(5,792,244)	5,792,244	-
Dividend paid (Note 27)	-	-	-	(17,098,225)	(17,098,225)
As at 31 March 2014	289,801,318	128,932,218	-	126,955,068	545,688,604
As at 1 April 2014	**289,801,318**	**128,932,218**	**-**	**126,955,068**	**545,688,604**
Profit for the year	**-**	**-**	**-**	**57,205,657**	**57,205,657**
Other comprehensive income	**-**	**17,690,084**	**-**	**(2,913,558)**	**14,776,526**
Total comprehensive income	-	17,690,084	-	54,292,099	71,982,183
Dividend paid (Note 27)	**-**	**-**	**-**	**(22,797,633)**	**(22,797,633)**
As at 31 March 2015	**289,801,318**	**146,622,302**	**-**	**158,449,534**	**594,873,154**

The notes on pages 52 to 93 form an integral part of these financial statements.

	Notes	THE GROUP 2015 Rs.	THE GROUP 2014 Rs.	THE COMPANY 2015 Rs.	THE COMPANY 2014 Rs.
Operating activities					
Profit before tax		**69,679,436**	67,544,572	**69,465,418**	67,023,621
Non-cash adjustment to reconcile profit before tax to net cash flows:					
Depreciation of property, plant and equipment	4	**35,339,829**	32,998,216	**35,299,378**	32,932,032
Amortisation of intangible assets	5	**10,180**	31,752	**-**	-
(Gain)/loss on disposal of plant and equipment	18/17	**(199,000)**	5,243,565	**(199,000)**	5,243,565
Scrapped items		**1,375**	-	**1,375**	-
Movement in employee benefit liability	13(d)	**2,687,806**	603,717	**2,687,806**	603,717
Impairment of receivables	8	**3,939,394**	4,023,688	**3,939,394**	4,023,688
Finance income	19	**(484,100)**	(1,766,655)	**(484,100)**	(1,766,655)
Finance costs	20	**73,960**	2,639,263	**73,960**	2,639,263
Net foreign exchange differences		**(270,353)**	-	**(270,353)**	-
Working capital adjustments					
- Inventories		**(6,577,499)**	(3,167,166)	**(6,561,515)**	(3,171,154)
- Trade and other receivables		**3,413,242**	(774,077)	**3,891,457**	(724,202)
- Trade and other payables		**12,847,496**	(10,765,908)	**12,801,305**	(10,648,994)
		120,461,766	96,610,967	**120,645,125**	96,154,881
Defined benefits paid	13(c)	**(108,335)**	(505,455)	**(108,335)**	(505,455)
Tax paid	21(c)	**(4,958,434)**	(19,732,875)	**(4,958,434)**	(19,732,875)
Net cash flows from operating activities		**115,394,997**	76,372,637	**115,578,356**	75,916,551
Investing activities					
Interest received		**484,100**	1,661,860	**484,100**	1,661,860
Purchase of property, plant and equipment	9	**(25,358,993)**	(80,889,177)	**(25,358,993)**	(80,873,857)
Proceeds from disposal of property, plant and equipment		**199,000**	710,000	**199,000**	710,000
Movement in deposits		**-**	40,850,000	**-**	40,850,000
Net cash flows used in investing activities		**(24,675,893)**	(37,667,317)	**(24,675,893)**	(37,651,997)
Financing activities					
Repayment of borrowings		**-**	(32,540,491)	**-**	(32,540,491)
Payment of finance lease liabilities		**(570,518)**	(2,390,789)	**(570,518)**	(2,390,789)
Dividends paid	28	**(22,797,633)**	(17,098,225)	**(22,797,633)**	(17,098,225)
Interest paid		**(73,960)**	(2,639,263)	**(73,960)**	(2,639,263)
Net cash used in financing activities		**(23,442,111)**	(54,668,768)	**(23,442,111)**	(54,668,768)
Net increase/(decrease) in cash and cash equivalents		**67,276,993**	(15,963,448)	**67,460,352**	(16,404,214)
Cash and cash equivalents at 1 April		**15,291,519**	31,254,967	**14,732,612**	31,136,826
Net foreign exchange differences		**270,353**	-	**270,353**	-
Cash and cash equivalents at 31 March	9 (c)	**82,838,865**	15,291,519	**82,463,317**	14,732,612

The notes on pages 52 to 93 form an integral part of these financial statements.

1. CORPORATE INFORMATION

The financial statements of The Medical and Surgical Centre Limited (the "Company") and its subsidiary (the "Group") for the year ended 31 March 2015 were authorised for issue in accordance with a resolution of the Directors on 10 June 2015. The Medical and Surgical Centre Limited is a limited liability company incorporated and domiciled in Mauritius, whose shares are publicly traded on the Stock Exchange of Mauritius (Development Enterprise Market). The address of its registered office is George Guibert Street, Curepipe.

The activities of the Group are to provide healthcare services and cafeteria sales at the clinic.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The financial statements of The Medical and Surgical Centre Limited (the "Company") and its subsidiary (the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for land and buildings that have been measured at fair value. The consolidated financial statements are presented in Mauritian Rupees ('Rs'), and all values are rounded to the nearest rupee, except where otherwise indicated

Basis of consolidation

The consolidated financial statements comprise the financial statements of The Medical and Surgical Centre Limited and its subsidiary as at 31 March 2015.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2. ACCOUNTING POLICIES (CONT'D)

2.1 BASIS OF PREPARATION (CONT'D)

Basis of consolidation (cont'd)

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interest
- Derecognises the cumulative translation differences, recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings as appropriate.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS and IFRIC interpretations effective as of 1 April 2014:

New and amended standards and interpretations	Effective for acounting period beginning on or after
AMENDMENTS	
Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32)	1 January 2014
Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	1 January 2014
Recoverable amount disclosures for non-financial assets (Amendments to IAS 36)	1 January 2014
Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39)	1 January 2014
IFRIC 21 Levies	1 January 2014

The nature and impact of each standard and amendments is described below.

IAS 32 Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities – effective 1 January 2014

This amendment to IAS 32 Financial Instruments: Presentation was made to clarify certain aspects because of diversity in application of the requirements on offsetting thereby focusing on four main areas:

- The meaning of 'currently has a legally enforceable right of set-off';
- The application of simultaneous realisation and settlement;
- The offsetting of collateral amounts; and
- The unit of account for applying the offsetting requirements.

This amendment did not have an impact on the financial position or performance of the Group

2. ACCOUNTING POLICIES (CONT'D)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONT'D)

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) – effective 1 January 2014

These amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements were made to:

- Require 'investment entities' (as defined) to measure the investment in each eligible subsidiary at fair value through profit or loss in accordance with IFRS 9 Financial Instruments or IAS 39 Financial Instruments: Recognition and Measurement instead of consolidating them;
- Require additional disclosure about why the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries, and the nature of relationship and certain transactions between the investment entity and its subsidiaries; and
- Require an investment entity to account for its investment in a relevant subsidiary in the same way in its consolidated and separate financial statements (or to only provide separate financial statements if all subsidiaries are unconsolidated).

This amendment did not have an impact on the financial position or performance of the Group as it is not an investment entity.

Recoverable Amount Disclosures for Non-Financial Assets (Amendments to IAS 36) – effective 1 January 2014

IAS 36 Impairment of Assets was amended to reduce the circumstances in which the recoverable amount of assets or cash-generating units is required to be disclosed, clarify the disclosures required, and to introduce an explicit requirement to disclose the discount rate used in determining impairment (or reversals) where recoverable amount (based on fair value less costs of disposal) is determined using a present value technique.

These amendments have been considered while making disclosures for impairment of non-financial assets in Note 5.

Novation of Derivatives and Continuation of Hedge Accounting (Amendments to IAS 39) – effective 1 January 2014)

The amendments to IAS 39 Financial Instruments: Recognition and Measurement were made to clarify that there is no need to discontinue hedge accounting if a hedging derivative is novated, provided certain criteria are met.

A novation indicates an event where the original parties to a derivative agree that one or more clearing counterparties replace their original counterparty to become the new counterparty to each of the parties.

In order to apply the amendments and continue hedge accounting, novation to a central counterparty (CCP) must happen as a consequence of laws or regulations or the introduction of laws or regulations.

The Group did not enter into any hedge arrangement during the financial year and as such this Standard had no effect on the financial position and performance of the Group.

IFRIC 21 Levies - effective 1 January 2014

Provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain.

The Interpretation identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation.

It provides the following guidance on recognition of a liability to pay levies:

- The liability is recognised progressively if the obligating event occurs over a period of time; and
- If an obligation is triggered on reaching a minimum threshold, the liability is recognised when that minimum threshold is reached.

This new interpretation had no effect on the financial position and performance of the Group.

2. ACCOUNTING POLICIES (CONT'D)

2.3 STANDARD ISSUED BUT NOT YET EFFECTIVE

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of these financial statements are listed below. The Group intends to adopt those standards, if applicable, when they become effective.

IFRS 9 Financial Instruments- effective 1 January 2018

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015.

The directors are still assessing the impact of the standard.

IFRS 14 Regulatory Deferral Accounts - effective 1 January 2016

IFRS 14 permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements.

This new standard will not have an impact, as the Group is not a first time adopter of IFRS.

IFRS 15 Revenue from Contracts with Customers - effective 1 January 2017

IFRS 15 provides a single, principles based five-step model to be applied to all contracts with customers.

The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts; and
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Guidance is provided on topics such as the point in which revenue is recognised, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced.

The Group is still assessing the impact of this new standard, but it is not expected to have a significant effect on financial position of the Group. There may be an impact on the level of disclosure provided.

2. ACCOUNTING POLICIES (CONT'D)

2.3 STANDARD ISSUED BUT NOT YET EFFECTIVE (CONT'D)

Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11) - effective 1 January 2016

Amends IFRS 11 Joint Arrangements to require an acquirer of an interest in a joint operation in which the activity constitutes a business (as defined in IFRS 3 Business Combinations) to:

- Apply all of the business combinations accounting principles in IFRS 3 and other IFRSs, except for those principles that conflict with the guidance in IFRS 11; and
- Disclose the information required by IFRS 3 and other IFRSs for business combinations.

The amendments apply both to the initial acquisition of an interest in joint operation, and the acquisition of an additional interest in a joint operation (in the latter case, previously held interests are not remeasured).

The amendment will not have an impact since the Group does not have any interests in joint operations.

Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38) - effective 1 January 2016

Amends IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets to:

- Clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment;
- Introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate, which can only be overcome in limited circumstances where the intangible asset is expressed as a measure of revenue, or when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated; and
- Add guidance that expected future reductions in the selling price of an item that was produced using an asset could indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, might reflect a reduction of the future economic benefits embodied in the asset.

The amendment will not have an impact since the Group does not use a depreciation method based on revenue for its plant and equipment.

Agriculture: Bearer Plants (Amendments to IAS 16 and IAS 41) - effective 1 January 2016

Amends IAS 16 Property, Plant and Equipment and IAS 41 Agriculture to:

- Include 'bearer plants' within the scope of IAS 16 rather than IAS 41, allowing such assets to be accounted for a property, plant and equipment and measured after initial recognition on a cost or revaluation basis in accordance with IAS 16;
- Introduce a definition of 'bearer plants' as a living plant that is used in the production or supply of agricultural produce, is expected to bear produce for more than one period and has a remote likelihood of being sold as agricultural produce, except for incidental scrap sales; and
- Clarify that produce growing on bearer plants remains within the scope of IAS 41.

The amendment will not have an impact as the Group does not recognise 'bearer plants'.

2. ACCOUNTING POLICIES (CONT'D)

2.3 STANDARD ISSUED BUT NOT YET EFFECTIVE (CONT'D)

Amendments to IAS 27: Equity Method in Separate Financial Statements – effective 1 January 2016

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in its separate financial statements will have to apply that change retrospectively.

For first-time adopters of IFRS electing to use the equity method in its separate financial statements, they will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted.

The directors are still evaluating the impact of the amendments to the financial statements.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – effective 1 January 2016

This standard clarifies the treatment of the sale or contribution of assets from an investor to its associate or joint venture, as follows:

- require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 *Business Combinations*)

- require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognised only to the extent of the unrelated investors' interests in that associate or joint venture.

These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occurs by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

This amendment is not expected to have any impact on the financial statements as the Group does not have any associates or joint ventures.

Annual Improvements 2012 – 2014 Cycle – effective 1 January 2016

The following amendments were made to these standards:

- **IFRS 5** — Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued

- **IFRS 7** — Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements

- **IAS 19** — Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid

- **IAS 34** — Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference

The Group is still evaluating the effect of these new or revised standards and interpretations on the presentation of its financial statements.

2. ACCOUNTING POLICIES (CONT'D)

2.3 STANDARD ISSUED BUT NOT YET EFFECTIVE (CONT'D)

Disclosure Initiative (Amendments to IAS 1) – effective 1 January 2016

The amendment will address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes:

- clarification that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply;
- clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss;
- additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.

The Group is still evaluating the effect of these new or revised standards and interpretations on the presentation of its financial statements.

Investment Entities: Applying the Consolidation Exception (Amendments to IFRS 10, IFRS 12 and IAS 28) – effective 1 January 2016

The amendment will address issues that have arisen in the context of applying the consolidation exception for investment entities by clarifying the following points:

- The exemption from preparing consolidated financial statements for an intermediate parent entity is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all of its subsidiaries at fair value.
- A subsidiary that provides services related to the parent's investment activities should not be consolidated if the subsidiary itself is an investment entity.
- When applying the equity method to an associate or a joint venture, a non-investment entity investor in an investment entity may retain the fair value measurement applied by the associate or joint venture to its interests in subsidiaries.
- An investment entity measuring all of its subsidiaries at fair value provides the disclosures relating to investment entities required by IFRS 12.

The amendment will not have an impact as the Group is not an investment entity or a subsidiary of an investment entity.

Annual Improvements 2010-2012 Cycle – effective 1 July 2014

In the 2010-2012 annual improvements cycle, the IASB issued seven amendments to six standards, which included an amendment to IFRS 13 Fair Value Measurement. The amendment to IFRS 13 is effective immediately and, thus, for periods beginning at or after 1 January 2014, and it clarifies in the Basis for Conclusions that short-term receivables and payables with no stated interest rates can be measured at invoice amounts when the effect of discounting is immaterial.

This amendment to IFRS 13 has no impact on the Group.

2. ACCOUNTING POLICIES (CONT'D)

2.3 STANDARD ISSUED BUT NOT YET EFFECTIVE (CONT'D)

Annual Improvements 2011-2013 Cycle – effective 1 July 2014

The annual improvements 2011-2013 Cycle make amendments to the following standards:

- **IFRS 1** - Clarify which versions of IFRSs can be used on initial adoption (amends basis for conclusions only);
- **IFRS 3** - Clarify that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself;
- **IFRS 13** - Clarify the scope of the portfolio exception in paragraph 52; and
- **IAS 40** - Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.

This amendment has no impact on the Group.

Defined Benefit Plans: Employee Contributions (Amendments to IAS 19) – effective 1 July 2014

The amendment was made to clarify the requirements that relate to how contributions from employees or third parties that are linked to service should be attributed to periods of service. In addition, it permits a practical expedient if the amount of the contributions is independent of the number of years of service, in that contribution, can, but are not required, to be recognised as a reduction in the service cost in the period in which the related service is rendered.

The directors are still assessing the impact of such amendments.

No early adoption is intended by the Board of directors.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currencies

The consolidated financial statements are presented in Mauritian Rupee, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency, which is the Mauritian Rupee.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognised at the date of revaluation. Valuations are performed maximum five years or shorter to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

Depreciation is calculated on a straight line basis over the useful life of the assets as follows:

Freehold Buildings	2% - 10%
Furniture and fittings	10% - 25%
Electrical Equipment	10% - 5%
General Equipment	10%
Medical Equipment	10% - 50%
Office Equipment	10% - 50%
Ambulance	10%
Motor vehicles	25%

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Investment in subsidiary

Investment in subsidiary company is carried at cost which is the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The carrying amount is reduced to recognise any impairment in the value of an individual investment. The impairment loss is taken to profit or loss.

(d) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the profit or loss in the expense category consistent with the function of the intangible asset.

The estimated useful lives of intangible assets with finite useful lives are as follows:

Computer software - 4 years

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable.

If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

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

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial instruments

(i) Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and cash equivalent, deposits and trade and other receivables, recognised under loans and receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method, less impairment. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the statement of comprehensive income. The losses arising from impairment are recognised in profit or loss.

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement;and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognise to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset, is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial instruments (Cont'd)

(ii) Impairment of financial assets

The Group assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Trade and other receivables

For amounts due from customers carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are individually not significant. If the Group determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

If there is objective evidence that an impairment loss has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial assets original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognized in profit or loss. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to profit or loss.

(iii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts and loans and borrowings, recognised under loans and borrowings.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial instruments (Cont'd)

(iii) Financial liabilities (Cont'd)

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate method ("EIR") amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Financial instruments (Cont'd)

(v) Fair value measurement (Cont'd)

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as land and buildings. Involvement of external valuers is decided upon every 3 years. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group decides, after discussions with their external valuers, which valuation techniques and inputs to use for each case.

(f) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of diposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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

The following asset has specific characteristics for impairment testing:

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment of non-financial assets (Cont'd)

Goodwill

Goodwill is tested for impairment, annually (as at 31 March) and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units), to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than their carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition are accounted for on a weighted average cost basis.

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

(h) Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less. Cash and cash equivalents are measured at amortised cost.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(i) Retirement Benefit Obligations

The Group operates both a defined contribution plan and a defined benefit plan.

Defined benefits schemes

The Group participates in the United Mutual Fund, a pension plan registered under the Employer Super Annuation Fund Act, the assets of which are held independently. The pension plan is funded by payments from the employees and the Group, taking into account the recommendations of independent qualified actuaries.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognised immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under 'administration expenses' in consolidated statement of profit or loss (by function):

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Retirement Benefit Obligations (Cont'd)

Other retirement benefits

The present value of other retirement benefits in respect of the Employments Rights Act 2008 is recognized in the statement of financial position as a non current liability.

Actuarial gain or losses are recognised using the same policy as described above.

Defined contributions schemes

Payments to defined contribution retirement plans are charged as an expense as they fall due.

(j) Taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity or in other comprehensive income is recognised directly in equity or in other comprehensive income and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided using the liability method on taxable temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax credits and unused tax losses can be utilized, except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Taxes (Cont'd)

Deferred tax (Cont'd)

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

Corporate Social Responsibility

In line with the definition within the Income Tax Act 1995, Corporate Social Responsibility (CSR) is regarded as a tax and is therefore subsumed with the income tax shown within the Statement of Comprehensive Income and the income tax liability on the Statement of Financial Position.

The CSR charge for the current period is measured at the amount expected to be paid to the Mauritian tax authorities. The CSR rate and laws used to compute the amount are those charged or substantively enacted by the reporting date.

(k) Lease

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Finance leases that transfer substantially all the risks and benefits incidental to ownership of the leased item to the Group, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in profit or loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases which does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognised.

(i) Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

(ii) Rendering of services

Revenue from rendering of services is recognised by reference to the stage of completion. In the healthcare industry, the service is only considered complete once the patient is discharged, and hence revenue from services is only recognised once the patient is discharged. The Group's turnover reflects the invoiced values derived from healthcare services.

(iii) Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue due to its operating nature.

(iv) Interest income

Interest income is recognized as it accrues (taking into account the effective interest rate on the asset) unless collectability is in doubt.

(m) Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating decision-maker. The Group presents segmental information using business segments as its primary reporting format.

(n) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if they have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operating decisions, or vice versa, or where the Group is subject to common control or common significant influence. Related parties may be individuals or other entities.

2. ACCOUNTING POLICIES (CONT'D)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(o) Current versus non-current classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgement, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Going concern

The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast doubt upon the Group's ability to continue as a going concern. Therefore the financial statements are prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Retirement benefits obligations

The cost of defined benefit pension plans and related provision, as disclosed in Note 13 to the financial statements requires the use of actuarial valuations. The actuarial valuation involves the use of significant estimate in respect of inter-alia, discount rate, future salary increases, mortality rate and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long term nature of these plans, such estimates are subject to significant uncertainty. The net employee liability at March 31, 2015 is Rs. 29.1M (2014: Rs. 23.0 M). Further details are set out in Note 13.

Goodwill impairment test

In determining the carrying amount of goodwill, the Group carries out the test on impairment of goodwill on an annual basis. This exercise requires estimation of the "value in use" of the cash generating units to which goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cashflows from the cash generating unit and also to choose a suitable discount rate in order to compute the present value of future cashflows. The carrying amount of goodwill as at 31 March 2015 amounts to Rs 7.5M (2014: Rs 7.5M). Further details are set in Note 5.

Allowance for doubtful debts

An allowance for doubtful debts is determined using a combination of factors to ensure that the trade receivables are not overstated due to uncollectibility. The allowance for doubtful debts for all customers is based on a variety of factors, including the overall quality and ageing of the receivables, continuing credit evaluation of the customer's financial conditions. Also, specific provisions for individual accounts are recorded when the Group becomes aware of the customer's inability to meet its financial obligations.

Revaluation of property, plant and equipment

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value. The valuations are strictly based on the definition of the open market value, taking full cognisance of transactions taking place in the locality. The key assumptions used to determine the fair value of the land and buildings are provided in note 4.

4. PROPERTY, PLANT AND EQUIPMENT

(a) THE GROUP	Freehold Land	Freehold Buildings	Furniture & fittings	Equipment	Motor Vehicles	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST or VALUATION						
At 1 April 2013	68,340,000	281,801,215	16,344,639	341,755,430	17,324,479	725,565,763
Additions	-	3,319,180	1,228,190	83,185,007	-	87,732,377
Disposal	-	-	-	(48,052,923)	(2,479,436)	(50,532,359)
At 31 March 2014	68,340,000	285,120,395	17,572,829	376,887,514	14,845,043	762,765,781
At 1 April 2014	**68,340,000**	**285,120,395**	**17,572,829**	**376,887,514**	**14,845,043**	**762,765,781**
Additions	**-**	**-**	**1,315,923**	**23,811,383**	**1,187,500**	**26,314,806**
Revaluation	**860,000**	**5,779,605**	**-**	**-**	**-**	**6,639,605**
Disposal	**-**	**-**	**-**		**(930,000)**	**(930,000)**
Scrapped	**-**	**-**	**-**	**(476,778)**	**-**	**(476,778)**
At 31 March 2015	**69,200,000**	**290,900,000**	**18,888,752**	**400,222,119**	**15,102,543**	**794,313,414**
DEPRECIATION						
At 1 April 2013	-	5,624,760	11,223,220	220,791,715	12,529,393	250,169,088
Charge for the year	-	5,744,612	882,441	25,100,950	1,270,213	32,998,216
Disposal	-	-	-	(35,256,158)	(2,479,436)	(37,735,594)
At 31 March 2014	-	11,369,372	12,105,661	210,636,507	11,320,170	245,431,710
At 1 April 2014	-	**11,369,372**	**12,105,661**	**210,636,507**	**11,320,170**	**245,431,710**
Charge for the year	-	**5,914,394**	**984,245**	**27,366,856**	**1,074,334**	**35,339,829**
Revaluation	-	**(17,283,766)**	**-**	**-**	**-**	**(17,283,766)**
Disposal	-	**-**	**-**	**-**	**(930,000)**	**(930,000)**
Scrapped	-	**-**	**-**	**(475,403)**	**-**	**(475,403)**
At 31 March 2015	-	-	**13,089,906**	**237,527,960**	**11,464,504**	**262,082,370**
NET BOOK VALUES						
At 31 March 2015	**69,200,000**	**290,900,000**	**5,798,846**	**162,694,159**	**3,638,039**	**532,231,044**
At 31 March 2014	68,340,000	273,751,023	5,467,168	166,251,007	3,524,873	517,334,071

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(b) THE COMPANY	Freehold Land	Freehold Buildings	Furniture & fittings	Equipment	Motor Vehicles	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
COST or VALUATION						
At April 1, 2013	68,340,000	281,801,215	16,323,240	341,205,813	17,324,479	724,994,747
Additions	-	3,319,180	1,228,190	83,169,687	-	87,717,057
Disposal	-	-	-	(48,052,923)	(2,479,436)	(50,532,359)
At 31 March 2014	68,340,000	285,120,395	17,551,430	376,322,577	14,845,043	762,179,445
At April 1, 2014	**68,340,000**	**285,120,395**	**17,551,430**	**376,322,577**	**14,845,043**	**762,179,445**
Additions	**-**	**-**	**1,315,923**	**23,811,383**	**1,187,500**	**26,314,806**
Revaluation	**860,000**	**5,779,605**	**-**	**-**	**-**	**6,639,605**
Disposal	**-**	**-**	**-**	**-**	**(930,000)**	**(930,000)**
Scrapped	**-**	**-**	**-**	**(476,778)**	**-**	**(476,778)**
At 31 March 2015	**69,200,000**	**290,900,000**	**18,867,353**	**399,657,182**	**15,102,543**	**793,727,078**
DEPRECIATION						
At 1 April 2013	-	5,624,760	11,203,756	220,409,836	12,529,393	249,767,745
Charge for the year	-	5,744,612	881,541	25,035,666	1,270,213	32,932,032
Disposal	-	-	-	(35,256,158)	(2,479,436)	(37,735,594)
At 31 March 2014	-	11,369,372	12,085,297	210,189,344	11,320,170	244,964,183
At 1 April 2014	**-**	**11,369,372**	**12,085,297**	**210,189,344**	**11,320,170**	**244,964,183**
Charge for the year	**-**	**5,914,394**	**983,345**	**27,327,305**	**1,074,334**	**35,299,378**
Revaluation	**-**	**(17,283,766)**	**-**	**-**	**-**	**(17,283,766)**
Disposal	**-**	**-**	**-**	**-**	**(930,000)**	**(930,000)**
Scrapped	**-**	**-**	**-**	**(475,403)**	**-**	**(475,403)**
At 31 March 2015	**-**	**-**	**13,068,642**	**237,041,246**	**11,464,504**	**261,574,392**
NET BOOK VALUES						
At 31 March 2015	**69,200,000**	**290,900,000**	**5,798,711**	**162,615,936**	**3,638,039**	**532,152,686**
At 31 March 2014	68,340,000	273,751,023	5,466,133	166,133,233	3,524,873	517,215,262

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(c) The carrying amount of motor vehicles held under finance leases as at 31 March 2015 and 31 March 2014 were as follows:

	THE GROUP AND THE COMPANY	
	Motor Vehicles	
	2015	2014
	Rs	Rs
Cost	2,562,500	5,174,392
Accumulated depreciation	(1,565,177)	(4,801,996)
Net book value	997,323	372,396

Lease assets are pledged as security for the related finance leases (Note 12).

There has been an addition amounting to Rs 1,187,000 (2014 - nil) during the year for assets held under finance leases.

(d) Revaluation of land and buildings

The revalued land and buildings consist of office, clinic premises and the outbuilding. Management determined that these constitute one class of assets under IFRS 13, based on the nature, characteristics and risks of the property.

The Group engaged Noor Dilmohamed & Associates, Certified Practising Valuer, to perform the fair value of its freehold land and buildings. Valuation is performed by the valuer using on-market comparable method, i.e it is based on latest available market prices, significantly adjusted for difference in nature, location or condition of the specific property. During March 2015, the Group has revalued its land and building. The Directors have considered the valuation report provided and have decided to discount 33% on the values arrived at by the valuer to reflect the highest and best use of the assets from a market participant's perspective.

Land	**2015**
Significant unobservable valuation input:	**Range (Rs)**
Price per metre square	2,500 - 3,200
Buildings	
Significant unobservable valuation input:	**Range (Rs)**
Price per metre square	3,200 - 24,000

Significant increase/(decrease) in estimated price per square metre in isolation would result in a significantly higher/(lower) fair value.

The Group has assessed that the highest and best use of its properties approximates its current use.

Below is the fair value measurement hierarchy for assets as at 31 March.

	Fair value measurement using:		
THE GROUP AND THE COMPANY	Level 1	Level 2	Level 3
	Rs	Rs	Rs
2015 Revalued land and buildings	-	-	**360,100,000**
2014 Revalued land and buildings	-	-	342,091,023

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(e) If land and buildings were stated at historical cost, the carrying amount would have been as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs	Rs
Cost	**282,437,305**	282,437,305
Accumulated depreciation	**(70,645,971)**	(65,343,260)
Net carrying amount	**211,791,334**	217,094,045

5. INTANGIBLE ASSETS

(a)	THE GROUP			THE COMPANY
	Goodwill	**Computer software**	**Total**	**Goodwill**
COST	**Rs.**	**Rs.**	**Rs.**	**Rs.**
At 1 April 2014 and 31 March 2015	**7,507,975**	**127,000**	**7,634,975**	**7,507,975**
AMORTISATION				
At 1 April 2013	-	85,068	85,068	-
Charge for the year	-	31,752	31,752	-
At 31 March 2014	-	116,820	116,820	-
At 1 April 2014	**-**	**116,820**	**116,820**	**-**
Charge for the year	-	10,180	10,180	-
At 31 March 2015	**-**	**127,000**	**127,000**	**-**
NET BOOK VALUES				
At 31 March 2015	**7,507,975**	**-**	**7,507,975**	**7,507,975**
At 31 March 2014	7,507,975	10,180	7,518,155	7,507,975

(b) Impairment testing of goodwill

Goodwill represents the surplus of purchase consideration over the fair value of the assets acquired as at the date of acquisition. Goodwill has been assessed as having an indefinite life and has been allocated to the following cash generating unit for impairment testing:

- Centre de Cardiologie des Mascareignes Limitée, its former subsidiary (referred below as "Department of Cardiac Sciences and Critical Care Cash Generating Unit").

Carrying amount of goodwill:	THE GROUP AND THE COMPANY	
	2015	2014
	Rs	Rs
Department of Cardiac Sciences and Critical Care	**7,507,975**	7,507,975

5. INTANGIBLE ASSETS (CONT'D)

The recoverable amount of Department of Cardiac Sciences and Critical Care Cash Generating Unit has been determined based on value in use. These calculations use cash flow projections based on financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections is 15% (2014: 8.0%). Management has used its past experience in determining the value of each assumption. As a result of the analysis, management did not identify any impairment.

(c) Key assumptions used in value in use calculation

The calculation of value in use of the cash generating unit is most sensitive to the following assumptions:

Operating profit margin	Operating profit margin is based on average values achieved in the year preceeding the start of the budget period.
Discount rate	Discount rate reflects management's estimate of the risks specific to the unit. In determining appropriate discount rate, regard has been given to the equity factor of the cash generating unit.
Growth rate estimates	Rates are based on management's best estimates of the Group's and industry's growth rate. Management has used a growth rate of 2%.

(d) Sensitivity to changes in assumptions

With regards to the assessment of the value in use of Department of Cardiac Sciences and Critical Care cash generating unit, management believes that no reasonable possible change in any of the above key assumptions would cause the carrying value of the units to materially exceed its recoverable amount.

6. INVESTMENT IN SUBSIDIARY

	THE COMPANY	
	2015	2014
	Rs.	Rs.
At 31 March	**25,000**	25,000

Details of the subsidiary company included in the Group financial statements are as follows:

Name	% holding	Class of shares held	Issued capital	Country of incorporation	Main business
			Rs.		
Le Café du Volcan Ltée	100%	Ordinary	25,000	Mauritius	Sale of food and beverages

The directors have reviewed the financial position and performance of the investee company. They are of opinion that the estimated recoverable amount of the investment is not less than its carrying amount.

7. INVENTORIES

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
At cost	**Rs.**	Rs.	**Rs.**	Rs.
Drugs	**29,602,617**	22,237,626	**29,602,617**	22,237,626
Laboratory consumables	**1,849,422**	2,249,749	**1,849,422**	2,249,749
Chemicals and X-ray films	**413,799**	668,760	**413,799**	668,760
Stationery	**878,266**	1,093,914	**878,266**	1,093,914
Other consumables	**967,437**	883,993	**775,645**	708,185
	33,711,541	27,134,042	**33,519,749**	26,958,234

There is no amount of written down inventories recognised as an expense in the cost of sales (2014: nil).

8. TRADE AND OTHER RECEIVABLES

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Trade receivables	**56,027,066**	67,034,467	**56,027,066**	67,034,467
Other receivables and prepayments	**6,018,906**	2,364,141	**5,900,256**	2,255,036
Amount receivable from related party	**-**	-	**2,257,897**	2,726,567
	62,045,972	69,398,608	**64,185,219**	72,016,070

For terms and conditions relating to related party, refer to Note 23.

Trade receivables are unsecured, non - interest bearing and are generally on 60-day terms.

As at 31 March 2015, trade receivables of **Rs 14,997,232** (2014: Rs 24,426,344) were impaired. See below for the movement in the provision for impairment of receivables.

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 April	**24,426,344**	20,402,656
Charge for the year	**3,939,394**	4,362,955
Utilised	**(13,368,506)**	(339,267)
At 31 March	**14,997,232**	24,426,344

As at 31 March, the ageing analysis of trade receivables is as follows:

	Total	Neither past due nor impaired	Past due but not impaired			
			30-90 days	90-180 days	180-365 days	>1year
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
THE GROUP AND THE COMPANY						
2015	**56,027,066**	**23,716,510**	**13,991,529**	**6,178,164**	**6,983,357**	**5,157,506**
2014	67,034,467	26,923,964	20,632,643	5,836,830	**6,437,238**	7,203,792

9. CASH AND DEPOSITS

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
(a) : Bank deposits	**Rs.**	Rs.	**Rs.**	Rs.
Bank deposits	**10,000,000**	10,000,000	**10,000,000**	10,000,000

The deposit of Rs10,000,000 (2014: Rs 10,000,000) bears an interest rate of 4.25% (2014: 4.25% - 5.00%) and has a maturity of more than three months.

(b) : Cash in hand and at banks

Cash in hand and at banks	**96,915,058**	23,867,372	**96,539,510**	23,308,465

Cash at banks earn interest at floating rates based on daily bank deposit rates.

9. CASH AND DEPOSITS (CONT'D)

(c) : For the purpose of the statement of cash flow, cash and cash equivalents comprise the following as at 31 March:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Cash in hand and at banks	**96,915,058**	23,867,372	**96,539,510**	23,308,465
Bank overdrafts (Note 12)	**(14,076,193)**	(8,575,853)	**(14,076,193)**	(8,575,853)
	82,838,865	15,291,519	**82,463,317**	14,732,612

Non-Cash Transactions

Part of the acquisition of property, plant and equipment was financed by trade-in value from equipment disposed as follows:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Total amount acquired *(Note 4)*	**26,314,806**	87,732,377	**26,314,806**	87,717,057
Amount financed by trade-in-value	-	(6,843,200)	-	(6,843,200)
Amount financed by leases	**(955,813)**	-	**(955,813)**	-
Financed by cash	**25,358,993**	80,889,177	**25,358,993**	80,873,857

10. ISSUED CAPITAL

	THE GROUP AND THE COMPANY			
Authorized, Issued and fully paid	**2015**	2014	**2015**	2014
Ordinary shares at par value	**Number**	Number	**Rs.**	Rs.
At 31 March	**569,940,822**	569,940,822	**289,801,318**	289,801,318

11. RESERVES

Revaluation Reserve

The revaluation reserve is principally used to record changes in fair value of freehold land and buildings following revaluation exercises performed by an independent valuer. It is also used to record impairment losses to the extent that such losses relate to increase on the same asset previously recognised in revaluation reserve.

Merger Reserve

The merger reserve arose on the merger of the Company with its former subsidiary, Centre de Cardiologie des Mascareignes Limitée, on 1 July 2009. On 1 July 2013, the merger reserve was transferred to retained earnings.

12. INTEREST BEARING LOAN AND BORROWINGS

		Effective interest rate (%)	Maturity	THE GROUP AND THE COMPANY 2015	2014
				Rs.	Rs.
Current					
Bank overdraft	(d)			**14,076,193**	8,575,853
Obligations under finance leases	(c)	8%-9.75%	2015	**269,334**	475,548
				14,345,527	9,051,401
Non-current					
3% unsecured loan	(a)	-	*see below*	**22,000**	22,000
Interest free unsecured loans	(a)	-	*see below*	**205,000**	205,000
Redeemable debentures	(b)	*see below*	*see below*	**333,000**	333,000
Obligations under finance leases	(c)	8%-9.75%	2019	**692,234**	100,725
				1,252,234	660,725
Total borrowings				**15,597,761**	9,712,126

(a) There are no fixed repayment terms for the unsecured loans.

(b) Redeemable debentures bear interest of 4% per annum and are redeemable by annual instalments of Rs. 11,000 starting 30 June 1976. No repayment of capital has been effected since 30 June 2008. Management has thereby classified this balance as non current.

(c) Finance lease liabilities - minimum lease payments	THE GROUP AND THE COMPANY 2015	2014
	Rs.	Rs.
Within one year	**333,832**	505,745
After one year and before five years	**794,343**	102,475
Total minimum lease payments	**1,128,175**	608,220
Future finance charges on finance leases	**(166,607)**	(31,947)
Present value of minimum lease payments	**961,568**	576,273
The present value of minimum lease payments may be analysed as follows:		
Within one year	**269,334**	475,548
After one year and before five years	**692,234**	100,725
	961,568	576,273

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default. The rates of interest on the leases vary between 8% - 9.75%.

(d) Bank overdraft

The bank overdraft arose mainly on cheques drawn at year end that are subsequently cleared by the bank.

13. EMPLOYEE BENEFIT LIABILITY

(a) Pension scheme

The Group participates in the United Mutual Superannuation Fund, a pension plan registered under the Private Pension Schemes Act 2012, the assets of which are held independently. The pension plan is funded by payments from the employees and the Group, taking into account the recommendations of an independent actuary, Feber Associates Limited. After 31 December 2007, the Group shifted from a defined benefit plan to a defined contribution plan, with a residual defined benefit top up arrangement for those employees who were members of the previous defined benefit scheme.

The unfunded obligation relates to retirement gratuity in accordance with Employment Right Act. It entitles the employee at retirement to 15/26 of the final monthly benefit for each year of service.

The Group's obligations under the defined benefit plan are only for employees under the scheme up to 31 December 2007.

	THE GROUP AND THE COMPANY	
	2015	2014
(b) The amounts recognised in the statement of financial position are as follows:	Rs.	Rs.
Defined benefit obligation	9,430,554	7,516,270
Fair value of plan assets	(7,813,795)	(7,441,137)
	1,616,759	75,133
Present value of unfunded obligation	27,490,445	22,942,289
Benefit liability	29,107,204	23,017,422
(c) Movement in the liability recognised in the statement of financial position		
At 1 April,	23,017,422	24,489,463
Amount recognised in profit or loss (note d)	2,687,806	603,717
Amount recognised in other comprehensive income (note e)	3,510,311	(1,570,303)
Direct benefits paid	(108,335)	(505,455)
At 31 March,	29,107,204	23,017,422
(d) The amounts recognised in profit or loss are as follows:		
Current service cost	3,083,002	2,597,619
Past service cost (Note (i))	(2,232,340)	(3,799,065)
Net interest cost	1,837,144	1,805,163
Net benefit expense	2,687,806	603,717

Past service cost results from the alignment of normal retirement age to the Employment Rights Act.

	THE GROUP AND THE COMPANY	
	2015	2014
(e) The amounts recognised in other comprehensive are as follows:	Rs.	Rs.
Actuarial gains/(losses) on obligation arising from financial assumptions	(3,287,678)	1,184,742
Actuarial gains/(losses) on plan assets arising from financial assumptions	(222,633)	213,094
Net impact on prior years' adjustment in other comprehensive income *(note (i))*	-	172,467
	(3,510,311)	1,570,303

(i) The net impact of adopting the revised IAS 19 on the retirement benefit obligations for the year ended 31 March 2014 was Rs 172,467. The impact of Rs 172,467 was recorded in other comprehensive income in the last financial year.

13. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(f) Movement in the fair value of plan assets are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 April,	**7,441,137**	7,469,293
Interest on plan assets	**595,291**	531,734
Benefits paid out of plan assets	**-**	(772,984)
Actuarial (loss)/ gain on plan assets	**(222,633)**	213,094
At 31 March,	**7,813,795**	7,441,137

(g) Changes in present value of funded and unfunded obligation are as follows:

	2015	2014
At 1 April,	**30,458,559**	31,786,289
Current service cost	**3,083,002**	2,597,619
Past service cost	**(2,232,340)**	(3,799,065)
Interest cost	**2,432,435**	2,336,897
Benefits paid	**(108,335)**	(1,278,439)
Actuarial (gain)/loss on obligation	**3,287,678**	(1,184,742)
At 31 March,	**36,920,999**	30,458,559

(h) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	2015	2014
	%	%
Investments quoted in active markets:		
Local equities	**27**	33
Unquoted investments:		
Local equities	**3**	3
Overseas equities		
Real estate funds	**1**	1
Other funds	**22**	19
Local debt > 12 months		
Government debts	**9**	10
Corporate debts	**29**	27
Overseas debt > 12 months	**3**	4
Local cash and debt maturity < 12 months	**6**	3
Total market value of assets	**100**	100

(i) The principal actuarial assumptions used for accounting purposes were:

	2015	2014
	%	%
Discount rate	**7.0**	8.0
Rate of return on plan assets	**7.0**	8.0
Future salary increases	**5.5**	6.5
Actuarial table for employee mortality	**PMA 92-PFA 92**	**PMA 92-PFA 92**

13. EMPLOYEE BENEFIT LIABILITY (CONT'D)

(j) A quantitative sensitivity analysis for signifcant assumption as at 31 March 2015 is shown as follows below:

Assumptions	Discount rate		Future salary increase		Life expentancy	
	1%	1%	1%	1%	1 year	1 year
Sensitivity level	increase Rs.	decrease Rs.	increase Rs.	decrease Rs.	increase Rs.	decrease Rs.
31 March 2015 Impact on defined benefit obligation	(6,059,079)	7,517,976	5,691,333	(9,518,463)	264,709	(276,423)
31 March 2014 Impact on defined benefit obligation	(4,193,643)	5,079,496	3,643,829	(3,056,023)	173,000	(181,296)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
No contributions are expected to be paid to the defined benefit plan obligation in future years.

The average duration of the defined benefit plan obligation at the end of the reporting period is 12.3 years (2014: 13.2 yrs).

The overall expected rate of return is a weighted average of the expected returns of the various categories of plan assets held. Management assessment of the expected returns is based on historical returns trends and analysts' predictions of the market for the asset in the next twelve months.

14. DEFERRED TAX LIABILITIES

Deferred income taxes are calculated on all temporary differences under the liability method at 17% (2014: 15%).

(a) Deferred income tax at 31 March relates to the following:

THE GROUP AND COMPANY

	Statement of financial position		Statement of comprehensive income		Statement of changes in equity	
	2015	2014	**2015**	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.	**Rs.**	Rs.
Deferred tax liability						
Accelerated depreciation	**34,208,566**	22,307,393	**5,667,886**	2,684,154	**6,233,287**	-
	34,208,566	22,307,393	**5,667,886**	2,684,154	**6,233,287**	-
Deferred tax assets						
Retirement benefit obligation	**(4,948,225)**	(3,452,613)	**(898,859)**	(14,743)	**(596,753)**	235,549
Provision for fidelity discounts	**(271,999)**	(239,999)	**(32,000)**	-	**-**	-
Provision for doubtful debts	**(4,822,171)**	(3,663,947)	**(1,158,224)**	(603,549)	**-**	-
	(10,042,395)	(7,356,559)	**(2,089,083)**	(618,292)	**(596,753)**	235,549
Net deferred tax liabilities	**24,166,171**	14,950,834				
Deferred income tax raised/released			**3,578,803**	2,065,862	**5,636,534**	235,549

(b) Deferred tax asset amounting to Rs 521,428 (2014: Rs 722,509) has not been recognised in respect of unused tax losses for the subsidiary as in the opinion of Directors , it is not probable that future taxable profits will be available against which the losses can be utilised. Tax losses of Rs 247,850 and Rs 273,578 can be carried forward till 2017 and 2018 respectively.

15. TRADE AND OTHER PAYABLES

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Trade payables	**34,911,609**	22,738,688	**34,727,618**	22,512,842
Other payables and accruals	**30,725,265**	29,383,886	**30,207,059**	28,947,431
Amounts payable to related party	**11,121,126**	11,787,930	**11,121,126**	11,794,225
	76,758,000	63,910,504	**76,055,803**	63,254,498

Trade payables are non-interest bearing and are normally settled on 60 days terms.

Other payables are non-interest bearing.

For terms and conditions relating to related party, refer to Note 23.

16. REVENUE

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Healthcare services	**595,914,623**	557,001,143	**595,914,623**	557,001,143
Pharmacy - out patient	**34,476,475**	29,372,503	**34,476,475**	29,372,548
Sales of food and beverages	**12,299,328**	12,513,178	**3,065,539**	3,103,593
	642,690,426	598,886,824	**633,456,637**	589,477,284

17. OTHER OPERATING INCOME

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
Rental income	**2,154,796**	2,020,508	**2,154,796**	2,020,508
Gain on disposal of plant and equipment	**199,000**	-	**199,000**	-
Miscellaneous items	**1,007,130**	479,088	**1,729,362**	1,214,475
	3,360,926	2,499,596	**4,083,158**	3,234,983

18. OPERATING PROFIT

		THE GROUP		THE COMPANY	
		2015	2014	**2015**	2014
		Rs.	Rs.	**Rs.**	Rs.
Included in cost of sales:					
Costs of inventories recognised as an expense		**194,305,379**	184,449,667	**191,644,831**	181,811,346
Staff costs	(a)	**129,414,924**	110,542,083	**129,414,924**	110,542,083
Included in administrative expenses:					
Staff costs	(a)	**57,944,608**	51,550,599	**56,191,860**	49,979,275
Depreciation on property, plant and equipment	4	**35,339,829**	32,998,216	**35,299,378**	32,932,032
Amortisation of intangible assets	5	**10,180**	31,752	-	-
Loss on disposal of plant and equipment		-	5,243,565	-	5,243,565

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
(a) Staff costs				
Wages and salaries	**178,933,370**	155,242,938	**177,294,837**	153,769,840
Social security cost	**6,857,125**	5,462,740	**6,765,677**	5,385,601
Pension cost	**1,569,037**	1,387,004	**1,546,270**	1,365,917
	187,359,532	162,092,682	**185,606,784**	160,521,358

19. FINANCE INCOME

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Interest on deposits	**484,100**	1,766,655

20. FINANCE COSTS

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Interest on loan and borrowings	-	2,509,835
Finance charges paid under finance leases	**73,960**	129,428
	73,960	2,639,263

21. TAXATION

The major components of income tax expense for the year ended 31 March 2015 and 2014 are:

	THE GROUP		THE COMPANY	
	2015	2014	**2015**	2014
	Rs.	Rs.	**Rs.**	Rs.
(a) Statement of comprehensive income				
Current income tax				
Current income tax charge	**7,168,871**	7,993,420	**7,168,871**	7,993,420
Adjustments in respect of income tax	**658,265**	(59,434)	**658,265**	(59,434)
Corporate social responsibility	**853,822**	1,065,789	**853,822**	1,065,789
Deferred tax:				
Relating to origination and reversal of temporary differences	**3,578,803**	2,065,862	**3,578,803**	2,065,862
Income tax expense	**12,259,761**	11,065,637	**12,259,761**	11,065,637

(b) Reconciliation of accounting profit to income tax expense:

	THE GROUP 2015 Rs.	THE GROUP 2014 Rs.	THE COMPANY 2015 Rs.	THE COMPANY 2014 Rs.
Accounting profit before income tax	**69,679,436**	67,544,572	**69,465,418**	67,023,621
At statutory income tax rate of 17% (2013: 15%)	**11,845,504**	10,131,686	**11,809,121**	10,053,543
Expenses not deductible for tax purposes	**158,812**	5,739	**158,812**	5,739
Tax loss utilised	**(36,383)**	(78,143)	**-**	-
Corporate social responsibility	**(102,025)**	1,065,789	**(102,025)**	1,065,789
Underprovision of deferred tax liability	**(264,412)**	-	**(264,412)**	-
Adjustment in respect of income tax in previous year	**658,265**	(59,434)	**658,265**	(59,434)
At the effective income tax rate	**12,259,761**	11,065,637	**12,259,761**	11,065,637

(c) Income tax payable

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
At 1 April,	**407,522**	11,140,622
Tax charge for the year	**7,168,871**	7,993,420
Underprovision/(overprovision) of income tax	**658,265**	(59,434)
Corporate social responsibility	**853,822**	1,065,789
Paid during the year	**(4,958,434)**	(19,732,875)
At 31 March,	**4,130,046**	407,522
Disclosed as follows:		
Income tax receivable	**-**	(658,267)
Income tax payable	**4,130,046**	1,065,789
	4,130,046	407,522

22. EARNINGS PER SHARE

	THE GROUP	
	2015	2014
	Rs.	Rs.
Profit attributable to equity holders	**57,419,675**	56,478,935
Average number of ordinary shares in issue	**569,940,822**	569,940,822
Earnings per share (Basic and Diluted)	**0.10**	0.10

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary equity holders by the weighted average number of ordinary shares in issue. There have been no transactions involving ordinary shares or potential dilutive ordinary shares between the reporting date and date of authorisation of these financial statements.

23. RELATED PARTY DISCLOSURES

THE GROUP	Sales/ (Purchases) of goods or services	Management fees expenses	Amount owed to related parties	Trade payables	Amount owed to related parties	Trade receivables	Deposits with related parties
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2015							
Entity with significant influence over the Group: Fortis Healthcare International Limited	-	**47,562,909**	**10,542,588**	-	-	-	-
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	**(795,745)**	-	**578,538**	-	-	-	-
Fellow related party: Bank One Limited	-	-	-	-	-	**6,000**	**10,829,651**
Fellow related party: Ciel Capital Ltd	-	-	-	**115,000**	-	-	-
Fellow related party: Ciel Corporate Services Ltd	**(526,938)**	-	-	**151,527**	-	-	-
2014							
Entity with significant influence over the Group: Fortis Healthcare International Limited	-	47,036,102	11,794,225	-	-	-	-
Fellow related party: Bank One Limited	-	-	-	-	-	-	14,172,295
Fellow related party: Ciel Capital Ltd	-	-	-	115,000	-	-	-
Fellow related party: Ciel Corporate Services Ltd	(558,645)	-	-	105,032	-	-	-

23. RELATED PARTY DISCLOSURES (CONT'D)

THE COMPANY	Sales/ (Purchases) of goods or services	Management fees	Amount owed to related parties	Trade payables	Amount owed to related parties	Trade receivables	Deposits with related parties
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2015							
Entity with significant influence over the Group: Fortis Healthcare International Limited	-	47,562,909	10,542,588	-	-	-	-
Fellow related party: Escorts Heart Institute and Research Centre Ltd.	(795,745)	-	578,538	-	-	-	-
Fellow related party: Bank One Limited	-	-	-	-	-	6,000	10,829,651
Fellow related party: Ciel Capital Ltd	-	-	-	115,000	-	-	-
Fellow related party: Ciel Corporate Services Ltd	(526,938)	-	-	151,527	-	-	-
Subsidiary: Café du Volcan	3,880,920	1,800,000	-	7,660	2,257,897	-	-
2014							
Entity with significant influence over the Group: Fortis Healthcare International Limited	-	47,036,102	11,794,225	-	-	-	-
Fellow related party: Bank One Limited	-	-	-	-	-	-	14,172,295
Fellow related party: Ciel Capital Ltd	-	-	-	115,000	-	-	-
Fellow related party: Ciel Corporate Services Ltd	(558,645)	-	-	105,032	-	-	-
Subsidiary: Café du Volcan	3,840,964	1,800,000	-	6,295	2,726,567	-	-

23. RELATED PARTY DISCLOSURES (CONT'D)

The transactions between related parties have been made on normal commercial terms and in the normal course of business. Outstanding balances at the end of reporting date are unsecured, interest free and settlement occurs in cash.

There has been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2015, the Group has not recorded any impairment of receivables relating to amount owed by related parties (2014: nil). The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(a) Key Management personnel compensation

	2015	2014
	Rs.	Rs.
Salaries and short term employee benefits	**21,843,816**	20,771,636
Post retirement benefits	**194,742**	145,489
	22,038,558	20,917,125

24. COMMITMENTS AND CONTIGENCIES

Capital Commitments
The Group has no capital commitments at end of reporting date (2014: Nil).

Contingent Liability
At 31 March 2015, the Group has contingent liabilities in respect of bank and other guarantees of Rs 2,940,746 (2014: Rs.3,519,764).

There are pending litigations in respect of claims lodged by the Group of which the outcomes are unknown as at financial statement date.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal liabilities comprise of overdrafts, finance leases and trade payables and other payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has trade and other receivables and cash and deposits that are derived directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

Financial assets and liabilities, which are accounted for at amortised cost, approximate their fair values due to their short term nature.

(i) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(ii) Interest Rate Risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before taxation (through the impact of variable rate borrowing) and on equity. There is no tax impact on equity.

The Group and the Company	**Increase/ (decrease) basis points**	**Increase / (decrease) on profit before tax**
		Rs
2015		
Interest-bearing loans and borrowings	**+50**	**14,767**
	-50	**(16,415)**
2014	+50	2,425
Interest-bearing loans and borrowings	-50	(123,045)

(iii) Foreign exchange risk

The Group has transactions mainly in Mauritian Rupee. All financial assets and liabilities are in Rupee except for cash balance of Rs 22,607,235 (2014: Rs 2,554,657) and trade receivable balance of Rs 4,858,799 (2014: Rs3,400,085) which are denominated in EURO. Consequently, the Group's exposure to the risk that foreign exchange rate to Mauritian Rupee increases by 5%, assuming all other variable held constant, will have an effect of Rs 1,455,954 on profit before tax and equity (2014: Rs 304,123). An equal and opposite effect will occur with a 5% decrease.

(iv) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for credit losses, estimated by the Group's management based on prior experience and the current economic environment. The Group has a dedicated debtors recovery team that monitors its debtors balances. Where applicable, the Group takes necessary legal actions in order to recover its balances from the debtors. The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties.

With respect to credit risk arising from deposit and cash at bank, investment is made only with reputable financial institutions.The Group's maximum exposure is the carrying amount of the financial assets as presented on the statement of financial position. As for financial guarantee, the maximum exposure is noted in note 24.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(v) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans and finance leases.

The table below summarises the maturity profile of the Group and the Company's financial liabilities based on contractual undiscounted payment.

	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	Total
GROUP	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
2015					
Trade and other payables	-	**76,758,000**	-	-	**76,758,000**
Interest-bearing loans and borrowings	**14,076,193**	**160,734**	**173,098**	**1,354,343**	**15,764,368**
	14,076,193	**76,918,734**	**173,098**	**1,354,343**	**92,522,368**
2014					
Trade and other payables	-	63,910,504	-	-	63,910,504
Interest-bearing loans and borrowings	8,575,853	218,990	286,755	662,475	9,744,073
	8,575,853	64,129,494	286,755	662,475	73,654,577

	On demand	< 3 months	3 to 12 months	>1 yr < 5 yrs	Total
COMPANY	**Rs.**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
2015					
Trade and other payables	-	**76,055,803**	-	-	**76,055,803**
Interest-bearing loans and borrowings	**14,076,193**	**160,734**	**173,098**	**1,354,343**	**15,764,368**
	14,076,193	**76,216,537**	**173,098**	**1,354,343**	**91,820,171**
2014					
Trade and other payables	-	63,254,498	-	-	63,254,498
Interest-bearing loans and borrowings	8,575,853	218,990	286,755	662,475	9,744,073
	8,575,853	63,473,488	286,755	662,475	72,998,571

(vi) Capital Management

The primary objective of the Group, when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or sell assets to reduce debt.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents. Total capital is calculated as ''equity'' as shown in the statement of financial position. The Group and the Company is not geared as at 31 March 2015 and 2014.

26. SEGMENT INFORMATION

31 March 2015	Cafeteria	Pharmacy Out Patient	Healthcare	Total
	Rs.	Rs.	Rs.	Rs.
Revenue	12,350,674	34,476,475	595,863,277	642,690,426
Operating (loss)/profit	214,018	-	69,055,278	69,269,296
Finance income	-	-	484,100	484,100
Finance cost	-	-	(73,960)	(73,960)
Segment assets				
Total assets	764,348	-	741,647,242	742,411,590
Segment liabilities				
Total liabilities	709,857	-	149,049,325	149,759,182
Other segment items				
Capital expenditure	-	-	26,314,806	26,314,806
Depreciation	(40,451)	-	(35,299,378)	(35,339,829)

31 March 2014	Cafeteria	Pharmacy Out Patient	Healthcare	Total
	Rs.	Rs.	Rs.	Rs.
Revenue	12,513,178	29,372,503	557,001,143	598,886,824
Operating (loss)/profit	520,951		67,896,229	68,417,180
Finance income	-	-	1,766,655	1,766,655
Finance cost	-	-	(2,639,263)	(2,639,263)
Segment assets				
Total assets	972,809	-	654,937,706	655,910,515
Segment liabilities				
Total liabilities	662,301	-	111,994,374	112,656,675
Other segment items				
Capital expenditure	15,320	-	87,717,059	87,732,379
Depreciation	(66,184)	-	(32,932,032)	(32,998,216)

The Group has determined its operating segments based on reports reviewed by the Chief Operating officer that are used to make strategic decisions. An operating segment is a distinguishable component of an entity that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other operating segments. Management monitors segment performance mainly on the revenue generated per segment. The Group has identified the following operating segments:-

(i) Cafeteria sales
(ii) Pharmacy sales from outpatient
(iii) Healthcare services

Cafeteria sales relate to revenue generated by the subsidiary, Le Café du Volcan, only. It represents the only difference between Group and Company's segment.

26. SEGMENT INFORMATION (CONT'D)

Segment assets consist primarily of property, plant and equipment, inventories, trade and receivables and prepayments and include cash and cash equivalents. All non current assets are located in the country of domicile.

Segment liabilities comprise operating liabilities and include items such as taxation. Capital expenditure comprises additions to property, plant and equipment.

All revenues from external customers are attributable to the country of domicile. There is no single customer who generates more than 10% of the revenues of the Group and the Company. There is no foreign revenue.

27. DIVIDENDS

Dividends paid and proposed

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Declared and paid during the year:		
Dividends on ordinary shares:		
Dividends: 4 cents per share (2014: 3 cts)	**22,797,633**	17,098,225
	22,797,633	17,098,225

28. OPERATING LEASE COMMITMENTS

The Group has entered into an operating lease during the year. Future minimum rental payable under operating leases as at 31 March, are as follows:

	THE GROUP AND THE COMPANY	
	2015	2014
	Rs.	Rs.
Within one year	**1,079,160**	-
After one year but not more than five years	**4,046,850**	-
More than five years	-	-
	5,126,010	-

29. EVENTS AFTER THE REPORTING DATE

On 14 May 2015, the Board of Directors of the Medical and Surgical Centre Limited has declared a final dividend of Rs 0.03 (3 cents) per share for the financial year ended 31 March 2015. The total dividend declared amounts to Rs 17,098,225.

There were no other events after the reporting date which require disclosures in or amendments to these financial statements.

Notes

Proxy Form

I/We ………

of ………

being a shareholder of THE MEDICAL AND SURGICAL CENTRE LIMITED ("the Company") hereby appoint …………………

………

of ………

or, failing him/her ………

of ………

as my/our proxy to vote for me/us and on my/our behalf at the Annual Meeting of the shareholders of the Company ("the Meeting") to be held at CIEL's Offices, 5th Floor, Ebène Skies, Rue de l'Institut, Ebène on 29 September 2015 at 14.00 hours and at any adjournment thereof.

I/We direct my/our proxy to vote in the following manner (Please vote with a tick).

RESOLUTIONS	FOR	AGAINST
1		
2		
3		
4.1		
4.2		
4.3		
4.4		
4.5		
4.6		
5		
6		

Signed this …………………………………………………… day of ……………………………… 2015.

Signature/s ……………………………………………………………

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting, may appoint a proxy, whether a member or not, to attend and vote in his/her stead.

2. If the instrument appointing the proxy is returned without an indication as to how the proxy shall vote on any particular resolution, the proxy will exercise his discretion as to whether, and, if so, how he/she votes. Proxy forms should be deposited at the Share Registry and Transfer Office of the Company, MCB Registry & Securities Limited, 2nd Floor, MCB Centre, Sir William Newton Street, Port-Louis not less than twenty-four hours before the start of the Meeting, and in default, the instrument of proxy shall not be treated as valid.

Blood Donation

Breastfeeding Awareness Event

Screening - MCB and Orange Business Services

CPR Demonstration -
Be healthy with Rotary

Screening - Alexandra House School and Accenture

World Heart Day Screening - FCDN

Muscular Dystrophy Association

Royal Raid - LUX

THE MEDICAL & SURGICAL CENTRE LTD

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