

Artemis Medicare Services Limited



17th | **A N N U A L**
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ARTEMIS MEDICARE SERVICES LIMITED

17TH ANNUAL REPORT

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ARTEMIS MEDICARE SERVICES LIMITED

BOARD OF DIRECTORS

Mr. Onkar Kanwar	Chairman and Non-Executive Director
Mr. Neeraj Kanwar	Non-Executive Director
Ms. Shalini Kanwar Chand	Non-Executive Director
Dr. Nirmal Kumar Ganguly	Non-Executive Director
Dr. S. Narayan	Independent Director
Dr. Sanjaya Baru	Independent Director
Ms. Deepa Gopalan Wadhwa	Independent Director
Mr. Sanjib Sen	Independent Director
Mr. Sunil Tandon	Additional Director (Independent)
Dr. Devlina Chakravarty	Managing Director and Key Managerial Personnel

OTHER KEY MANAGERIAL PERSONNEL

Mr. Sanjiv Kumar Kothari	Chief Financial Officer
Ms. Shilpa Budhia	Company Secretary and Compliance Officer

STATUTORY AUDITOR

M/s. SCV & CO. LLP, Chartered Accountants

SECRETARIAL AUDITOR

M/s. Chandrasekaran Associates,
Company Secretaries

REGISTERED OFFICE

Plot No. 14, Sector – 20,
Dwarka, South West
Delhi – 110075

BANKERS

Axis Bank Limited
IDFC Bank Limited
IndusInd Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
State Bank of India
YES Bank Limited

CORPORATE OFFICE

Artemis Hospitals,
Sector-51, Gurugram – 122001, Haryana
TEL NO: (0124) 4511 111

ARTEMIS MEDICARE SERVICES LIMITED

Regd. Office: Plot No. 14, Sector 20, Dwarka, South West Delhi – 110 075
CIN – L85110DL2004PLC126414, Website – www.artemishospitals.com
Email – investor@artemishospitals.com, Tel: +91-124-4511111, Fax: +91-124-4588899

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 17th Annual General Meeting (“AGM”) of the Members of **ARTEMIS MEDICARE SERVICES LIMITED** (“the Company”) will be held on Tuesday, 20th July, 2021, at 3:00 P.M. IST through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) for which purpose the Registered Office of the Company situated at Plot No. 14, Sector 20, Dwarka, South West Delhi – 110 075 shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (Standalone and Consolidated) of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Shalini Kanwar Chand (DIN: 00015511), who retires by rotation, and being eligible, offers herself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee and Board of Directors of the Company, M/s. T R Chadha & Co LLP, FRN: 006711N/N500028, be appointed as Statutory Auditors of the Company for a period of 5 years for auditing the accounts of the Company from FY 2021-22 to FY 2025-26, in place of retiring auditors M/s. SCV & Co., LLP, Chartered Accountants, New Delhi FRN:000235N/N500089, to hold office from the conclusion of this 17th Annual General Meeting (AGM) until the conclusion of the 22nd AGM at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

SPECIAL BUSINESS:

4. To ratify the payment of remuneration to the Cost Auditor for the financial year 2021-22 and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 1,35,000/- (Rupees One Lac Thirty-Five Thousand only) plus reimbursement of out of pocket expenses, if any paid/to be paid to the Cost Auditor, M/s. Chandra Wadhwa & Co., Cost Accountants, New Delhi (FRN:000239), who were appointed by the Board of Directors of the Company for carrying out Cost Audit for the financial year 2021-22 be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

5. To appoint Mr. Sunil Tandon (DIN:08342585) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) the Companies (Appointment and Qualification of Directors) Rules, 2014

("the Rules") and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and Board of Directors of the Company, Mr. Sunil Tandon (DIN: 08342585), who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) with effect from 10th May, 2021 pursuant to the provisions of Section 161(1) of the Act, whose term of office expires at the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a second term of 5 (five) consecutive years, with effect from 10th May, 2021 to 9th May, 2026, on the Board of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) of the Company, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

6. To approve the remuneration/fees payable to Dr. Nirmal Kumar Ganguly, Non-Executive Director of the Company and in this regard to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with rules made thereunder and pursuant to the provisions of Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee, Audit Committee and Board of Directors of the Company, approval of the members of the Company be and is hereby accorded for payment of consultancy fees to Dr. Nirmal Kumar Ganguly (DIN: 02316154), Non-Executive Director of the Company holding office of place of profit, for an amount not exceeding ₹ 25,00,000/- (Rupees Twenty-Five Lacs Only) for the financial year 2021-22, being in excess of fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) of the Company, be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

**By Order of the Board of Directors
For Artemis Medicare Services Limited**

**Place : Gurugram
Date : 10th May, 2021**

**Sd/-
Shilpa Budhia
Company Secretary
ACS No.: 23564**

NOTES:

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the MCA Circular No. 14/2020 dated 8th April, 2020, MCA Circular No.17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020 and MCA Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued by the Ministry of Corporate Affairs from time to time, physical attendance of the Members to the AGM venue is not required and Annual General Meeting (AGM) be held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. AGM is being convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated 8th April, 2020, MCA Circular No. 17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020 and MCA Circular No. 2/2021 dated 13th January, 2021.
4. In compliance with MCA Circular No. 02/2021 dated 13th January, 2021 clarifying about continuation of Circular No. 20/2020

dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 clarifying about extension of Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY 2020-21) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company, Company's Registrars and Transfer Agents or the Depository Participant(s).

5. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 30 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated 13th April, 2020, the Notice calling the AGM has been uploaded on the website of the Company under Investors section at www.artemishospitals.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
9. The Register of Members and Share Transfer Books shall remain closed from Wednesday, 14th July, 2021 to Tuesday, 20th July, 2021. (both days inclusive).
10. Corporate Members are requested to send a scan copy of duly certified copy of the Board resolution/authority letter authorizing their representative(s) to attend and vote on their behalf at the meeting.
11. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of the ordinary and special business set out above is annexed hereto.
12. All documents referred to in the notice can be obtained for inspection through secured mode by writing to the Company at its email ID investor@artemishospitals.com till the date of the meeting.
13. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 ("the Act"), the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and other documents as mentioned in the notice along with explanatory statement shall be available for inspection upon login at NSDL e-Voting system at <https://www.evoting.nsdl.com/>.
14. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India. The trading in equity shares can now only be done in demat form. In case you do not hold shares in demat form, you may do so by opening an account with a Depository Participant and complete dematerialisation formalities.
15. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their Depository Participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.
16. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.

17. PROCEDURE FOR REMOTE E-VOTING, E-VOTING DURING THE AGM AND ATTENDING THE AGM THROUGH VC/OAVM:

- I. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020 and 5th May, 2020, the Company has provided a facility of casting the votes by the Members using an electronic voting system from a place other than the venue of AGM ("remote e-Voting") through the electronic voting service facility arranged by NSDL.

The facility of casting votes by a Member using remote e-Voting as well as e-Voting on the day of the AGM will be provided by NSDL.

The Members attending the AGM who have not already cast their vote by remote e-Voting shall be able to exercise their right at the meeting.

The Members who have cast their vote by remote e-Voting prior to the meeting may also attend the AGM but shall not be entitled to cast their vote again.

In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Saturday, 17th July, 2021 at 10:00 A.M. IST and ends on Monday, 19th July, 2021 at 05:00 P.M IST. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 13th July, 2021 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Tuesday, 13th July, 2021.





How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="359 232 1493 505">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or e-Voting Service Provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="359 524 1493 613">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp <li data-bbox="359 631 1493 905">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="359 924 1493 982">4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="721 990 1155 1259" style="text-align: center;"> <p>NSDL Mobile App is available on</p> <p>  App Store  Google Play </p>   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="359 1278 1493 1396">1. Existing users who have opted for Easi / Easiest, they can login through their User Id and Password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. <li data-bbox="359 1415 1493 1466">2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting Service Provider i.e. NSDL. Click on NSDL to cast your vote. <li data-bbox="359 1485 1493 1537">3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration <li data-bbox="359 1556 1493 1694">4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective e-Voting Service Provider i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against Company name or e-Voting Service Provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘Initial Password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered** .

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system

How to cast your vote electronically and join AGM on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to deepak.kukreja@dmkassociates.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the Depositories for procuring User Id and Password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@artemishospitals.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@artemishospitals.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring User Id and Password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General Meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at investor@artemishospitals.com. The same will be replied by the Company suitably.

FOR HELP IN CONNECTION WITH VOTING BY ELECTRONIC MEANS OR FOR PARTICIPATING IN THE AGM THROUGH VC/OAVM:

In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Pallavi Mhatre, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013. email id: evoting@nsdl.co.in or pallavid@nsdl.co.in, Toll free no.: **1800 1020 990 and 1800 22 44 30**. Members may also write to the Company Secretary at the email id: investor@artemishospitals.com.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS OF MEMBERS AND GETTING COPY OF NOTICE OF AGM AND ANNUAL REPORT FY 2020-21.

1. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/ their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, Utility Bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report FY 2020-21 along with AGM Notice by email to investor@artemishospitals.com. Members holding shares in demat form can update their email address with their Depository Participants.

2. Please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the Notice of 17th AGM and Annual Report for FY 2020-21 and thereafter shall be disabled from the records of the Registrar and Share Transfer Agents (RTA) immediately after the AGM. The Member(s) will therefore be required to send the email ID updation request along with hard copies of the aforesaid documents to RTA for actual registration in the records to receive all the future communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
3. A Member can also register his email address and contact details with us, by writing to us addressed to the Secretarial Department at our Corporate Office, or at our email ID: investor@artemishospitals.com. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.

PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT

1. As the AGM is being conducted through VC/OAVM, members are encouraged to express their views/ send their queries in advance mentioning their Name, DP Id and Client Id/Folio No., e-mail id, mobile number at investor@artemishospitals.com to enable smooth conduct of proceedings at the AGM. Questions/Queries received by the Company on or before 13th July, 2021 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
 2. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investor@artemishospitals.com on or before 13th July, 2021. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the AGM.
 3. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
- II. The e-voting period commences on Saturday, 17th July, 2021 (10:00 A.M. IST) and ends on Monday, 19th July, 2021 (5:00 P.M. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th July, 2021, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - III. The voting rights of Members shall be as per the number of equity shares held by Members as on the cut-off date of Tuesday, 13th July, 2021.
 - IV. Mr. Deepak Kukreja, Partner, DMK Associates, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.
 - V. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 2 working days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.
 - VI. The Results shall be declared by the Chairman or the person authorised by him in writing not later than 2 working days of conclusion of the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website (www.artemishospitals.com) and on the website of NSDL (www.evoting.nsdl.com) and forward the same to concerned stock exchanges immediately after the result is declared by the Chairman. Members may also note that the Notice of the 17th AGM and the Annual Report FY 2020-21 will be available on website of the Company and NSDL.
 - VII. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the notice and holding shares as on the cut-off date i.e. Tuesday, 13th July, 2021, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and Password for casting the vote. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
 - VIII. In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Pallavi Mhatre, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in, Toll free no.: **1800 1020 990 and 1800 22 44 30**. Members may also write to the Company Secretary at the email ID: investor@artemishospitals.com.

18. The Notice of AGM and the copies of audited financial statements, board's report, auditor's report etc. will also be displayed on the website (www.artemishospitals.com) of the Company.
19. As per the provisions of Regulation 39 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule VI of the aforesaid Regulations, the unclaimed/undelivered shares lying in possession of the Company had been dematerialised and transferred into an "Unclaimed Suspense Account". Members who have not yet claimed their shares are requested to immediately approach the Company by forwarding a request letter duly signed by all the Members furnishing the necessary details to enable the Company to take necessary action.
20. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.
21. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long period. The statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified periodically.
22. Information under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, in respect of the Directors seeking appointment/re-appointment at the AGM, forms integral part of the Notice and is provided at the end of the Notice. The concerned Directors have furnished the requisite declarations for their appointment and their brief profile forms part of the explanatory statement.
23. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Members of the Company at the 7th Annual General Meeting ('AGM') held on 5th August, 2011 approved the appointment of M/s. SCV & Co. LLP ('SCV')(erstwhile M/s. S.P. Puri & Co) as the Statutory Auditors of the Company for the FY 2011-12 and thereafter SCV were subsequently re-appointed at every AGM until the 9th AGM as per the provisions of the Companies Act, 1956.

With the implementation of the Companies Act, 2013 ('the Act'), effective from 1st April, 2014, SCV were further re-appointed for two terms, aggregating for 7 more consecutive years till the conclusion of 17th AGM to be held in FY 2021-22 ('said approval'). SCV will complete their present term on conclusion of the 17th AGM in terms of the said approval and Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014.

The Board, on the recommendation of the Audit Committee ('the Committee'), recommended for the approval of the Members, the appointment of M/s. TR Chadha & Co. LLP, Chartered Accountants, (Firm Registration No. 006711N/ N500028), as Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the 22nd AGM.

The remuneration of SCV for conducting the Statutory Audit (Including Limited Review) for the financial year 2020-21, as approved by the Board of Directors of the Company was ₹ 13.05 Lacs (Rupees Thirteen Lacs Five Thousand only) plus applicable taxes, besides reimbursement of out-of-pocket expenses incurred. The Remuneration proposed to be paid to M/s. TR Chadha & Co. LLP for Statutory Audit (Including Limited Review) is ₹ 14.00 Lacs (Rupees Fourteen Lacs only) plus applicable taxes, besides reimbursement of out-of-pocket incurred for the Financial year 2021-22. The remuneration payable for the remaining tenure of the proposed appointment will be subsequently determined by the Board as per the recommendations of the Committee.

Further, the Committee considered various parameters in terms of expertise in audit of healthcare segment, exposure, geographical advantage and presence amongst others and found the proposed auditor to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

M/s. TR Chadha & Co. LLP, established in year 1946, having one of its office at New Delhi is amongst the top ten Audit Firms in India. Presence with over 74 years, M/s T R Chadha & Co. LLP had been one of India's prominent Chartered Accountancy firms providing wide array of financial and advisory services to numerous MNCs as well as reputed companies in India and across the globe. The diverse team consists of 19 partners and over 600 employees with over 150 Chartered Accountants and other domain experts. Nation-wide, they are spread across 10 different locations providing with a geographical advantage.

M/s. TR Chadha & Co. LLP have given their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested (financial and otherwise) in the resolution.

The Board recommends the resolution set out at item no. 3 for your consideration and approval by way of Ordinary Resolution.

Item No. 4

The Company is required to have the audit of its Cost Records conducted by a Cost Accountant in practice under Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014.

The Board at its meeting held on 10th May, 2021, on the recommendation of the Audit Committee, had re-appointed M/s. Chandra Wadhwa & Co., Cost Auditors for carrying out Cost Audit of the Company for the financial year 2021-22 at a remuneration of ₹1,35,000/- (Rupees One Lac Thirty-Five Thousand only) per annum plus reimbursement of out of pocket expenses.

In accordance with provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors which is recommended by the Audit Committee has been considered and approved by the Board of Directors and subsequently, submitted for ratification by the Members.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested (financial and otherwise) in the resolution.

The Board of Directors recommends the resolution set out at item no. 4 for your consideration and ratification by way of Ordinary Resolution.

Item No. 5

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Mr. Sunil Tandon (DIN: 08342585), was appointed by the Board, as an Additional Director (Independent) of the Company, w.e.f. 10th May, 2021, to hold office upto the date of the ensuing Annual General Meeting. A notice under Section 160 of the Companies Act, 2013, has been received from a Member proposing the candidature of Mr. Sunil Tandon as a Director of the Company and the Nomination and Remuneration Committee has recommended his appointment as an Independent Director on the Board of the Company for a second term of 5 (five) consecutive years, with effect from 10th May, 2021 to 9th May, 2026.

Mr. Sunil Tandon, aged 67 years is an Engineering and Management Graduate having more than 25 years' experience in the commercial matter and International Business.

The members may please note that Mr. Sunil Tandon was earlier appointed as an Independent Director on 10th October, 2019, for a term of one year and he ceased to be Independent Director of the Company pursuant to the completion of his tenure on 9th October, 2020.

Considering the report of Performance Evaluation of Mr. Sunil Tandon, the Board of Directors of the Company believe that the Company would be benefitted by way of strategic guidance, leadership and wider perspective by the appointment of Mr. Sunil Tandon (DIN: 08342585) as an Independent Director on the Board of Directors of the Company for second term.

Mr. Sunil Tandon is not holding any shares of the Company either directly or in form of beneficial interest for any other person.

He does not have inter-se relationship with any other Director and Key Managerial Personnel of the Company.

Section 149 and Section 152 of the Companies Act, 2013 inter-alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment upto five years, subject to passing of special resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the Annual General Meeting.

The provisions further provide that the Independent Directors shall give a confirmation of Independence and meeting of the prescribed criteria, as mentioned in section 149(6) of the Companies Act, 2013.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Sunil Tandon being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for a second term of 5 consecutive years w.e.f. 10th May, 2021 up to 9th May, 2026.

The Company has received from Mr. Sunil Tandon:

- (i) Intimation in Form DIR 8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013.
- (ii) A declaration to the effect that he meets the criteria of Independence as provided under Sub Section (6) of Section 149 of the Companies Act, 2013.
- (iii) An undertaking that he is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the Listed Companies dated 20th June, 2018.

Mr. Sunil Tandon will be entitled to receive sitting fees for attending the Committee and Board Meetings of the Company as may be decided by the Board of Directors of the Company from time to time.

In the opinion of the Board, Mr. Sunil Tandon fulfils the conditions specified in the Companies Act, 2013, rules made thereunder and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company and he is independent of the management.

Copy of the draft letter for appointment of Mr. Sunil Tandon as an Independent Director would be made available for inspection, upto the date of the meeting.

The Board considers that his association would be beneficial to the Company and it is desirable to continue to avail services of Mr. Sunil Tandon as an Independent Director.

None of the Directors or Key Managerial Personnels of the Company or their relatives except Mr. Sunil Tandon himself is concerned or interested (financial or otherwise) in the resolution.

The Board of Directors recommends the resolution set out at item no. 5 for your consideration and approval by way of Special Resolution.

Item No. 6

As per Section 188(1)(f) of the Companies Act, 2013, the Related Party's appointment to any office or place of profit shall require prior approval of the Audit Committee and Board of Directors and in case of remuneration exceeding threshold limit as prescribed in Rule 15 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the approval of the shareholders of the Company is also required.

Pursuant to Regulation 17(6)(ca) and other applicable provisions, if any of the SEBI (Listing Obligations and Disclosure Requirements), 2015, approval of the Members by way of Special Resolution is required every year, if the annual remuneration payable to a single Non-Executive Director in that year exceeds 50% of the total annual remuneration payable to all the Non-Executive Directors taken together.

The members may also note that the Company has engaged the services of Dr. Nirmal Kumar Ganguly (DIN: 02316154), Non-Executive Director of the Company holding office of place of profit, for setting up Research Lab and developing the Clinical and Non-Clinical Research facility at Company's Hospital in Gurugram on payment of Consultancy Services for an amount not exceeding ₹ 25 Lacs for the FY 2021-22, which also exceeds 50% of the total annual remuneration payable to all Non-Executive Directors.

The above transaction with the related party has been approved by the Nomination & Remuneration Committee, Audit Committee and the Board of Directors of the Company.

The details about the said related party transactions as required under Rule 15(3) of the Companies (Meetings of the Board and its Powers) Rules, 2014, are furnished below:

1.	Name of the Related Party	:	Dr. Nirmal Kumar Ganguly
2.	Name of Director/KMP who is related, if any	:	None of the Directors and Key Managerial Personnel of the Company and their relatives, are directly or indirectly, concerned or interested, financially or otherwise.
3.	Nature of Relationship	:	Not Applicable
4.	Nature, material terms, monetary value and particulars of the contract or arrangement	:	An amount not exceeding ₹ 25 Lacs for the FY 2021-22 is proposed to be paid to Dr. Nirmal Kumar Ganguly for setting up Research Lab and developing the Clinical and Non-Clinical Research facility at Company's Hospital in Gurugram in the form of Consultancy Fees.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	:	The proposed fee is in line with the services rendered/to be rendered by Dr. Nirmal Kumar Ganguly. This transaction would be in the ordinary course of business and on arm's length basis.

Approval of Members by way of a Special Resolution is sought to the resolution as set out at Item No. 6 of the Notice.

None of the Directors or Key Managerial Personnels of the Company or their relatives except Dr. Nirmal Kumar Ganguly himself is concerned or interested (financial or otherwise) in the resolution.

The Board of Directors recommends the Resolution set out at Item No. 6 of the Notice for your consideration and approval by way of Special Resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Name of the Directors	Ms. Shalini Kanwar Chand	Mr. Sunil Tandon	Dr. Nirmal Kumar Ganguly
Age	53 years	67 years	79 years
Date of Birth	8 th March, 1968	28 th January, 1954	11 th November, 1941
Date of First Appointment on the Board	24 th January, 2007	Appointed as Independent Director for First term on 10 th October, 2019 Appointed as Additional Director (Independent) for Second term on 10 th May, 2021	10 th February, 2014
Qualifications	Post Graduate	Post Graduate	MBBS, MD (Microbiology), DSc (HC)
Brief Resume, Experience and Nature of Expertise in specific functional areas	Ms. Shalini Kanwar Chand is adept and experienced in working in the hospital & healthcare industry. She is proficient and vastly accomplished in multifarious functions of running a business- Negotiation, Business Planning, Entrepreneurship, Strategic Planning Business Development and Team Building with more than 25 years of experience in the field.	Mr. Sunil Tandon is an Engineering & Management graduate. He has expertise in commercial matters and International marketing with more than 25 years of experience.	A Doctor and distinguished Biotechnology Research Professor at the National Institute of Immunology, New Delhi and also the President of Jawaharlal Institute of Post Graduate Medical Education and Research, Pondicherry with more than 35 years of experience in the field.

Name of the Directors	Ms. Shalini Kanwar Chand	Mr. Sunil Tandon	Dr. Nirmal Kumar Ganguly
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)	NIL	<ul style="list-style-type: none"> PTL Enterprises Limited (Listed Company) Classic Industries and Exports Limited 	<ul style="list-style-type: none"> Sapien Biosciences Private Limited Pushpawati Singhania Hospital & Research Institute International Biotech Park Limited NCD Predisese Forum
Memberships/ Chairmanships of committees across all companies	Artemis Medicare Services Limited <ul style="list-style-type: none"> Nomination and Remuneration Committee - Member Corporate Social Responsibility Committee - Chairperson 	PTL Enterprises Limited <ul style="list-style-type: none"> Business Responsibility Committee - Member Classic Industries and Exports Limited <ul style="list-style-type: none"> Audit Committee – Member Nomination and Remuneration Committee - Member Corporate Social Responsibility – Member 	Artemis Medicare Services Limited <ul style="list-style-type: none"> Corporate Social Responsibility Committee – Member Stakeholders Relationship Committee - Member Business Responsibility Committee - Member
Number of Meetings attended during the year	4 out of 4	2 out of 2 *	4 out of 4
Key terms and conditions of appointment / re-appointment	Non-Executive Director, liable to retire by rotation.	Appointed as an Additional Director (Independent Director) for a period of 5 (five) consecutive years, with effect from 10 th May, 2021 to 9 th May 2026, on the Board of the Company, subject to approval of members in ensuing AGM, not liable to retire by rotation.	Non-Executive Director, liable to retire by rotation.
Remuneration sought to be paid	Only Sitting Fees	Only Sitting Fees	Consultancy fees and Sitting fees.
Remuneration last drawn	₹ 3.80 Lacs as Sitting fees	₹ 1.00 Lac as Sitting fees*	₹ 22.97 Lacs as Consultancy fees and Sitting fees
Numbers of Shares held in the Company including shareholding as Beneficial owner	NIL	NIL	NIL
Relationships between Directors, Manager and KMPs inter-se	Ms. Shalini Kanwar Chand is the daughter of Mr. Onkar Kanwar, Chairman of the Company and sister of Mr. Neeraj Kanwar, Director of the Company.	NA	NA

* The details pertain to the period from 1st April, 2020 till 9th October, 2020 when Mr. Sunil Tandon was an Independent Director on the Company during his 1st tenure.

BOARD'S REPORT

Dear Member,

Your Directors have pleasure in presenting the 17th Annual Report on the business and operations of Artemis Medicare Services Limited ("the Company"), together with the audited financial statements for the financial year ended 31st March, 2021.

FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended 31st March, 2021 is summarized below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	Year ended	Year ended	Year ended	Year ended
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Revenue from Operations	40,206.37	56,309.09	40,840.34	56,501.79
Other Income	354.56	456.95	353.83	459.64
Total Income	40,560.93	56,766.04	41,194.17	56,961.43
Total Expenditure	36,701.52	50,085.49	37,320.53	50,355.67
EBITDA	3,859.41	6,680.55	3,873.65	6,605.76
Less : Finance Charges, Depreciation & Amortisation	3,292.11	3,484.01	3,443.91	3,542.85
Profit before exceptional items and tax	567.30	3,196.54	429.73	3,062.91
Exceptional Item	323.29	-	323.29	-
Profit before Tax	890.59	3,196.54	753.02	3,062.91
Tax for the year	181.88	1,153.71	137.02	1,116.90
Net Profit	708.71	2042.83	616.00	1946.01
Other Comprehensive Income	46.32	(1.68)	46.98	(1.68)
Total Comprehensive Income	755.03	2,041.15	662.98	1,944.33

STATE OF COMPANY AFFAIRS, OPERATIONS AND FUTURE OUTLOOK

On a standalone basis, your Company achieved revenue of ₹ 40,560.93 Lacs during FY 2020-21 as against ₹ 56,766.04 Lacs during the previous financial year. EBITDA was ₹ 3,859.41 Lacs for FY 2020-21 as compared to ₹ 6,680.55 during the previous financial year. The Net Profit for the year under review was ₹ 708.71 Lacs, as against ₹ 2,042.83 Lacs in the previous fiscal.

The consolidated revenue achieved by your Company was ₹ 41,194.17 Lacs during FY 2020-21, as compared to ₹ 56,961.43 Lacs during the previous financial year. The consolidated EBITDA was ₹ 3,873.65 Lacs for FY 2020-21 as compared to ₹ 6,605.76 Lacs for the previous financial year. On consolidated basis, your Company earned a Net Profit of ₹ 616.00 Lacs for FY 2020-21 as against ₹ 1,946.01 Lacs for the previous financial year.

As a caution and care for expecting mothers, the Company had set up an extended COVID free birthing facility at a distance of around 2 kms from Hospital premises under the expert team of Obstetricians and Paediatricians.

For significant expansion of hospital infrastructure, construction of new tower adjacent to the hospital building has commenced which has potential to accommodate approximately 160 beds. The construction is in full swing and the same is expected to operationalize soon.

Looking ahead, the health care sector is expected to be the core of economy with a meaningful contribution to growth. The health care growth is expected to remain intact with increased income levels, ageing population, growing health awareness and changing attitude towards preventive health care and changing global environmental scenario.

IMPACT OF COVID-19

It is also pertinent to highlight that COVID-19 pandemic has resulted in disruption in regular business operations due to lockdown and travel bans (both Domestic and International) since March 2020. However, the Company has adopted various measures

such as restructuring its costs, developing Digital platform to provide online consultation and homecare treatment etc. to ensure business continuity with minimal disruption and the Company believes that the COVID-19 pandemic will only have a short-term impact on its operations and after complete easing of lockdown and travel restrictions, the business is expected to return to normal. The Company's Expansion projects also got delayed due to COVID-19 pandemic.

DIVIDEND

In order to conserve the resources of the Company by taking into account the prevailing economic situation and the need of resources for growth, the Board of Directors of the Company thought it prudent not to recommend any Dividend on the Equity Shares of the Company for the financial year ended 31st March, 2021.

Pursuant to Regulation 43(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company does not fall under top 1000 Listed Companies by market capitalisation as on 31st March, 2021 and hence the requirement for adopting the Policy is not applicable to the Company.

RESERVES

There is no amount proposed to be transferred to reserves.

BOARD OF DIRECTORS

a) Appointment/Re-appointment of Directors

Ms. Deepa Gopalan Wadhwa (DIN:07862942) was appointed as an Additional Director in the capacity of Independent Woman Director on the Board of the Company w.e.f. 22nd May, 2020, for a term of five consecutive years, not liable to retire by rotation, for which approval was obtained by the members of the Company in the 16th Annual General Meeting (AGM). The appointment of Ms. Wadhwa on the Board also fulfils the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires top 1000 Listed Companies by market capitalisation as on 31st March, 2020 to have a Woman Independent Director.

Mr. Sanjib Sen (DIN: 07088442) and Dr. Gautam Chaudhuri (DIN: 08801337) were appointed as Additional Directors (Independent) on the Board of the Company w.e.f. 3rd August, 2020, for a term of three consecutive years, not liable to retire by rotation, for which approval was obtained by the members of the Company in the 16th AGM.

Further, Dr. Devlina Chakravarty had been appointed as the Managing Director of the Company with effect from 1st April, 2020 for a period of 5 years for which approval was obtained by the members of the Company through Postal Ballot held on 24th March, 2020.

The Board noted that the association of aforesaid Directors with the Company would be beneficial to the Company.

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, the Members of the Company in their 16th AGM held on 23rd September, 2020 re-appointed Mr. Neeraj Kanwar (DIN: 00058951) Director of the Company, who was liable to retire by rotation.

Further, the Board of Directors in their meeting held on 10th May, 2021 recommends to the members at their ensuing AGM, the reappointment of Ms. Shalini Kanwar Chand (DIN: 00015511) Director of the Company, liable to retire by rotation and being eligible offers herself for re-appointment.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise (including the proficiency) required for their appointment and they hold highest standards of integrity. The Board hereby confirms that all the Independent Directors of the Company have given declaration and have confirmed that they met the criteria of Independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority.

b) Changes in Directors and Key Managerial Personnel

During the year under review and between the end of the financial year and date of this report, following are the changes in Directors and Key Managerial Personnel of the Company:

Directors

- i. Mr. Akshay Kumar Chudasama (DIN: 00010630) had resigned from the position of Independent Director of the Company with effect from 5th August, 2020 due to pre-occupation on account of other professional commitments.

- ii. Mr. Sunil Tandon (DIN: 08342585) and Mr. Ugar Sain Anand (DIN: 02055913) have ceased to be Independent Directors of the Company consequent to completion of their tenure as Independent Directors on 9th October, 2020.
- iii. Dr. Gautam Chaudhuri had resigned from the position of Independent Director of the Company with effect from 9th March, 2021 due to pre-occupation on account of other professional commitments.
- iv. Appointment of Mr. Sunil Tandon as an Independent Director for second term of 5 consecutive years with effect from 10th May, 2021 for which the approval is being sought at the ensuing AGM.

Key Managerial Personnel's

Mr. Rakesh Kumar Kaushik, Company Secretary & Compliance Officer of the Company had resigned from the Company w.e.f. 22nd October, 2020.

Ms. Shilpa Budhia had been appointed as Company Secretary & Compliance Officer of the Company w.e.f. 5th November, 2020.

c) Declaration by Independent Directors

Pursuant to Section 149 (7) of the Companies Act, 2013, Independent Directors of the Company have submitted declarations that they meet the criteria of Independence. The Independent Directors have also complied with the Code for Independent Directors as per Schedule IV of the Companies Act, 2013. All our Independent Directors are registered on the Independent Directors Databank.

d) Formal Annual Evaluation

As per the provisions of the Companies Act, 2013, the Board is required to carry out annual evaluation of its own performance and that of its Committees and individual Directors. The Nomination and Remuneration Committee ("NRC") of the Board also carries out evaluation of every Director's performance. In view of this, the Board and NRC of your Company have carried out the performance evaluation during the year under review.

For annual performance evaluation of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board, the Company had formulated a questionnaire to assist in evaluation of annual performance of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board. Every Director had to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good.

On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its Committees and Individual Directors. The Board was satisfied with the overall evaluation process and results.

e) Separate Meeting of Independent Directors

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 13th March, 2021.

The Independent Directors at the meeting, inter alia, reviewed the following: -

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company, Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

f) Remuneration Policy

A Nomination & Remuneration Policy was laid down by the Board, on the recommendation of the Nomination & Remuneration Committee, for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration. The extract of the Nomination and Remuneration Policy covering the salient features are provided in the Corporate Governance Report which forms part of Board's Report.

The Nomination & Remuneration Policy of the Company is available on the website of the Company and the web link is: <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/nomination-and-remuneration-policy.pdf>

g) Code of Conduct for Directors and Senior Management

The Company has formulated a Code of Conduct for Directors and Senior Management Personnel and has complied with all the requirements mentioned in the aforesaid code.

MATERIAL CHANGES AND COMMITMENTS

Except the impact of COVID-19, no material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report.

SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there is no change in the nature of business of your Company.

INTERNAL FINANCIAL CONTROLS

Internal Financial Control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, timely prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

The Company has a proper and adequate system of Internal controls to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly. Such internal controls are supplemented by an extensive programme of Internal Audits, review by Management and documented policies, guidelines and procedures. These are designed to ensure that financial and other records are reliable for preparing financial information and other reports and for maintaining regular accountability of the Company's assets. IFC of the Company are adequate with reference to the Financial Statements.

MANAGEMENT DISCUSSION AND ANALYSIS

As required under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Report on Management Discussion and Analysis have been given separately forming part of this Annual Report.

SUBSIDIARY/ HOLDING/ASSOCIATE /JOINT VENTURE COMPANIES

Your Company is the holding Company of Artemis Cardiac Care Private Limited and your Company is the Subsidiary Company of Constructive Finance Private Limited. The Company is not having any Associate or Joint Venture Company.

In accordance with the provisions of Companies Act, 2013 and Ind AS 110 - Consolidated Financial Statements read with the other applicable standards, the audited consolidated financial statements are provided in the Annual Report.

A statement in Form AOC-1 containing brief financial details of Subsidiary Company for the year ended 31st March, 2021, forms part of the Annual Report.

In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the subsidiary Company on its website at <https://www.artemishospitals.com/investors>. The Company will make available physical copies of these documents upon request by any shareholder of the Company interested in obtaining the same. These documents shall also be available for inspection at the Registered Office and Corporate Office of the Company during business hours up to the date of ensuing Annual General Meeting.

MATERIAL SUBSIDIARIES

Your Company has no material subsidiaries.

DEPOSITS

The Company has neither invited nor accepted any deposits during the year within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

AUDITORS

Pursuant to Section 139 (2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the Company at its 14th Annual General Meeting (AGM) held on 3rd August, 2018, had appointed M/s. SCV & Co. LLP, Chartered Accountants, Firm Registration No. 000235N/ N500089, as Statutory Auditors for a period of 3 years i.e. up to the conclusion of the 17th AGM to be held in the year 2021. The present term of M/s. SCV & Co. LLP, Statutory Auditors, would expire at the conclusion of the ensuing AGM.

The Board of Directors of your Company on recommendation of the Audit Committee has proposed the appointment of M/s. TR Chadha & Co. LLP, Chartered Accountants, Firm Registration No. 006711N/N500028, as the Statutory Auditors of the Company to hold office for a period of 5 consecutive years i.e. from the conclusion of this 17th AGM until the conclusion of the 22nd AGM.

AUDITOR'S REPORT

The report given by M/s. SCV & Co. LLP, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY 2020-21 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark or comments.

During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

COST AUDIT

The Board at its meeting held on 22nd May, 2020 had approved the re-appointment of M/s. Chandra Wadhwa & Co., Cost Accountants (FRN: 000239) as Cost Auditors of the Company for the FY 2020- 21.

Further, the Board in its Meeting held on 3rd August, 2020 had approved the Cost Audit Report presented by M/s. Chandra Wadhwa & Co., Cost Accountants (FRN: 000239) for the FY 2019-20. There was no qualification, reservation or adverse remark or comments in the Cost Audit Report.

The Cost Audit Report for the FY 2020-21 will be placed before the Board in its ensuing Board Meeting.

Further, based on the recommendation of Audit Committee at its meeting held on 10th May, 2021, M/s. Chandra Wadhwa & Co, Cost Accountant, being eligible, have also been appointed by the Board as the Cost Auditors for FY 2021-22. The Company has received a letter from them to the effect that their re-appointment would be within the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013. The remuneration to be paid to M/s. Chandra Wadhwa & Co., for FY 2021-22 is subject to ratification of the shareholders at the ensuing AGM.

Cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Companies Act, 2013 are made and maintained by the Company.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company in the Board meeting dated 22nd May, 2020 had re-appointed M/s Chandrasekaran Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the Financial Year 2020-21.

The Secretarial Audit Report submitted by M/s Chandrasekaran Associates for the Financial Year 2020-21 is annexed as Annexure – I and forms part of this report. Further, there has been no qualification, reservation, adverse remarks or disclaimer made by the Secretarial Auditors in their report for the financial year ended 31st March, 2021.

The Secretarial Auditors have reported that during the period under review, except in a few cases, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. relating to filing of forms / intimation with the Registrar of Companies / Stock Exchanges.

It was informed that the delay in filing of few forms / intimation with the Registrar of Companies / Stock Exchanges was due to the disruption caused by Covid-19 Pandemic.

Further, the Secretarial Auditor had also mentioned that the Board had approved the appointment of Dr. Gautam Chaudhuri as Independent Director aged 78 years in its Board Meeting held on 3rd August, 2020 with immediate effect and the same was approved by the shareholders of the Company in its 16th Annual General Meeting of the Company held on 23rd September, 2020.

It was informed that since the Annual General Meeting was scheduled in the month following the appointment of Dr. Gautam Chaudhuri, so the Company decided to obtain shareholders' approval in the 16th Annual General Meeting of the Company held on 23rd September, 2020.

Further, during the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013.

M/s. Chandrasekaran Associates, Practicing Company Secretaries, being eligible, were re-appointed by the Board in its meeting dated 10th May, 2021 to carry out the Secretarial Audit for the FY 2021-22.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2020-21, 4 (four) Board meetings were held. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of all Board/ Committee meetings held are given in the Corporate Governance Report forming part of this Report.

AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report forms part of Board's Report.

The Board, during the year under review had accepted all recommendations made to it by the Audit Committee.

VIGIL MECHANISM

The Company has formulated a vigil mechanism through Whistle Blower Policy to deal with instances of unethical behaviour, actual or suspected, fraud or violation of Company's code of conduct. The details of the policy are explained in the Corporate Governance Report and also posted on the website of the Company.

COMMITTEES OF BOARD

As per the requirements under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Business Responsibility Committee, Sweat Equity Allotment Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

SHARE CAPITAL

As on 31st March, 2021, the Authorized Share Capital of the Company is ₹ 70,05,00,000/- (Rupees Seventy Crore and Five Lacs Only) divided into: -

- i. 6,95,50,000 (Six Crore Ninety-Five Lacs and Fifty Thousand) Equity Shares of ₹ 10/- each and
- ii. 50,000 (Fifty Thousand) 11% Non-Cumulative Preference Shares of ₹ 100/- each.

As on 31st March, 2021, the issued, subscribed and paid-up Equity Share Capital of the Company is ₹ 13,23,77,000/- (Rupees Thirteen Crore Twenty-Three Lacs and Seventy-Seven Thousand Only) comprising of 1,32,37,700 Equity Shares of ₹ 10/- each.

a. Issue of Equity Shares with Differential Rights

Your Company has not issued any Equity Shares with Differential Rights during the year under review.

b. Issue of Sweat Equity Shares

Your Company has not issued any Sweat Equity Shares during the year under review.

c. Issue of Employee Stock Options

Pursuant to the approval of the members by way of Postal Ballot held on 14th March, 2021, your Company had implemented Artemis Medicare Management Stock Option Plan – 2021 ("the Plan") to create, offer, grant, issue and allot under the Plan, a maximum of 6,96,700 (Six Lac Ninety-Six Thousand Seven Hundred) Stock Options exercisable into 6,96,700 (Six Lac Ninety-Six Thousand Seven Hundred) equity shares of face value ₹ 10/- each fully paid up to Dr. Devlina Chakravarty, Managing Director, being eligible employee, at the exercise price of ₹10/- per Option in one or more tranches from time to time and on such other terms and conditions, as contained in the Plan.

The Company has obtained a Certificate from the Statutory Auditors of the Company that the Plan has been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB Regulations) and the resolution passed by the members of the Company. The Certificate would be placed at the Annual General Meeting for inspection by members.

Further, in terms of the provisions of Regulation 14 of the SEBI SBEB Regulations, the required disclosures are annexed as Annexure II to this Report.

d. Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

Your Company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to the requirements under Section 134(3) (g) of the Companies Act, 2013, Details of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the note no. 12 to the Standalone Financial Statements forming part of this Annual Report.

RELATED PARTY TRANSACTIONS

All arrangements/ transactions/ contracts entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year under review, the Company had not entered into any arrangement/ transaction/ contract with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions under Section 188(1) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Suitable disclosures as required by the Indian Accounting Standards have been made in the note no. 30 to the Standalone financial statements forming part of this Annual Report. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

MANAGERIAL REMUNERATION

The details required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure III to this Report.

PARTICULARS OF EMPLOYEES

Particulars of employees as required in terms of the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure III to the Board's Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has in place a formal policy for prevention of sexual harassment of its employees at workplace and the Company has complied with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AWARDS AND RECOGNITIONS

Your Company was honoured and recognised at various forums in its constant quest for growth and excellence. The prominent Awards are listed below for your reference.

Name of the Award	Awarding Year	Rewarding organization
Artemis Hospital designated "Academic Center for FMAS (AMASI) Practical Examinations (Delhi -NCR)	Feb 2021	Association of Minimal Access Surgeons of India
Corona Front Liners Awards 2020	Nov 2020	Krystal Krown Events
"The Delhi City Icon Awards 2020" in the category of "the Best Super Specialty Hospital"	Oct 2020	Radio City 91.1 FM, Music Broadcast Limited

RISK MANAGEMENT

The Company has adequate risk assessment and management process to identify and notify the Audit Committee and the Board about the risks or opportunities that could have an adverse impact on the Company's operations or that could be exploited to maximize the gains. The Company has constituted an Internal Risk Management Steering Committee ("RMSC"). The RMSC has a Risk Management Charter and Policy that is intended to ensure that an effective Risk Management framework is established and implemented within the organization. The Company's approach to addressing business risks is comprehensive and the RMSC periodically reviews such risks and a framework for mitigating controls and reporting mechanism of such risks.

CORPORATE SOCIAL RESPONSIBILITY

The Company initiated its CSR activities way before the Companies Act, 2013 came in existence. The Company has a well-defined Policy on CSR as per the requirement of Section 135 of the Companies Act, 2013 ("Act") which covers the activities as prescribed under Schedule VII of the Act and the policy was duly amended to align with the provisions of Companies (CSR Policy) Amendment Rules, 2021 dated 22nd January, 2021. The Company has a CSR team, which exclusively works towards achievement of CSR goals of the organisation. All the CSR activities are carried out by the Company directly or through the registered CSR arm (Artemis Health Science Foundation) and said CSR activities are closely monitored under the guidance of CSR Committee.

During the year under review, your Company had undertaken various initiatives related to Healthcare Programme to battle the spread of novel Corona Virus and Wild Life Conservation focusing on preventive health and Conservation of natural resources, respectively. Further, in accordance with the requirements of the Companies (CSR) Policy Amendment Rules, 2021, a certificate from CFO confirming that the CSR funds disbursed for FY 2020-21 had been utilised for the purposes and in the manner as approved by the Board was placed before the Board in their Meeting held on 10th May, 2021 for their noting.

Corporate Social Responsibility Report, pursuant to clause (o) of Sub-Section (3) of Section 134 of the Act, and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 including salient features mentioned under outline of Company's CSR policy forms part of this Report as Annexure IV.

The CSR Policy of the Company is available on the website of the Company and the web link is: - <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/corporate-social-resonsibility-policy.pdf>

BUSINESS RESPONSIBILITY REPORT

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates the top 1000 Listed Companies by market capitalisation to include Business Responsibility Report ("BR Report") in their Annual Report.

Your Company falls under the top 1000 Listed Companies by market capitalization as on 31st March, 2020. Accordingly, a BR Report describing the initiatives taken by the Company from an environmental, social and governance perspective, forms part of this Report as Annexure V.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo, are enclosed as Annexure-VI, forming part of this report.

ANNUAL RETURN

In terms of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link: https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/mgt-7_amsl.pdf

CORPORATE GOVERNANCE REPORT

Your Company always places major thrust on managing its affairs with diligence, transparency, responsibility and accountability thereby upholding the important dictum that an organisation's corporate governance philosophy is directly linked to high performance.

The Company is committed to adopting and adhering to established world-class corporate governance practices. The Company understands and respects its fiduciary role and responsibility towards its stakeholders and society at large, and strives to serve their interests, resulting in creation of value and wealth for all stakeholders.

The compliance report on Corporate Governance and the Certificate on Corporate Governance received from M/s. SCV & Co. LLP, Chartered Accountants (Firm Registration No.000235N/ N500089), Statutory Auditors, of the Company, regarding compliance of the conditions of Corporate Governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

- a) in the preparation of the annual accounts, for the year ended 31st March, 2021 the applicable accounting standards have been followed and no material departures have been made from the same;
- b) the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the profit of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

During the financial year under review, your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENT

Your Company's organizational culture upholds professionalism, integrity and continuous improvement across all functions, as well as optimum utilisation of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their appreciation to business partners, members, bankers and other stakeholders for their continued support during the year. We also thank all our employees for their contributions towards the growth of your Company.

For and on behalf of the Board of Directors

Place: London
Date : 10th May, 2021

Sd/-
Onkar Kanwar
Chairman
DIN : 00058921

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members
Artemis Medicare Services Limited
Plot No. 14, Sector 20, Dwarka,
South West Delhi,
Delhi 110075

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Artemis Medicare Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 to the extent applicable;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**
- (vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:
 - 1. Atomic Energy Act, 1962 & Atomic Energy (Safe Disposal of Radioactive Wastes) Rules, 1987
 - 2. Bio Medical Waste (Management and Handling) Rules, 1998
 - 3. Legal Metrology Act, 2009 & Rules

4. Food Safety & Standard Act, 2006 and allied acts/rules/regulations
5. Drugs & Cosmetics Act, 1940 read with the Drugs & Cosmetics Rules
6. The Narcotics Drugs and Psychotropic Substances Act, 1985
7. The Medical Termination of Pregnancy Act, 1971 read with 2002 Amendments and The Medical Termination of Pregnancy Rules, 2003
8. Pre-Conception and Pre-Natal Diagnostic Techniques(Regulation and Prevention of Misuses) Act, 1994 read with The Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuses) Rules, 1996
9. The Indian Medical Council Act, 1956 and the Indian Medical Council (Amendment) Act, 2001 and Indian Medical Council (Professional conduct, Etiquette and Ethics) Regulations, 2002
10. The Indian Nursing Council Act, 1947 read with The Punjab Nurses Registration Act, 1932
11. Delhi Nursing Home Registration Act, 1953 read with Rules/Regulations and similar Acts as applicable in States other than Delhi including Clinical Establishments (Registration and Regulation) Act, 2010 read with Rules
12. Transplantation of Human Organs Act, 1994 read with Transplantation of Human Organs Rules, 1995
13. The Epidemic Diseases Act, 1897
14. The Drugs Control Act, 1950
15. Pharmacy Act, 1948
16. Clinical Thermometers Quality Control Order, 2001
17. Dentist Act, 1948 and Dentist (Code of Ethics) Regulations, 1976
18. The Municipal Corporation Act, 1976 read with allied Rules/ Regulations
19. Haryana Municipal Corporation Act, 1994 read with Rules/Regulations
20. Delhi Municipal Corporation Act, 2011 read with Rules/ Regulations
21. Motor Vehicles Act, 1988, Central Motor Vehicles Rules, 1989 and Motor Vehicles Rules, 1993
22. Maintenance of Medico Legal cases and Medical Consents
23. Ethical Guidelines for Bio-Medical Research on Human Participants, ICMR
24. ICH Harmonized tripartite Guideline for Good Clinical Practice.
25. Guidelines for laboratory practices by National Accreditation Board for Testing and Calibration Laboratories
26. National guidelines for Ethical Conduct
27. Essential Commodities Act, 1955

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, except in a few cases, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above relating to filing of forms / intimation with the Registrar of Companies / Stock Exchanges.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has approved the appointment of Dr. Gautam Chaudhuri as Independent Director aged 78 years in its Board Meeting held on 3rd August, 2020 with immediate effect and the same

was approved by the shareholders of the Company in its 16th Annual General Meeting of the Company held on 23rd September, 2020.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. The Board of Directors of the Company accorded its consent on 3rd August, 2020 for the issuance of 6,96,700 sweat Equity shares having face value of ₹ 10/- constituting approximately 5% of the post issued capital to Dr. Devlina Chakravarty, Managing Director of the Company. The aforesaid issue was withdrawn by the Board in its meeting held on 5th November, 2020.
2. The Company had approved the Artemis Medicare Management Stock Option Plan – 2021 in the Board meeting held on 4th February, 2021. The Company had approved to grant , offer, issue and allot 6,96,700 Stock Options exercisable into equal number of equity shares, comprising approximately 5% of the expanded capital of the Company and exceeding 1% of the issued capital at the time of grant of the Stock Options, to Dr. Devlina Chakravarty, Managing Director of the Company, at the exercise price of ₹10/- per Option.

For **Chandrasekaran Associates**
Company Secretaries

Sd/-

Shashikant Tiwari

Partner

Membership No. A28994

Certificate of Practice No. 13050

UDIN: A028994C000260269

Date : 8th May, 2021

Place : Delhi

Note:

1. *This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*
2. *Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before 31st March, 2021 pertaining to Financial Year 2020-21.*

To,
The Members
Artemis Medicare Services Limited
Plot No. 14, Sector 20, Dwarka,
South West Delhi,
Delhi 110075

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**
Company Secretaries

Sd/-
Shashikant Tiwari
Partner
Membership No. A28994
Certificate of Practice No. 13050
UDIN: A028994C000260269

Date : 8th May, 2021
Place : Delhi

DISCLOSURE UNDER REGULATION 14 OF SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATIONS, 2014

Sr. No	Particulars	Artemis Medicare Management Stock Option Plan – 2021 (“the Plan”)
A.	Any material change in the Plan and whether the Plan is in compliance with the regulation	The Shareholders had approved the Plan vide Postal Ballot on 14 th March, 2021 and thereafter no material changes was incorporated in the Plan. Further, the Plan is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
B.	Following disclosures are made on the website of the Company : https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/disclosure-under-regulation-14-of-sebi-sbeb-regulations-2014.pdf	
C.	Details related to the Plan :	
(i)	A description of the Plan that existed at any time during the year, including the general terms and conditions of the Plan, including -	
	(a) Date of shareholders’ approval	The shareholders approved the Plan and grants to Eligible employees under regulation 6(3)(d) of the SEBI (Share Based Employee Benefits), Regulations, 2014 through Postal Ballot resolution dated 14 th March, 2021.
	(b) Total number of stock options approved under the Plan	The maximum number of Options approved pursuant to the Plan is 6,96,700 (Six Lacs Ninety-Six Thousand Seven Hundred) which shall be convertible into equal number of Equity Shares of the Company.
	(c) Vesting requirements	As per the plan, vesting period shall commence after minimum One (1) year from the grant date and it may extend upto maximum of Four (4) years from the grant date, at the discretion of and in the manner prescribed by the Nomination and Remuneration Committee of the Board.
	(d) Exercise price or pricing formula	The Exercise Price for Options will be ₹ 10/- per stock option. In any event, the Exercise price will not be below the face value of Equity Shares of the Company.
	(e) Maximum term of stock options granted	The Options granted shall vest equally over a period of 4 years subject to continued employment with the Company.
	(f) Source of shares (primary, secondary or combination)	Primary
	(g) Variation in terms of stock options	Not Applicable
(ii)	Method used to account for the Plan - Intrinsic or fair value	Fair value
(iii)	Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the Company shall also be disclosed.	The Company had opted for using the fair value method for expensing of the options. Hence, same is not applicable.

Note: The Company has not granted any stock options during the Financial Year 2020-21 hence other disclosures as stipulated under SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 is **not applicable**. The Options approved under the Plan are granted during FY 2021-22 and hence the complete disclosures as stipulated under SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 will be provided in the next year’s Annual Report.

Details under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014										
Rule	Particulars	Details of Remuneration								
5(1)(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	<table border="1"> <thead> <tr> <th>Name of Director</th> <th>Ratio of remuneration of Director to the Median remuneration</th> </tr> </thead> <tbody> <tr> <td>Dr. Devlina Chakravarty</td> <td>2105</td> </tr> </tbody> </table> <p><i>Note: None of the Non-Executive Directors have received any remuneration from the Company other than sitting fees for attending Board meetings and Committees meetings and consultancy fees during the FY 2020-21.</i></p>	Name of Director	Ratio of remuneration of Director to the Median remuneration	Dr. Devlina Chakravarty	2105				
Name of Director	Ratio of remuneration of Director to the Median remuneration									
Dr. Devlina Chakravarty	2105									
5(1)(ii)	The Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY-2020-21	Their is no percentage increase in remuneration of any Director or Key Managerial personnel								
5(1)(iii)	The percentage increase in the median remuneration of employees in the financial year	<table border="1"> <thead> <tr> <th colspan="2">Median</th> <th rowspan="2">%</th> </tr> <tr> <th>FY 2019-20</th> <th>FY 2020-21</th> </tr> </thead> <tbody> <tr> <td>₹ 22,958/-</td> <td>₹ 23,459/-</td> <td>2%</td> </tr> </tbody> </table>	Median		%	FY 2019-20	FY 2020-21	₹ 22,958/-	₹ 23,459/-	2%
Median		%								
FY 2019-20	FY 2020-21									
₹ 22,958/-	₹ 23,459/-	2%								
5(1)(iv)	The number of permanent employees on the rolls of the Company	1551								
5(1)(viii)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof	No increase								
5(1)(xii)	Affirmation that the remuneration is as per the remuneration policy of the Company	Affirmed								

Information as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Employee employed throughout the financial year and Gross Total Income is equal to or more than ₹ 1.02 Crore.										
Sr	Name	Designation	Qualifications and experience	Date of commencement of employment	Age	Remuneration (₹ In Lacs)	Previous Employment before joining the Company	Last Designation	Nature of Employment	No. of shares held
1	Dr. Devlina Chakravarty	Managing Director	MBBS; MD (Radio Diagnosis); PG in Hospital Management Experience – 25 Years	1 st October, 2011	56 Years	₹ 508.99	Max Healthcare Institute Limited	Executive Director	Permanent	-
2	Dr. (Col) Manjinder Singh Sandhu	Director - Cardiology	MBBS; DNB; DM; Experience- 21 years	1 st May, 2013	59 Years	₹ 214.41	Batra Hospital	Sr. Consultant	Permanent	-

Note: None of the above employees are related to any Director.

- Employee employed for a part of financial year and was in receipt of remuneration for any part of the year at a rate in aggregate was not less than ₹ 8.50 lacs per month – Not applicable
- Employee employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the Equity shares of the Company – Not applicable

and on behalf of the Board of Directors

Sd/-
Onkar Kanwar
Chairman
DIN : 00058921

Place : London
Date : 10th May, 2021

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES

[Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline of the Company’s CSR policy: The Company is committed to incorporating policies, systems and approaches to achieve its positive impact growth objectives. Deeply inherent in our vision statement are the principles of sustainability. The CSR approach stems from our vision statement focusing on “continuously enhancing stakeholder value”, which includes the larger society and environment in which the Company operates. The CSR philosophy of the Company rests on the principle of sustainability and self-reliance. It also embeds a dimension of philanthropy. At the core of Company’s responsibility belief is stakeholder engagement. Consequently, all the projects the Company has link to its stakeholders, the issues they face and the issues organization has identified to support on philanthropy front.

2. Composition of CSR Committee:

S. No.	Name of Director	DIN	Designation / Nature of Directorship	No. of meetings of CSR Committee	
				held during the year	attended during the year
i	Ms. Shalini Kanwar Chand	00015511	Non-Executive Director, Chairperson of Committee	3	3
ii	Dr. S. Narayan	00094081	Independent Director, Member of Committee	3	3
iii	Dr. Devlina Chakravarty	07107875	Managing Director, Member of Committee	3	3
iv	Dr. Nirmal Kumar Ganguly	02316154	Non-Executive Director, Member of Committee	3	3

- 3 Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board is disclosed. : <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/corporate-social-responsibility-policy.pdf>
<https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/csr-projects-and-composition.pdf>
- 4 Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of Companies(CSR Policy) Rules, 2014) : Not Applicable
- 5 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year. : Not Applicable
- 6 Average net profit of the Company as per section 135(5) : ₹ 3,582.68 Lacs
- 7 (a) Two percent of Average net profit of the Company as per section 135(5) : ₹ 71.65 Lacs
- (b) Surplus arising out of the CSR projects/ programmes or activities of the previous financial year : Nil
- (c) Amount required to be set on/ set off for the financial year, if any : Nil
- (d) Total CSR obligation for the financial year (7a+7b+7c) : ₹ 71.65 Lacs
- 8 (a) CSR amount spent / unspent for the financial year : As under:-

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 78.19 Lacs	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

(b) Details of CSR amount spent against ongoing projects for the financial year:

S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
										Name	CSR Registration number
Not Applicable											

(c) Details of CSR amount spent against other than ongoing projects for the financial year :

S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount Spent for the project	Mode of Implementation Direct (Yes/No)	Mode of Implementation Through Implementing Agency	
				State	District			Name	CSR registration number
1	COVID medical support and service	Preventive Healthcare	Yes	Haryana	Gurugram	₹ 40.65 Lacs	Yes (Direct)	NA	NA
2	COVID Support	Preventive Healthcare	Yes	Haryana	Gurugram	₹ 2.54 Lacs	No	Artemis Health Sciences Foundation	CSR00004304
3	Wildlife Conservation	Conservation of natural resources	Yes	Haryana	Gurugram	₹ 35.00 Lacs	Yes (Direct)	NA	NA
TOTAL						₹ 78.19 Lacs			

- (d) Amount spent in Administrative Overheads : NIL
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 78.19 Lacs
- (g) Excess amount for set off, if any : Nil

S. No.	Particular	Amount (in ₹)
i.	Two percent of average net profit of the Company as per section 135(5)	₹ 71.65 Lacs
ii.	Total amount spent for the Financial Year	₹ 78.19 Lacs (including the Unspent amount of previous year)
iii.	Excess amount spent for the financial year [(ii)-(i)]	₹ 6.54 Lacs (Unspent amount of previous year)
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

9 (a) Details of Unspent CSR amount for the preceding three financial years:

Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount Spent in the Current Financial Year(in ₹)	Amount transferred to any CSR Fund as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years
			Amount (in ₹)	Date of Transfer	
2017-18	NIL	NIL	NIL	NA	NIL
2018-19	NIL	NIL	NIL	NA	NIL
2019-20	NIL	₹ 6.54 Lacs	NIL	NA	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

S. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative Amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Not Applicable								

10 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Nil
(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). : Nil

(b) Amount of CSR spent for creation or acquisition of capital asset. : Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : Nil

11 Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5). : NA

On behalf of the Board of Directors
For Artemis Medicare Services Limited

On behalf of the Board of Directors
For Artemis Medicare Services Limited

Sd/-
Dr. Devlina Chakravarty
Managing Director
DIN : 07107875

Sd/-
Ms. Shalini Kanwar Chand
Chairperson of CSR Committee
DIN : 00015511

Place: Gurugram
Date: 10th May, 2021

Place: London
Date: 10th May, 2021

BUSINESS RESPONSIBILITY REPORT (“BRR”)of the Company for the financial year ended on 31st March, 2021

(Pursuant to Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number of the Company	:	L85110DL2004PLC126414
2	Name of the Company	:	Artemis Medicare Services Limited
3	Registered Address	:	Plot No. 14, Sector 20, Dwarka, South West Delhi – 110075
4	Website	:	https://www.artemishospitals.com/
5	E-mail id	:	investor@artemishospitals.com
6	Financial Year Reported	:	1 st April, 2020 - 31 st March, 2021
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	:	Healthcare Sector
8	List three key products/ services that the Company manufactures /provides (<i>as in balance sheet</i>)	:	Healthcare services Drugs & Medicines Diagnostic Services
9	Total number of locations where business activity is undertaken by the Company	:	Gurugram – Haryana
10	Markets served by the Company – Local/State/National/International/	:	India, Africa, Middle East, Central Asia, and South Asia

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	:	₹ 13,23,77,000 comprising of 1,32,37,700 Equity shares of ₹ 10/- each
2	Total Turnover (INR)	:	Standalone: ₹ 40,206.37 Lacs Consolidated : ₹ 40,840.34 Lacs
3	Total Profit After tax (INR)	:	Standalone: ₹ 708.71 Lacs Consolidated: ₹ 616.00 Lacs
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax	:	₹ 71.65 Lacs
5	List of activities in which expenditure as stated above has been incurred	:	Please refer to the “Report on CSR Activities” attached as Annexure IV to the Board’s Report forming part of the Annual Report.

SECTION C: OTHER DETAILS**1. Does the Company have any Subsidiary Company/ Companies?**

Yes.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such Subsidiary Company(s):

At present, the BR initiatives have been undertaken at parent Company level.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:-

At present, the BR initiatives have been undertaken at Company level.

SECTION D: BR INFORMATION**1. Details of Director/Directors responsible for BR****a) Details of the Director/Directors responsible for implementation of the BR policy**

i.	DIN	:	07107875
ii	Name	:	Dr. Devlina Chakravarty
iii	Designation	:	Managing Director

b) Details of the BR head

i.	DIN	:	07107875
ii	Name	:	Dr. Devlina Chakravarty
iii	Designation	:	Managing Director
iv.	Telephone No.	:	0124-4511 111
v	E-mail ID	:	Info@artemishospitals.com

LIST OF PRINCIPLES

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

Principle 3: Businesses should promote the wellbeing of all employees.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

Principle 5: Businesses should respect and promote human rights.

Principle 6: Business should respect, protect and make efforts to restore the environment.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8: Businesses should support inclusive growth and equitable development.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

I. Principle-wise (as per NVGs) BR Policy

Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1 Do you have a policy /policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2 Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3 Does the policy conform to any national/international standards? If yes, specify? (50words) ¹	Y	Y	Y	Y	Y	Y	Y	Y	Y
4 Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director? ²	Y	Y	Y	Y	Y	Y	Y	Y	Y
5 Does the Company have a specified Committee of the Board/ Director/Official to oversee the implementation of the policy? ³	Y	Y	Y	Y	Y	Y	Y	Y	Y
6 Indicate the link for the policy to be viewed online? ⁴	Y	Y	Y	Y	Y	Y	Y	Y	Y
7 Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8 Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y

9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency	All the policies have been formulated in consultation with various stakeholders, however the Company plans to carry out an internal/external assessment in due course of time.								

¹ The Company conforms to the following national and international standards:

- i) NVG Guidelines issued by the Ministry of Corporate Affairs, GOI
- ii) Environment and Social Guidelines issued by IFC
- iii) Quality of healthcare guidelines issued by NABH (4th edition) and JCI (6th edition)
- iv) Green OT certification from Bureau Veritas

² As per Company practice the policies that are approved by the Board are posted on the website of the Company

³ The BR Committee shall oversee the implementation of the Policies

⁴ <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/business-responsibility-policy.pdf>

II. If answer to the question at S. No. 1 against any principle, is 'No', please explain why:

Particulars		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

c) Governance Related to BR

a.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	:	The BR Committee reviews the business performance as and when required and also on annual basis.
b.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	:	The requirement of Business Responsibility Reporting is applicable for the first time on the Company. It will be published annually as part of the annual report. The same can be accessed at our website https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/business-responsibility-policy.pdf

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1 : BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	:	The policy covers employees, suppliers, patient, contractors, service providers and their employees. Yes
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	:	During the year under review, two complaints had been received from the shareholders of the Company. These complaints were satisfactorily resolved within the prescribed timelines.

PRINCIPLE 2 : BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is into healthcare service, which has no social or environmental concerns/ risks/ opportunities. However, as a corporate citizen, the Company is conscious about its moral responsibilities.

Following key initiatives from Artemis Hospitals have had a huge impact socially:

- i. Blood Donation Camps and Participation in National Covid Vaccination Programme
- ii. Free Clinics and outreach programs in the community
- iii. Awareness drives, seminars, conferences, etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.)
A. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain.

Artemis has tried to incorporate sustainability across its activities by following highest standards of waste disposal and recycling.

B. Reduction during usage by consumers (energy, water) has been achieved since the previous year.

Artemis has always strived to implement eco-friendly activities such as conducting paperless meetings as much as possible and recycling non bio-degradable waste. The Company has also taken various steps to bring down the Energy consumption by using better technology.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes, Sustainable sourcing is the key focus area for Artemis Hospitals and is built around ethical and environmental sourcing principles to mitigate sourcing risks, stronger supplier relationships for trustworthy business conduct. To ensure the medical efficacy of goods, suppliers are asked to adhere to the guidelines as defined in Drugs and Cosmetics Act, 1947 including GMP for every manufacturer supplier. Most of the products are procured through local distribution channels of suppliers to reduce risk involved in transport and reduction in carbon footprint. Suppliers are asked to commit to Non-Conflict of Interest and are encouraged to raise ethical concerns, if any, while dealing with Artemis management at any level. Employees dealing with suppliers are covered through Artemis Hospitals employee "code of conduct".

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

To ensure effective and efficient healthcare delivery, we ensured the availability of quality product and services in our hospital. Without compromising on quality, many pharma and medical consumables are sourced from local suppliers as well. The specifications basis being both International and Indian standards, as approved by our esteemed doctors. Local suppliers develop these products which are assessed on Quality, Safety, Delivery and Morals by respective stakeholders and feedback is provided for further improvements, if required. This helps suppliers to produce quality products and develop robust supply chain so as to compete with established suppliers. Similar process is also followed while procuring non-medical goods and services from local suppliers. Periodic suppliers meeting and reviews are conducted to drive continuous improvement in quality of goods and services.

5. Does the Company have a mechanism to recycle products and waste,? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company has a documented SOP for handling Waste which is as per Government Waste management and Disposal 2016 Rules. It provides guidelines to ensure correct sorting, labeling, handling, storage, transporting and disposal of solid and liquid waste and, thus, prevention of infection and contamination of personnel and equipment.

Further the Company has vendor's authorized by Haryana State Pollution Control Board whom to handover the Bio Medical Waste/General waste and E-waste.

The Company also verifies the chain of custody documentation for the authorised waste management contractors (which will be as per individual hospital requirements) from time to time.

PRINCIPLE 3 : BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. Please indicate the total number of employees : 1551
2. Please indicate the total number of employees hired on temporary/contractual/casual basis : 34
3. Please indicate the number of permanent women employees : 785
4. Please indicate the number of permanent employees with disabilities : 2
5. Do you have an employee association that is recognized by management : No
6. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year :

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
(a)	Child labour/forced labour/involuntary labour	0	0
(b)	Sexual harassment	0	0
(c)	Discriminatory employment	0	0

7. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

(a)	Permanent Employees	83.95 %
(b)	Permanent Women Employees	76.22 %
(c)	Casual/Temporary/Contractual Employees	90.75 %
(d)	Employees with Disabilities	100 %

PRINCIPLE 4 : BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

1. Has the Company mapped its internal and external stakeholders? (Yes/No)

Yes, shareholders/investors, vendors, bankers, employees (full time employees and those on contract), contractors, business partners, patients, regulatory bodies and community are identified stakeholders for the organization.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?

Disadvantaged, vulnerable, marginalized and Below Poverty Line (BPL)/Economically Weaker Section(EWS) patients are served as per respective State Government policy for such Patients.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof:

The Company is treating BPL/EWS patients in accordance with the State Government Guidelines (for BPL/EWS category) in this regard. A separate helpdesk is provided for the BPL/EWS patients for helping BPL/EWS patients coming for treatment and such Patients are treated at discounted/subsidized rates.

PRINCIPLE 5 : BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The policy is applicable to Artemis Medicare Services Limited and its subsidiary. The Company's commitment to follow the basic principles of human rights is reflected in the checks and balances within the HR processes. The commitment to human rights is embedded in the 'Artemis Code of Conduct', adopted by the Company. All employees are sensitized to human rights as part of their orientation programme. The Company has various Internal committees to deal with all kind of Human rights issues.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

The Company has not received any complaint or concern with respect to violation of human rights.

PRINCIPLE 6 : BUSINESS SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

The Policy on environment covers the Company only. The Company encourages parties associated with its value chain like vendors, suppliers, contractors, etc. to follow the principles envisaged in the policy.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

The Company has proactively taken initiatives to create positive impact on the environment. Wild Life Conservation had been a part of the CSR initiative of the Company focusing on Conservation of natural resources.

<https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/csr-projects-and-composition.pdf>

3. **Does the Company identify and assess potential environmental risks?**

Yes

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?**

Currently, the Company has not undertaken any project related to Clean Development Mechanism.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

Following actions have been taken to reduce energy consumption:

1. Chiller Plant Optimization
2. Installation of VFDs for Higher Energy Efficiency
3. Replacement of non-LED lights with LED lights
4. Cooling Tower Replacement for improved energy efficiency

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes. All emissions/waste generated at Artemis Hospitals are within permissible limits. These are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.

7. **Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

A prosecution is filed against the Company and its Directors for non-compliance under Environment Protection Act, 1986 which is being contested.

PRINCIPLE 7 : BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

Yes, the Company is member of some Industry associations including The Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce & Industry (FICCI) among others.

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? (Yes/No)**

Yes

If yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

The Company has advocated, through the Industry associations, for improvement in the areas of Healthcare reforms and public healthcare arena.

PRINCIPLE 8 : BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

- 1. Does the Company have specified programmes/ initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof:**

Yes, the Company considers Corporate Social Responsibility as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. To oversee implementation of various initiatives, Company has formed a Board Level Committee called Corporate Social Responsibility (CSR) Committee. The details of various CSR initiatives of the Company are given in the Board's Report.

- 2. Are the programmes / projects undertaken through in-house team/own foundation /external NGO /government structures/ any other organization?**

The projects were undertaken by both the internal teams as well as through/ in-coordination with external agencies.

- 3. Have you done any impact assessment of your initiative?**

Efforts are made to make a general assessment of impact of some of the initiatives. The CSR Committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the programs and to gain insight for improving the design and delivery of future initiatives. However, no structural impact assessment is put in place at present.

- 4. What is your Company's direct contribution to community development projects- Amount in ₹ and the details of the projects undertaken?**

Please refer to the "Report on CSR Activities" attached as Annexure-IV to the Board's Report, forming part of the Annual Report.

- 5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? If yes, please explain.**

Yes, the Company regularly monitors the projects to ensure that they are adopted and continued and sustain within communities beyond our interactions.

PRINCIPLE 9 : BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

- 1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.**

For details on customer complaints/consumer cases, kindly refer note no. 38 of Standalone Financial Statements forming part of this Annual Report.

- 2. Does the Company display product information on the product label, over and above what is mandated as per local laws?**

Not Applicable.

- 3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anticompetitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof:**

No

- 4. Did your Company carry out any consumer survey/ consumer satisfaction trends?**

The Company has conducted a patient perception survey covering 23 qualitative and 19 quantitative sessions. The sample primarily comprised of Artemis and competition OPD and IPD patients. The Patients, Visitors and Customers rated us on feedback scale rating from 1-4.

**On behalf of the Board of Directors
For Artemis Medicare Services Limited**

Place : Gurugram
Date : 10th May, 2021

**Sd/-
Dr. Devlina Chakravarty
Managing Director and Chairperson of BR Committee
DIN : 07107875**

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS AND OUTGO**

[Information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of energy

(i) The steps taken or impact on conservation of Energy:

The operations of the Company are not energy-intensive. However, significant measures are being taken to reduce the energy consumption by using energy efficient equipment. Some of the efforts taken in the financial year under review are given as below:

- To interpret, plan and manage energy conservation programs in hospital Complex
- To reduce carbon emission and maximize savings by maximizing State Electricity Utilization and reducing DG set running
- Establish systems and procedures to verify, measure and monitor Energy Efficiency improvements
- To maintain / upgrade equipment up to best energy efficient standards
- To create awareness among all users about energy conservation
- Energy consumption monitoring & controlling
- Installed VFD on not stop air handling units in HVAC system

(ii) The steps taken by the Company for utilizing alternate sources of Energy:

Your Company constantly evaluates and invests in new technology to make its infrastructure more energy efficient. Active steps are taken by the management towards exploring possibilities and utilizing alternate sources of energy.

(iii) The capital investment on energy conservation equipment:

As energy costs comprises a very small part of Company's total expenses, no material capital investment on energy conservation equipment has been made during the year.

(B) Technology Absorption

(i) The efforts made towards technology absorption:

Over the years within the ambit of available resources of Company, the Company has attempted to bring into the country the best that the world has to offer in terms of technology in its continuous endeavor to serve the patients better and to bring healthcare of international standards within the reach of every individual.

(ii) The Benefits derived like product improvement, cost reduction, product development, import substitution:

- Better and efficient patient safety and care
- Cost Reduction

(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year):

- a) Details of technology imported : No technology was imported during the last 3 financial years
- b) Year of import : Not applicable
- c) Whether the technology been fully absorbed : Not applicable
- d) If not fully absorbed, areas where absorption has not taken place and reasons therefore. : Not applicable

The Company is indulged in the business of providing healthcare services and it continues to use the latest technology in medical equipment's to serve the patients better.

(iv) The expenditure incurred on Research and Development (R & D):

For Year ended 31 st March, 2021	
Particular	(₹ in Lacs)
Capital Expenditure	Nil
Recurring Expenditure	331.02
Total R & D expenditure as a % of sale (as per Profit & Loss account)	0.82 %

(C) Foreign Exchange Earning and Outgo

Particulars	(₹ in Lacs)
Foreign Exchange Earnings	3,634.31
Foreign Exchange Expenditure	41.18
Value of Imports on CIF Basis	352.97

For and on behalf of the Board of Directors

Place: London
Date: 10th May, 2021

Sd/-
Onkar Kanwar
Chairman
DIN : 00058921

REPORT ON CORPORATE GOVERNANCE

Artemis Medicare Services Limited's ("AMSL" or "Company") governance framework enjoins the highest standards of ethical and responsible conduct of business to create value for all stakeholders. It continues to focus on good corporate governance, in line with emerging local and global standards. It understands and respects its fiduciary role in the corporate world. Besides adhering to the prescribed corporate governance practices as per Regulation 4(2) read with Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company voluntarily governs itself as per highest standards of ethical and responsible conduct of business in all facets of its operations and in all interactions with its stakeholders, including shareholders, employees, consumers, lenders and the community at large.

The prime focus of the Companies Act, 2013 ("the Act"), is on shareholders' democracy, higher transparency and more disclosures, E-Governance, investor protection/minority shareholders and on Professionals' enhanced role & accountability. The current annual report of your Company contains all the information and disclosures which are required to be given under the Act/ Listing Regulations.

This report, along with the report on Management Discussion and Analysis and additional shareholder's information provides the details of implementation of the corporate governance code by your Company as contained in the Listing Regulations.

1. CORPORATE GOVERNANCE PHILOSOPHY

At AMSL, corporate governance brings direction and control to the affairs of the Company in a fashion that ensures optimum return for stakeholders. Corporate governance is the broad framework which defines the way the Company functions and interacts with its environment. It is in compliance with laws and regulations in each of the markets the Company operates, leading to effective management of the organisation. Moreover, AMSL in its journey towards sustainability is integrating sustainability practices in its corporate governance system which goes beyond compliance.

The Company is guided by a key set of values for all its internal and external interactions.

Simultaneously, in keeping with the best practices, your Company seeks to execute the practices of corporate governance by maintaining strong business fundamentals and by delivering high performance through relentless focus on the following:

- a. Transparency by classifying and explaining the Company's policies and actions to those towards whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its stakeholders. The Company believes in promotion of ethical values and setting up exemplary standards of ethical behaviour in our conduct towards our business partners, colleagues, shareholders and general public;
- b. Accountability is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company;
- c. Professionalism ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures;
- d. Trusteeship brings into focus the fiduciary role of the management to align and direct the actions of the organisation towards creating wealth and shareholder's value in the Company's quest to establish a global network, while abiding with global norms and cultures;
- e. As part of Corporate Responsibility, the Company believes in working towards sustainable development - environmental and social. Though the journey on sustainability is recent, it is already a key pillar in its next five-year growth journey;
- f. Safeguarding integrity ensures independent verification and truthful presentation of the Company's financial position. For this purpose, the Company has also constituted an Audit Committee which pays particular attention to the financial management process;
- g. Continuous focus on training and development of employees and workers to achieve the overall corporate objectives while ensuring employee integration across national boundaries.

Your Company is open, accessible and consistent with its communication. AMSL shares a long term perspective and firmly believes that good corporate governance practices underscore its drive towards competitive strength and sustained performance. Thus, overall corporate governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and at all operational levels.

2. BOARD OF DIRECTORS

At AMSL, we believe that an active, well-informed and Independent Board is necessary to ensure highest standards of Corporate Governance. The Board of Directors of AMSL, being at the core of its Corporate Governance practice, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders.

AMSL's Board consists of an optimal combination of Executive Director and Independent Directors including Woman Director, representing a judicious mix of professionalism, knowledge and experience. The Directors bring in expertise in the fields of strategy, management, business development, legal, finance and economics, among others. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

- a) **Composition of Board:** The size and composition of the Board meet the requirements of Regulation 17(1) of Listing Regulations. The Company's Board of Directors consists of 9 Directors including, Executive and Non-Executive Directors and leading professionals in their respective fields. The following is the percentage of Executive and Non-Executive Directors of the Company as on 31st March, 2021:

Category of Directors	No. of Directors	% of total no. of Directors
Executive	1	11.11
Non-Executive (including Independent Directors & Women Director)	8	88.89
Total	9	100

Note: Dr. Gautam Chaudhuri had resigned from the post of Directorship w.e.f. 9th March, 2021. As per the Act, the vacancy of an Independent Director shall be filled-up by the Board at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later. Accordingly, the same was complied by the Company.

The constitution of the Board and attendance record of Directors for FY 2020-21 are given below:

Name/Designation of Director	Executive/ Non-Executive / Independent	No. of positions held in Other Companies		Directorship in Listed Company(s)		No. of Board Meetings Attended ⁽³⁾	Attendance at last AGM
		Board ⁽¹⁾	Committee ⁽²⁾	Name of the Company	Position held		
Mr. Onkar Kanwar	Promoter, Non-Executive	3	2	Apollo Tyres Limited	Chairman	4	No
				PTL Enterprises Ltd.	Chairman		
Mr. Neeraj Kanwar	Non-Executive	2	2	Apollo Tyres Limited	Vice-Chairman & Managing Director	4	Yes
				PTL Enterprises Ltd.	Non-Executive Director		
Ms. Shalini Kanwar Chand	Non-Executive	0	0	Nil	NA	4	Yes
Dr. S. Narayan	Independent	4	2	Dabur India Limited	Independent Director	4	Yes
				Seshasayee Paper and Boards Limited	Independent Director		
				IIFL Wealth Prime Limited	Independent Director		
Dr. Sanjaya Baru	Independent	1	2	Wockhardt Limited	Independent Director	4	Yes

Name/Designation of Director	Executive/ Non-Executive / Independent	No. of positions held in Other Companies		Directorship in Listed Company(s)		No. of Board Meetings Attended ⁽³⁾	Attendance at last AGM
		Board ⁽¹⁾	Committee ⁽²⁾	Name of the Company	Position held		
Ms. Deepa Gopalan Wadhwa ⁽⁴⁾	Independent	6	4	JK Cement Limited	Independent Director	4	Yes
				JK Paper Limited	Independent Director		
				NDR Auto Component Limited	Independent Director		
				Bengal & Assam Company Limited	Independent Director		
				Mindtree Limited	Independent Director		
Dr. Nirmal Kumar Ganguly	Non-Executive	2	0	Nil	NA	4	Yes
Dr. Devlina Chakravarty	Executive	1	0	Nil	NA	4	Yes
Mr. Sanjib Sen ⁽⁵⁾	Independent	0	0	Nil	NA	3	Yes
Dr. Gautam Chaudhuri ⁽⁶⁾	Independent	0	0	Nil	NA	0	No
Mr. Akshay Kumar Chudasama ⁽⁷⁾	Independent	2	3	Apollo Tyres Limited	Independent Director	2	No
				Bata India Limited	Independent Director		
Mr. Ugar Sain Anand ⁽⁸⁾	Independent	2	0	PTL Enterprises Ltd.	Independent Director	2	Yes
Mr. Sunil Tandon ⁽⁸⁾	Independent	2	0	PTL Enterprises Ltd.	Independent Director	2	Yes

- (1) This includes Directorships held in Public Limited Companies and Subsidiaries of Public Limited Companies and excludes Directorships in Section 8 Companies and Private Limited Companies and Overseas Companies.
- (2) For the purpose of Committees of Board of Directors, only Audit and Stakeholders' Relationship Committees in other Public Ltd. Companies and Subsidiaries of Public Ltd. Companies are considered.
- (3) During FY 2020-21, Four Board Meetings were held.
- (4) Pursuant to the Act and Listing Regulations, Ms. Deepa Gopalan Wadhwa was appointed as an Independent Director with effect from 22nd May, 2020.
- (5) Pursuant to the Act and Listing Regulations, Mr. Sanjib Sen was appointed as an Independent Director with effect from 3rd August, 2020.
- (6) Pursuant to the Act and Listing Regulations, Dr. Gautam Chaudhuri was appointed as an Independent Director with effect from 3rd August, 2020. He ceased to be Director w.e.f. 9th March, 2021. In lieu of that he shall not be treated as an Independent Director.
- (7) Mr. Akshay Kumar Chudasama, Independent Director ceased to be a Director w.e.f. 5th August, 2020.
- (8) Mr. Ugar Sain Anand and Mr. Sunil Tandon, Independent Directors ceased to be Directors upon completion of their terms of appointment on 9th October, 2020.

None of the Directors of your Company is a member of more than 10 Committees or is the Chairman of more than 5 Committees across all the Companies in which he/ she is a Director.

The Company had paid Consultancy fees of ₹ 20.17 lacs during FY 2020-21 to Dr. Nirmal Kumar Ganguly, Non-Executive Director of the Company for services rendered by him as office of place of profit. The Board has determined that such payment in the context of overall expenditure by the Company is not significant.

Further, in compliance with Regulation 17A of the Listing Regulations, none of the Independent Directors hold directorships in more than seven listed companies. Further, none of the Directors who serves as Whole-Time Director / Managing Director in any listed entity serves as an Independent Director in more than three listed entities. The Managing Director does not serve as Independent Director on any listed Company.

As required under Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held on 13th March, 2021. The Independent Directors at the meeting, inter-alia, reviewed the following: -

- Performance of Non-Independent Directors and Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that was necessary for the Board to effectively and reasonably perform their duties;

b) Performance evaluation of Independent Directors:

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Director.

For annual performance evaluation, the Company has formulated a questionnaire to assist in evaluation of the performance. Every Director has to give rating for each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated.

c) Board Functioning & Procedure:

AMSL Board is committed to ensure good governance through a style of functioning that is self-governing. The members of the Board always have complete liberty to express their opinion and decisions are taken on the basis of consensus arrived at after detailed discussions. They are also free to bring up any matter for discussion at the Board Meetings.

AMSL Board meets at least once in every quarter to discuss and review the quarterly results and other items of agenda, including the information required to be placed before the Board, as required under Regulation 17(7) read with Part A, Schedule II of the Listing Regulations and additional meetings are held as and when required. The Chairman of the Board, Managing Director, Chief Financial Officer and the Company Secretary discuss the items to be included in the agenda and the detailed agenda, management reports and other explanatory statements are circulated well in advance of the meeting. Senior Management officials are called to provide additional inputs on the matters being discussed by the Board/Committee.

Paperless Board Meetings: With a view to leverage technology and reduce paper consumption, the Company has adopted a web-based application for transmitting Board/ Committees Agenda. The Directors of the Company receive the Agenda in electronic form through this application, which can be accessed through Browsers or iPads. The application meets high standards of security and integrity that is required for storage and transmission of Board/Committees Agenda in electronic form.

Post Meeting follow up procedure: The Board has an effective post meeting follow up procedure. Items arising out of previous Board Meeting and their follow up action report are placed at the immediately succeeding meeting for information of the Board.

d) Information placed before the Board of Directors:

The Board has complete access to all the information available within the Company. The following information, inter-alia, is provided periodically by the management to the Board for its review:

- Quarterly/Half yearly/Yearly financial results (consolidated & standalone) and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis).
- Minutes of the Subsidiary (on quarterly basis).

- Internal/External Audit findings & recommendations (on quarterly basis).
- Report on Reconciliation of Share Capital Audit (on quarterly basis).
- Secretarial Audit Report (on Annual basis).
- Related Parties Transactions (on quarterly basis).
- Information on Cost Audit (on Annual basis).
- Compliance certificates on applicable laws on AMSL (on quarterly basis).
- Compliance Reports: Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis).
- Foreign Exchange exposure & steps taken to limit the risk (on quarterly basis).
- Investment/deployment of funds & borrowings (on quarterly basis).
- Annual Report (on Annual basis).
- Material legal cases (on quarterly basis).
- Capital and Revenue Budgets (on Annual basis).
- Review of Material Events and Transactions (on quarterly basis).
- Overall business scenario, operations of the company (on quarterly basis).
- Banking facilities and its utilization (on quarterly basis).
- Growth and expansion plans (as and when required).
- Investment in Subsidiary Companies & providing guarantee etc. (as and when required).
- Codes and Policies (as and when required).
- Update on statutory compliance requirements and implementation process (as and when required).

The Chairman, Managing Director, Chief Financial Officer and Company Secretary keep the members of the Board informed about any material development/business update through various modes viz. emails, letters, telecom etc. from time to time.

e) Core Skills /Expertise/ Competencies available with the Board:

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Team Building.
- Operational experience.
- Administrative & Government Relations.
- Strategic Planning and Business Development and negotiations.
- Industry Experience and Research & Development.
- Financial Expertise & Risk Management.
- Legal & Regulatory Expertise.

While all the Board members possess the skills identified, their area of core expertise is given below:

Mr. Onkar Kanwar	Leadership/ Operational experience, expert in Strategic planning and Business Development and Risk Management
Mr. Neeraj Kanwar	Leadership/ Operational experience, expert in Strategic Planning and Business Development and Risk Management
Ms. Shalini Kanwar Chand	Business negotiations, Strategic Planning and Business Development and Team building
Dr. Devlina Chakravarty	Industry Experience and Research & Development with Administrative and Management Skills, Team building, Risk management
Dr. S Narayan	Expertise in Administrative & Government Relations, Financial Expertise, Strategic Planning
Dr. Nirmal Kumar Ganguly	Industry experience and Research & Development and Risk Management
Dr. Sanjaya Baru	Expertise in Administrative & Government Relations, Strategic Planning
Ms. Deepa Gopalan Wadhwa	Expertise in Administrative & Government Relations, Strategic Planning
Mr. Sanjib Sen	Legal & Regulatory Expertise in constitutional laws, corporate and taxation laws, criminal and civil laws

f) Relationship amongst Directors:

Mr. Neeraj Kanwar, Non-Executive Director is the son of Mr. Onkar Kanwar, Chairman of the Company and Ms. Shalini Kanwar Chand, Non-Executive Director is the Daughter of Mr. Onkar Kanwar, Chairman and sister of Mr. Neeraj Kanwar, Non-Executive Director of the Company. None of the other Directors are related to each other.

g) Profile of the Chairman & Managing Director:

1. Mr. Onkar Kanwar (Chairman)

As the Chairman of AMSL, Mr. Onkar Kanwar is the chief architect of the Company's vision and value-driven business strategy. Under his able leadership, AMSL became a professionally managed and recognized Company in the Health care Sector. As a visionary entrepreneur, he plays a critical role in the articulation of Company's business philosophy.

Presently, Mr. Onkar Kanwar is the Chairman of the Apollo Tyres Limited and PTL Enterprises Limited. He is the Past President of the Federation of Indian Chambers of Commerce and Industry ("FICCI") and a former Chairman of the Automotive Tyre Manufacturers' Association. Currently he is the Chairman of the BRICS Business Council, India.

Mr. Onkar Kanwar has a keen interest in the field of education and health care. Artemis Hospital, promoted by him, is an enterprise focusing on state-of-the-art medical care and runs a cutting edge multi-specialty medical facility which focuses on holistic treatment. An initiative close to his heart is Apollo Tyres' HIV-AIDS awareness and prevention programme for the commercial vehicle driver community, implemented through Apollo Tyres Foundation's Health Care Centres located in large transshipment hubs across India.

A Science and Administration graduate from the University of California, Mr. Onkar Kanwar is a widely travelled individual. He devotes a large part of his time to reading and is passionate about learning modern management practices and their successful application in business.

He has been conferred with 'Ernst & Young Entrepreneur of the Year award – Manufacturing' for the year 2012. He has also been awarded with Hungarian 'Order of Merit', and Government of Japan's 'Order of the Rising Sun, Gold and Silver Star'.

2. Dr. Devlina Chakravarty (Managing Director)

Dr. Devlina Chakravarty started her career in 1993 as a radiologist trained from Mumbai University. She did fellowships/perceptorship programmes from University of Berlin (Germany), UCLA (Los Angeles) and Brigham & Women (Boston) in Head and Neck & Body Imaging. She worked as senior faculty and Programme Director in Radiology in different reputed hospitals in Delhi before joining Artemis in 2007. She strongly believes in ethical practices in healthcare and quality of service. She is a process and system driven person and believes strongly in "quality" and "efficiency" in healthcare.

Good medical outcomes, patient safety, infection control are something close to her heart over and above creating great working environments for doctors and all other staff, through a transparent system of management. “Personalised tertiary care” with “service excellence” is her motto.

Her professional memberships include:

- The Indian Radiological and Imaging Association
- Radiological Society of North America
- Indian Neurology Association
- Indian Menopause Society
- Geriatric Society of India
- Society for Multiple Sclerosis, Delhi Chapter

- h) No. & Dates of Board Meetings held:** 4 (four) Board Meetings were held during the FY 2020-21 viz. 22nd May, 2020, 3rd August 2020, 5th November, 2020 and 4th February, 2021. The gap between any two meetings never exceeded 120 days as per the requirements of the Act and Regulation 17(2) of the Listing Regulations.
- i) Statutory Compliance of Laws:** The Board periodically reviews the compliance report of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.
- j) Recommendation of Committees:** During the FY 2020-21, the Board has accepted all the recommendations of the Committees, which were mandatorily required.
- k) Compliance by Independent Directors:** In the opinion of the Board, the Independent Directors fulfill the conditions specified in regulations and are independent of the management.
- l) Independent Director Databank Registration:** All our Independent Directors have completed the registration with the Independent Directors Databank maintained by Indian Institute of Corporate Affairs (IICA) in pursuance of MCA notification dated 22nd October, 2019, issued by the Ministry of Corporate Affairs.
- m) Resignation/Cessation by Independent Director:** During the year under review, the following Directors have resigned/ceased to be Independent Directors from the Company:
- I. Mr. Akshay Kumar Chudasama, Independent Director had resigned with effect from 5th August, 2020 due to pre-occupation on account of other professional commitments.
 - II. Mr. Sunil Tandon and Mr. Ugar Sain Anand have ceased to be Directors upon completion of their term on 9th October, 2020.
 - III. Dr. Gautam Chaudhuri, Independent Director had resigned with effect from 9th March, 2021 due to pre-occupation on account of other professional commitments.

There are no material reasons other than those stated above for the resignation by the Independent Directors of the Company.

n) Familiarization Programme for Independent Directors:

The details of the Familiarization Programme imparted to Independent Directors during FY 2020-21 is disclosed on the Company’s website at the web link: <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/director-familiarisation-programme.pdf>

o) Number of shares and convertible instruments held by Non-Executive Directors:

As on 31st March, 2021, Mr. Onkar Kanwar holds 500 Equity shares of face value of ₹ 10/- each of the Company. None of the other Non-Executive Directors of the Company hold any shares and convertible instruments.

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor, and notes the processes and safeguards employed by each. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor.

a) Composition & Terms of Reference of Committee

The Board of Directors constituted an Audit Committee in the year 2007. The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of Listing Regulations and Section 177 of the Act.

The Committee was reconstituted on 3rd August, 2020 and on 4th February, 2021.

As on 31st March, 2021, the Audit Committee comprises of 4 Members as follows:

- Dr. S. Narayan (Non-Executive Independent Director)
- Dr. Sanjaya Baru (Non-Executive Independent Director)
- Mr. Neeraj Kanwar (Non-Executive Non-Independent Director)
- Ms. Deepa Gopalan Wadhwa (Non-Executive Independent Director)

Dr. S. Narayan acts as Chairman of the Committee. All the members are financially literate and possess the requisite financial/business acumen to specifically look into the internal controls and audit procedures. Members have discussions with the Statutory Auditors during the meetings of the Committee and the quarterly/half-yearly and annual audited financials of the Company are reviewed by the Audit Committee before consideration and approval by the Board of Directors. The Committee also reviews Internal Control Systems and IT systems.

As per Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Act, the Audit Committee has been entrusted with the following responsibilities: -

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment, terms of appointment/ re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees/remuneration;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the Management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of section 134 of the Act.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by the Management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions.
 - vii. Modified Opinion(s) / Qualification(s) in the draft audit report.
5. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval;
6. Reviewing with the Management, the financial statement of subsidiary and in particular the investments made by them;
7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

8. Reviewing/evaluating, with the Management, performance of statutory and internal auditors, internal financial controls, risk management system and adequacy of the internal control systems;
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
10. Discussion with internal auditors on any significant findings and follow-ups there on;
11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle- Blower mechanism;
15. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
16. Review of investments made by the unlisted Subsidiary;
17. Reviewing the utilisation of loans and/or advances from/ investment by the Holding Company in the Subsidiary exceeding ₹ 100 Crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans/ advances/investments;
18. Review and monitor the Auditor's independence, performance and effectiveness of Audit process;
19. Approval or any subsequent modification of transactions of the company with related parties;
20. Scrutiny of inter- corporate loans and investments;
21. Valuation of undertakings or assets of the Company, wherever it is necessary;
22. Investigate any activity within its terms of reference and to seek any information it requires from any employee;
23. Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary;
24. Management discussion and analysis of financial conditions and results of operations;
25. Statement of significant related party transactions (as defined by the Audit committee), submitted by management;
26. Management letters/ letters of internal control weaknesses issued by the statutory auditors;
27. Internal audit reports relating to internal control weaknesses;
28. Appointment, removal and terms of remuneration of the internal auditor;
29. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
30. Review of statement of deviations, if any:-
 - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements), 2015.
 - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements), 2015.
31. Carrying out any other function as mentioned in the terms of reference of the Audit Committee;
32. To Carry out functions as may be entrusted (i) by the Board of Directors from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

The Chairman of the Audit Committee has confirmed to the Board that the Audit Committee during the year under review has complied with all the roles assigned to it pursuant to the Act and Listing Regulations.

b) Meetings of Audit Committee and attendance of members during the year

During the financial year 2020-21, the Audit Committee met 4 times on 22nd May, 2020, 3rd August, 2020, 5th November, 2020 and 4th February, 2021. The time gap between any two meetings was not more than 120 days.

Name of the Member	Category	Designation	No. of Meetings Attended
Dr. S. Narayan	Non-Executive Independent	Chairman	4
Dr. Sanjaya Baru	Non-Executive Independent	Member	4
Mr. Akshay Kumar Chudasama (Ceased to be member w.e.f. 4 th August, 2020)	Non-Executive Independent	Member	2
Ms. Shalini Kanwar Chand (Ceased to be member w.e.f. 4 th August, 2020)	Non-Executive Non-Independent	Member	2
Mr. Neeraj Kanwar	Non-Executive Non-Independent	Member	4
Mr. Ugar Sain Anand (Ceased to be member w.e.f. 4 th August, 2020)	Non-Executive Independent	Member	2
Deepa Gopalan Wadhwa (Appointed member w.e.f. 4 th February, 2021)	Non-Executive Independent	Member	0

In addition to the members of the Audit Committee, these meetings were attended by Managing Director, Chief Financial Officer, Company Secretary, Internal Auditor, Cost Auditor and Statutory Auditor of the Company, wherever necessary, and those executives of the Company who were considered necessary for providing inputs to the Committee.

The Company Secretary acts as Secretary of the Committee. The Chairman of the Audit Committee, Dr. S. Narayan, was present at the Annual General Meeting of the Company held on 23rd September, 2020. The Committee invites the Directors who are not the members of the Committee, to attend the meeting as an invitee.

c) Role of Internal Auditor

Internal Audit is an independent function within the Company, which provides assurance to the management, on design and operating effectiveness of internal controls and systems, as well as suggest improvements to systems and processes. Internal Audit assesses and promotes strong ethics and values within the organisation and facilitates in managing changes in the business and regulatory environment. Internal Audit responsibilities encompass all operational, financial, information systems and regulatory compliances are reviewed periodically.

The Internal Audit has a well laid down internal audit methodology, which emphasises on risk based internal audits using data analytics. The Internal Audit prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits. The audit plan for the year is reviewed and approved by the Audit Committee at the beginning of each financial year.

The Internal Auditor reports to both, the Chairman and the Audit Committee of the Company. On quarterly basis, the Internal Auditor reports to the Audit Committee, the key internal audit findings, and action plan agreed with the management, the status of audits vis-à-vis the approved annual audit plan and status of open audit issues. Direct reporting to the Chairman and the Audit Committee establishes Internal Audit as a function independent from the business.

d) Subsidiary Company

The Company does not have any material non-listed Subsidiary Company. However, the Company has one Subsidiary Company i.e. Artemis Cardiac Care Private Limited.

The Audit Committee of the Company reviews the financial statements, in particular, the investments made in the Subsidiary Company. Significant issues pertaining to Subsidiary Company are also discussed at Audit Committee meetings. A summarized statement of important matters reflecting all significant transactions and arrangements entered into by the Subsidiary Company are placed before the Board of Directors of the Company and are duly noted by it. The performance of Subsidiary Company is also reviewed by the Board periodically.

4. NOMINATION AND REMUNERATION COMMITTEE

a) Constitution and Composition of the Committee

The Board of Directors had constituted a Remuneration Committee in the year 2007. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Listing Regulations and Section 178 of the Act. The committee was reconstituted on 3rd August, 2020.

As on 31st March, 2021, the Nomination and Remuneration Committee comprises of four members as follows:

- Dr. S. Narayan (Non-Executive Independent Director)
- Mr. Onkar Kanwar (Non-Executive Non-Independent Director)
- Ms. Shalini Kanwar Chand (Non-Executive Non-Independent Director)
- Ms. Deepa Gopalan Wadhwa (Non-Executive Independent Director)

Dr. S. Narayan acts as the Chairman of the Committee.

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the requirement under Regulation 19 of the Listing Regulations.

The Company Secretary acts as the Secretary of the Committee.

b) Brief description of the Terms of Reference

The Nomination and Remuneration Committee has been entrusted with the responsibilities to review and grant annual increments, vary and/or modify the terms and conditions of appointment/re-appointment including remuneration and perquisites, commission, stock options etc. payable to Directors, Key Managerial Personnel and Senior Management Personnel within the overall ceiling of remuneration as approved by the members.

The Committee in its meeting held on 4th February, 2021, had noted the following terms of reference pursuant to Section 178 of the Act & Regulation 19(4) read with Part D Schedule II of Listing Regulations: -

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulate the criteria for effective evaluation of performance of Board of Directors, its Committees and individual Directors, to be carried out either by the Board or by NRC or through an independent external agency and review its implementation and compliance;
- Devise a policy on diversity of Board of Directors;
- To decide the remuneration of consultants engaged by the Committee;
- Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Personnel (KMP) including Employee Stock Option Plan, pension rights and any other compensation payment;
- Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees;
- The Committee shall look into the administration and superintendence of the Employee Stock Option Plan (Plan) implemented by the Company from time to time including:
 - To finalize the eligibility criteria, number of Options and grant date to be granted to each Grantee in aggregate subject to the pool of Options of the Plan.
 - To calculate the exercise price after giving discount on the market price, if deems fit.
 - To extend the period of acceptance of grant and to decide the vesting period along with vesting schedule subject to minimum and maximum period of vesting as stated in Plan.
 - To allot Shares pursuant to exercise of Options, including the treatment of vested and unvested Options in the event of Corporate Actions as specified in the Plan and to cancel all or any granted Options in accordance with the Plan.

- To decide upon treatment of vested and unvested Options in cases of cessation of employment and to decide cancellation of the Options which were lapsed, forfeited or surrendered under any provisions of the Plan.
- To increase or decrease the pool of Options to be granted and the pool of Shares to be issued under the Plan.
- To accelerate the vesting of Options on a case-to-case basis, subject to completion of minimum 1 year from the date of grant.
- To finalize letters and other documents, if any, required to be issued under the Plan.
- To re-price the Options which are not exercised, whether or not they have been vested, if the Options rendered unattractive due to fall in the price of the Shares in the market.
- To delegate its duties and powers in whole or part to any person/Committee and/or to appoint such agents for the proper administration of the Plan.
- To establish, amend, suspend or waive such rules and regulations and determine or impose other conditions to the grant of Options as it shall deem appropriate.
- To frame suitable policies and procedure to ensure that there is no violation of securities laws, including the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003 as amended, by the Company or the Employees.
- To oblige with such powers and functions of the Committee as stipulated under the Plan.
- To Carry out functions as may be entrusted (i) by the Board of Directors from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

The Nomination & Remuneration Policy of the Company is available on the website of the Company and the web link is: <https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/nomination-and-remuneration-policy.pdf>

c) Policy for appointment and remuneration

In terms of Section 178 of the Act and Regulation 19 of Listing Regulations as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

d) Non-Executive Directors (including Independent Directors)

In accordance with the relevant provisions of the Act and Listing Regulations the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

1. Remuneration Policy relating to remuneration of Directors, Key Managerial Personnel.
2. Framework for evaluation of the Board, its committees and individual Board members including Independent Directors.
3. Policy on appointment of Board Members.
4. Familiarization programme for Directors.

The aforesaid policies are available at the website of the Company www.artemishospitals.com under Investors section.

The Remuneration Policy and the evaluation criteria have been disclosed in the Board's Report which forms part of the Annual Report.

e) Performance evaluation of Independent Directors

The Board of Directors upon recommendation of Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board members, including Independent Directors and Chairman.

In compliance with Regulation 17 (10) of Listing Regulations, the performance evaluations of all the Independent Directors have been done by the entire Board, excluding the director being evaluated.

On the basis of the performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

f) Meetings of Nomination and Remuneration Committee and Attendance of members during the year

During FY 2020-21, 4 (four) Nomination and Remuneration Committee Meetings were held on 22nd May, 2020, 3rd August 2020, 5th November, 2020 and 4th February, 2021.

Name of the Member	Category	Designation	No. of Meetings Attended
Dr. S. Narayan	Non-Executive Independent	Chairman	4
Mr. Akshay Kumar Chudasama (Ceased to be member w.e.f. 4 th August, 2020)	Non-Executive Independent	Member	2
Mr. Onkar Kanwar	Non-Executive Non-Independent	Member	4
Ms. Shalini Kanwar Chand	Non-Executive Non-Independent	Member	4
Ms. Deepa Gopalan Wadhwa (Appointed as member with effect from 4 th August, 2020)	Non-Executive Independent	Member	2

g) Payment of remuneration/sitting fee to the Directors and Key Managerial Personnel etc.

The details of remuneration paid to Directors during FY 2020-21 are given below.

a. Managing Director:

(₹ In Lacs)

Particulars	Dr. Devlina Chakravarty (Managing Director)
Salary	478.81
Contribution to PF/Superannuation/Gratuity	15.00
Commission/Performance Bonus	-
Perquisites	15.18
Total Remuneration	508.99
Stock Option	-
Service contracts, notice period, severance fees	-

As per Section 198 of the Act, Net Profit of the Company is amounting to ₹ 3,685.77 Lacs.

b. Chief Financial officer and Company Secretary:

(₹ in Lacs)

Particulars	Mr. Sanjiv Kumar Kothari (Chief Financial Officer)	Ms. Shilpa Budhia (Company Secretary ⁽¹⁾)	Mr. Rakesh Kumar Kaushik (Company Secretary ⁽²⁾)
Salary	66.11	11.27	41.40
Contribution to PF/Superannuation/Gratuity	5.14	0.76	2.65
Commission/Performance Bonus	-	-	-
Perquisites	3.15	-	7.15
Total Remuneration	74.40	12.03	51.20
Stock Option	-	-	-
Service contracts, notice period, severance fees	-	-	-

(1) Ms. Shilpa Budhia had been appointed as Company Secretary w.e.f. 5th November, 2020.

(2) Mr. Rakesh Kumar Kaushik had resigned from the post of Company Secretary w.e.f. 22nd October, 2020.

c. The details of remuneration paid to Non-Executive Directors:

(₹ in Lacs)

Name of the Director	Sitting Fees	Salary & Perquisites	Superannuation Fund	Commission	Others
Mr. Onkar Kanwar	2.80	0	0	0	0
Mr. Neeraj Kanwar	2.80	0	0	0	0
Ms. Shalini Kanwar Chand	3.80	0	0	0	0
Mr. Akshay Kumar Chudasama ⁽¹⁾	1.80	0	0	0	0
Dr. Nirmal Kumar Ganguly	2.80	0	0	0	20.17
Dr. S. Narayan	4.60	0	0	0	0
Dr. Sanjaya Baru	3.00	0	0	0	0
Mr. Ugar Sain Anand ⁽²⁾	1.40	0	0	0	0
Mr. Sunil Tandon ⁽²⁾	1.00	0	0	0	0
Ms. Deepa Gopalan Wadhwa ⁽³⁾	2.60	0	0	0	0
Mr. Sanjib Sen ⁽⁴⁾	1.70	0	0	0	0
Dr. Gautam Chaudhuri ⁽⁵⁾	0	0	0	0	0
Total	28.30	0	0	0	20.17

(1) Mr. Akshay Kumar Chudasama has ceased to be a Director w.e.f. 5th August, 2020.

(2) Mr. Ugar Sain Anand and Mr. Sunil Tandon, Independent Directors ceased to be Directors upon completion of their tenure on 9th October, 2020.

(3) Ms. Deepa Gopalan Wadhwa was appointed as an Independent Director with effect from 22nd May, 2020.

(4) Mr. Sanjib Sen was appointed as an Independent Director with effect from 3rd August, 2020.

(5) Dr. Gautam Chaudhuri was appointed as an Independent Director with effect from 3rd August, 2020 and ceased to be Director w.e.f. 9th March, 2021.

Apart from payment as indicated above, none of the Non-Executive Directors had any pecuniary relationships or transactions vis-a-vis the Company.

Except Dr. Nirmal Kumar Ganguly, all the Non-Executive Directors including the Independent Directors only received the sitting fees during the F.Y. 2020-21. Dr. Nirmal Kumar Ganguly, Non-Executive Director of the Company has been paid Consultancy fees of ₹ 20.17 lacs during FY 2020-21 for services rendered by him as office of place of profit.

During 2020-21, the Company did not advance any loan to any of its Directors.

5. Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers and Managers for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and Investor grievances, transfer/transmission of Shares, non-receipt of dividend declared, dematerialization/rematerialization of shares and other related matters. The roles and responsibilities of the Stakeholders Relationship Committee as prescribed under Listing Regulations are mentioned under the terms of reference of the Committee.

a) Constitution and Composition of the Committee

The committee was reconstituted on 3rd August, 2020.

As on 31st March, 2021, the Stakeholders Relationship Committee comprises of the following members:

- Dr. S. Narayan (Non-Executive Independent Director)
- Dr. Devlina Chakravarty (Managing Director)
- Dr. Nirmal Kumar Ganguly (Non-Executive Non-Independent Director)

Dr. S. Narayan acts as the Chairman of the Committee.

Pursuant to Regulation 6 of Listing Regulations, Company Secretary acts as the Secretary to the Committee.

b) Terms of reference

- Transfer/transmission/Deletion of name from shares.
- Split up/sub-division and consolidation of shares.
- Dematerialisation/ rematerialisation of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.
- To Carry out functions as may be entrusted (i) by the Board of Directors from time to time; and (ii) by the virtue of applicable provisions of the Companies Act, 2013 (iii) the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions of Laws, as may be amended from time to time.

c) Meetings of Stakeholders Relationship Committee and attendance of members during the year

During FY 2020-21, 1 (one) meeting of the Stakeholders Relationship Committee was held on 4th February, 2021.

Name of Director	Category of Director	Designation	No. of meetings attended
Dr. S. Narayan (Appointed as Chairman w.e.f from 4 th August, 2020)	Non-Executive Independent	Chairman	1
Dr. Nirmal Kumar Ganguly	Non-Executive Non Independent	Member	1
Dr. Devlina Chakravarty	Executive	Member	1

d) No. of shareholders' complaints received

During FY 2020-21, the Company had received 2 complaints. There is no complaint pending as on 31st March, 2021. All complaints were attended and resolved to the satisfaction of the shareholders.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

a) A brief outline of the Company's CSR Policy

The Company is committed to incorporating policies, systems and approaches to achieve its positive impact growth objectives. Deeply inherent in our vision statement are the principles of sustainability. The CSR approach stems from our vision statement focusing on "continuously enhancing stakeholder value", which includes the larger society and environment in which the Company operates. The CSR philosophy of the Company rests on the principle of sustainability and self-reliance. It also embeds a dimension of philanthropy. At the core of Company's responsibility belief is stakeholder engagement. Consequently, all the projects the Company has link to its stakeholders, the issues they face and the issues organization has identified to support on philanthropy front.

b) Composition of CSR Committee

The CSR Committee was originally constituted by the Board of Directors at a meeting held on 2nd May, 2014. As on 31st March, 2021, CSR Committee consists of the following members:

Ms. Shalini Kanwar Chand (Non-Executive Non-Independent Director)

Dr. Nirmal Kumar Ganguly (Non-Executive Non-Independent Director)

Dr. S. Narayan (Non-Executive Independent Director)

Dr. Devlina Chakravarty (Managing Director)

Ms. Shalini Kanwar Chand acts as Chairperson of the Committee.

c) Meeting of CSR Committee and attendance of members during the year

During the year the CSR Committee met three times i.e. 22nd May, 2020, 5th November, 2020 & 4th February, 2021.

Name of the Member	Category	Designation	No. of Meetings Attended
Ms. Shalini Kanwar Chand	Non-Executive Non-Independent	Chairperson	3
Dr. Devlina Chakravarty	Executive	Member	3
Dr. S. Narayan	Non-Executive Independent	Member	3
Dr. Nirmal Kumar Ganguly	Non-Executive Non-Independent	Member	3

Your Company has also laid down a CSR Policy in order to execute its various CSR Initiatives.

The Company Secretary acts as the Secretary to the Committee.

8. BUSINESS RESPONSIBILITY (BR) COMMITTEE

The Listing Regulations mandates the top 1000 listed Companies by market capitalisation to provide Business Responsibility Report ("BR Report") in their Annual Report describing the initiatives taken by the Company from an environmental, social and governance perspective in the format specified by the SEBI.

The Company follows following nine core principles as prescribed by SEBI and the entire BR Report is based on actions taken by the Company for the adoption of these principles:

- I. Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- II. Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- III. Businesses should promote the wellbeing of all employees.

- IV. Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- V. Businesses should respect and promote human rights.
- VI. Business should respect, protect and make efforts to restore the environment.
- VII. Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- VIII. Businesses should support inclusive growth and equitable development.
- IX. Businesses should engage with and provide value to their customers and consumers in a responsible manner.
- The Board of Directors at the meeting held on 22nd May, 2020, had constituted a Business Responsibility (BR) Committee.

a) Composition of BR Committee

The BR Committee comprises of two members viz. Dr. Devlina Chakravarty and Dr. Nirmal Kumar Ganguly. Dr. Devlina Chakravarty acts as the Chairperson of the Committee.

b) Meeting of BR Committee and attendance of members during the year

During FY 2020-21, a meeting of BR Committee was held on 25th May, 2020.

Name of Director	Category of Director	Designation	No. of meetings attended
Dr. Devlina Chakravarty	Executive	Chairperson	1
Dr. Nirmal Kumar Ganguly	Non-Executive Non-Independent	Member	1

The Company Secretary acts as the Secretary to the Committee.

9. CEO/CFO CERTIFICATION

The Managing Director and CFO have submitted certificate, in terms of Regulation 17(8) read with Part B of Schedule II of Listing Regulations to the Board. The certificate forms part of Corporate Governance Report.

10. GENERAL BODY MEETINGS

- a) The last three Annual General Meetings were held as under:

Financial Year	Category	Location of the Meeting	Date	Special Resolution passed	Time
2019-20	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, South West Delhi-110075 (held through Video Conferencing (VC))	23 rd September, 2020	Appointment of Dr. Gautam Chaudhuri (DIN:08801337)	3:00 P.M. IST
2018-19	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, South West Delhi-110075	26 th August, 2019	Amendment in the Article of Association	11:00 A.M. IST
2017-18	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, South West Delhi-110075	3 rd August, 2018	No Special Resolution	11.00 A.M IST

b) Resolutions passed last year through Postal Ballot:

Resolution passed during FY 2020-21: Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Electronic Voting and sent the Postal Ballot Notice to members. The following resolutions were passed through Postal Ballot: -

I. Resolutions passed on 14th March, 2021

Last Date of Dispatch of Postal Ballot Notice	Item approved by the shareholders	Date of passing of Resolution	Ordinary/ Special Resolution
12 th February, 2021	1. To Approve Artemis Medicare Management Stock Option Plan-2021	14 th March, 2021	Special Resolution
	2. To approve grant of stock options exceeding 1% of issued capital under Artemis Medicare Management Stock Option Plan – 2021		Special Resolution
	3. To increase remuneration of Dr. Devlina Chakravarty, Managing Director of the Company for exercise of stock options.		Special Resolution

Voting Pattern of the resolution passed through Postal Ballot, is as follows:

To Approve Artemis Medicare Management Stock Option Plan-2021

Particulars	E Voting
Total number of votes	9363600
Total number of valid votes	9363600 (100%)
Votes cast in favour of the Resolution	9244705
Votes cast against the Resolution	118895
Number of invalid votes	0

To approve grant of stock options exceeding 1% of issued capital under Artemis Medicare Management Stock Option Plan – 2021

Particulars	E Voting
Total number of votes	9363600
Total number of valid votes	9363600 (100%)
Votes cast in favour of the Resolution	9244685
Votes cast against the Resolution	118915
Number of invalid votes	0

To increase remuneration of Dr. Devlina Chakravarty, Managing Director of the Company for exercise of stock options

Particulars	E Voting
Total number of votes	9363600
Total number of valid votes	9363600 (100%)
Votes cast in favour of the Resolution	9244205
Votes cast against the Resolution	119395
Number of invalid votes	0

- II. Mr. Deepak Kukreja, Partners, DMK Associates, (Practicing Company Secretary), were appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.
- III. Procedure for Postal Ballot: - Where a Company is required or decides to pass any resolution by way of Postal Ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a Postal Ballot because Postal Ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. However, during FY 2020-21, the Company has not send the physical Ballot Paper due to the relaxation provided by Ministry of Corporate Affairs. Your Company has followed the aforesaid procedure stipulated in the Act, Listing Regulations and Secretarial Standard – 2, and has carried out Postal Ballot for the items mentioned above.

As on date of this report, your Company does not propose to pass any Special Resolution for the time being by way of Postal Ballot.

11. OTHER DISCLOSURES

a) Related Party Transactions

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Act and Listing Regulations. The policy has been disclosed on the website of the Company at www.artemishospitals.com.

All Related Party Transactions are approved by the Audit Committee prior to the transaction. Related Party Transactions of repetitive nature are approved by the Audit committee on omnibus basis for one financial year at a time. All omnibus approvals are reviewed by the Audit Committee on a quarterly basis, where ever necessary.

A confirmation as to material Related Party Transactions as per Listing Regulations is sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

Further, no material transactions were undertaken with any person or entity belonging to the Promoter/Promoter group which hold(s) 10% or more shareholding in the Company.

b) Disclosures by Senior management & KMPs

The senior management personnel make disclosures to the Board periodically regarding:

- their dealings in the Company's share;
- all material financial and commercial and other transaction with the Company where they have personal interest,
- stating that the said dealings and transactions, if any, had no potential conflict with the interests of the Company at large.

The material, financial and commercial transactions where Key Management Personnel have personal interest forms part of the disclosure on related parties referred to in Notes to Annual Accounts, which were reported to the Board of Directors.

c) Disclosure of accounting treatment

There has not been any change in accounting policies of the Company during the year.

d) Risk Management

The Company has adequate risk assessment and management process to identify and notify the Audit Committee and the Board about the risks or opportunities that could have an adverse impact on the Company's operations or that could be exploited to maximize the gains. The Company has constituted an Internal Risk Management Steering Committee ("RMSC"). The Company's approach to addressing business risks is comprehensive and the RSMC periodically reviews such risks and a framework for mitigating controls and reporting mechanism of such risks.

e) Compliance by the Company

The Company has materially complied with the requirements of the SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or any other statutory authority except for prosecution filed against the Company and some of its Directors for non-compliance under Environment Protection Act, which is being contested. The Company has developed an integrated compliance dashboard which provides reasonable assurance to the Management and the Board of Directors regarding effectiveness of timely compliances. All the Compliances applicable to the Company have been captured in the Dashboard and are mapped amongst the respective users. The timelines are fixed based on the legal requirement and the system is aligned in such a manner that it alerts the users on a timely manner.

f) Total fee paid to Statutory Auditors

An amount of ₹ 22.66 lacs was paid/ payable to Statutory Auditors (excluding out of pocket expenses) for all services provided to the Company and its Subsidiary during FY 2020-21, on a consolidated basis.

g) Committee recommendations

During the Financial Year 2020-21, the Board has accepted all the recommendations of its Committees.

h) Disclosure of commodity price risks, foreign exchange risk and commodity hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not required to be given.

Further, the Company is mainly exposed to the USD, AED & EURO currency, and consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters. Kindly refer note no. 35 of the Standalone Financial Statements forming part of the Annual Report.

i) Details of utilization of funds raised through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32(7A) – Not applicable**j) Transfer of Unclaimed/ Undelivered Shares**

In terms with the provisions of Regulation 39(4) read with Schedule VI of Listing Regulations the unclaimed/undelivered shares lying in the possession of the Company are in dematerialised form and transferred into a "Unclaimed Suspense Account" held by the Company. The status of unclaimed shares as on 31st March, 2021 lying in "Unclaimed Suspense Account" is as under:-

Particulars	No. of Shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year, i.e. 1 st April, 2020	824	187920
Number of shareholders who approached to the Company for transfer of shares from suspense account during the year	0	0
Shares transferred to IEPFA Account	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year, i.e. 31 st March, 2021	824	187920

k) Disclosure in terms of Regulation 34(3) read with Schedule V Part C of Listing Regulations

Mr. Neeraj Kanwar, Non-Executive Director is the son of Mr. Onkar Kanwar, Chairman of the Company and Ms. Shalini Kanwar Chand, Non-Executive Director is the Daughter of Mr. Onkar Kanwar, Chairman and sister of Mr. Neeraj Kanwar, Non-Executive Director of the Company. None of the other Directors are related to each other.

12. MEANS OF COMMUNICATION

- As per Regulation 47(1)(b) of the Listing Regulations, an extract of the detailed format of Quarterly/Annual Financial Results is filed with the Stock Exchanges under Regulation 33 of the Listing Regulations. The results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Jansatta (Regional Daily). The Quarterly/ Half Yearly / Annual Financial Results are also available on the Company's website: www.artemishospitals.com and Stock Exchange websites www.nseindia.com and www.bseindia.com.
- All material information about the Company is promptly sent to the stock exchanges and the Company regularly updates the media and investor community about its financial as well as other organisational developments.
- In compliance with MCA Circular No. 02/2021 dated 13th January, 2021 clarifying about continuation of Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 clarifying about extension of Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company, Company's Registrars and Transfer Agents or the Depository Participant(s). The Annual Report containing, inter-alia, Notice of Annual General Meeting, Audited Financial Statements, Board's Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report and other important information are also displayed on the Company's website (www.artemishospitals.com).
- Investor Relations at AMSL aims at providing accurate, transparent and timely information to the investors and serves as a bridge for two-way communication. All efforts are made to provide efficient services to the shareholders. Every important information is displayed at the Company's website, www.artemishospitals.com.
- NSE Electronic Application Processing System (NEAPS)- is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS.
- BSE Listing Centre (Listing Centre)- BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance related filings are filed electronically on the Listing Centre.
- SEBI Complaints Redressal System (SCORES)- The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.
- Exclusive email ID for investors- The Company has designated the email investor@artemishospitals.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.artemishospitals.com.

13. GENERAL SHAREHOLDER INFORMATION

a) **Registered Office:** Plot No. 14, Sector 20, Dwarka, South West Delhi-110075

b) Annual General Meeting (AGM)

The ensuing AGM of the Company will be held on Tuesday, 20th July, 2021 at 3:00 P.M. IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"). Notice of the ensuing AGM is separately provided along with the Annual Report.

c) **Dividend payment date:** Not Applicable

d) Board Meeting for Financial Calendar – FY 2021-22

Quarter	Period ending	Date / Period
First quarter	30 th June, 2021	On or before 14 th August, 2021
Second quarter/ half yearly	30 th September, 2021	On or before 14 th November, 2021
Third quarter	31 st December, 2021	On or before 14 th February, 2022
Fourth quarter/year	31 st March, 2022	On or before 30 th May, 2022

e) Trading window closure

The trading restriction period shall be made applicable from the end of every quarter till 48 hours after the declaration of financial results.

f) Dates of Book-closure

The dates of the book closure shall be from Wednesday, 14th July, 2021 to Tuesday, 20th July, 2021 (both days inclusive)

g) Listing at Stock Exchanges

National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400 051 T: +91 22 26598100-14 F: +91 22 26598237-38 E: cmlist@nse.co.in	BSE Limited Phiroje Jeejeebhoy Towers, 1st Floor, Dalal Street Mumbai 400 001 T: +91 22 22721233/34 F: +91 22 22721919/3027 E: corp.relations@bseindia.com
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The Annual Listing Fees for FY 2021-22 has been paid to both the aforesaid stock exchanges.

h) Stock Code

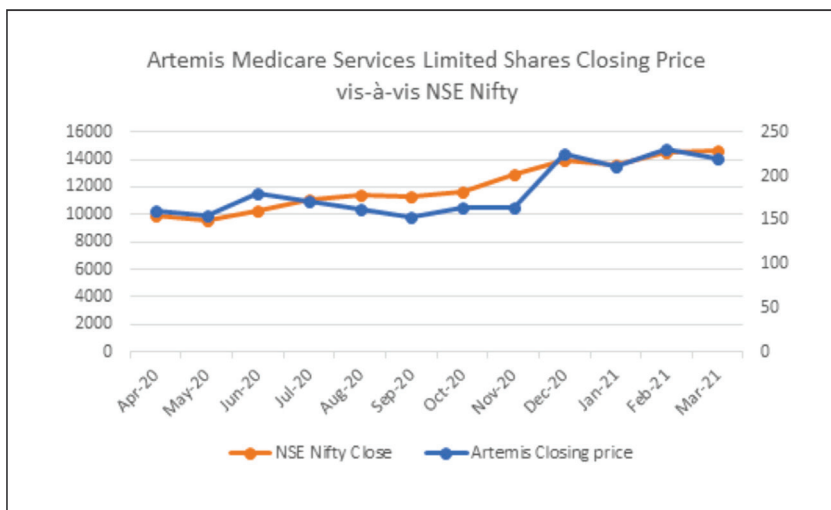
BSE Ltd. - 542919

National Stock Exchange of India Ltd. - ARTEMISMED

i) Stock Market Price Data for FY 2020-21

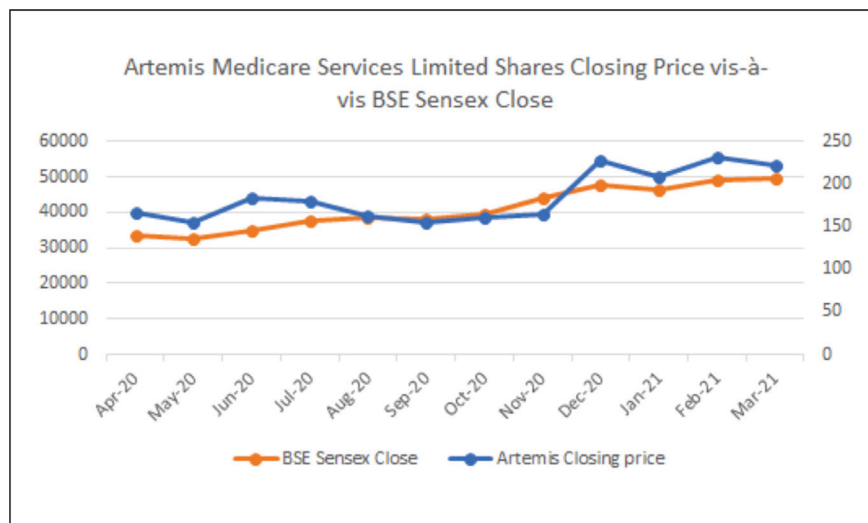
The Company's share price on NSE and Nifty Index:

Month	Artemis		Nifty Index	
	High (₹)	Low (₹)	High	Low
Apr-20	191.25	126.50	9889.05	8083.80
May-20	174.80	137.00	9598.85	8855.30
Jun-20	220.60	155.55	10553.15	9706.95
Jul-20	197.70	170.05	11341.40	10299.60
Aug-20	196.95	162.35	11794.25	10882.25
Sep-20	170.00	144.70	11618.10	10790.20
Oct-20	175.10	152.15	12025.45	11347.05
Nov-20	167.65	154.85	13145.85	11557.40
Dec-20	245.10	165.10	14024.85	12962.80
Jan-21	241.00	204.00	14753.55	13713.25
Feb-21	271.70	206.00	15431.75	13661.75
Mar-21	243.00	215.00	15336.30	14414.25



The Company's Share price at BSE and Sensex:

Month	Artemis		Sensex	
	High (₹)	Low (₹)	High	Low
Apr-20	199.90	122.00	33887.25	27500.79
May-20	175.00	130.05	32845.48	29968.45
Jun-20	220.00	160.00	35706.55	32348.10
Jul-20	205.00	161.10	38617.03	34927.20
Aug-20	185.00	156.00	40010.17	36911.23
Sep-20	173.00	144.50	39359.51	36495.98
Oct-20	175.75	148.25	41048.05	38410.20
Nov-20	167.90	152.00	44825.37	39334.92
Dec-20	245.00	160.05	47896.97	44118.10
Jan-21	244.00	205.15	50184.01	46160.46
Feb-21	267.75	192.10	52516.76	46433.65
Mar-21	244.10	208.10	51821.84	48236.35



j) Shares Traded during 1st April, 2020 to 31st March, 2021

Particulars	BSE	NSE
No. of shares traded	1,19,864	7,93,433
Highest Share Price (in ₹)	267.75	271.70
Lowest Share Price (in ₹)	122.00	125.95
Closing Share Price (as on 31 st March, 2021) (in ₹)	222.00	220.45
Market Capitalization (as on 31 st March, 2021) (in ₹)	293,87,69,400	291,82,50,965

k) Elimination of Duplicate Mailing

The shareholders who are holding physical shares in more than one folio in identical name, or in joint holder's name in similar order, may send the Share Certificate(s), along with request for consolidation of holding in one folio, to avoid mailing of multiple annual reports.

l) Share Transfer System

SEBI has mandated that, effective 1st April, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgment of transfer of shares in physical form. The Company had sent communication to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter-alia, contained procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

As per the requirement of Regulation 40(9) of Listing Regulations the Company has obtained the half yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

m) Distribution of Shareholding

The following is the distribution of shareholding of equity shares of the Company as on 31st March, 2021:

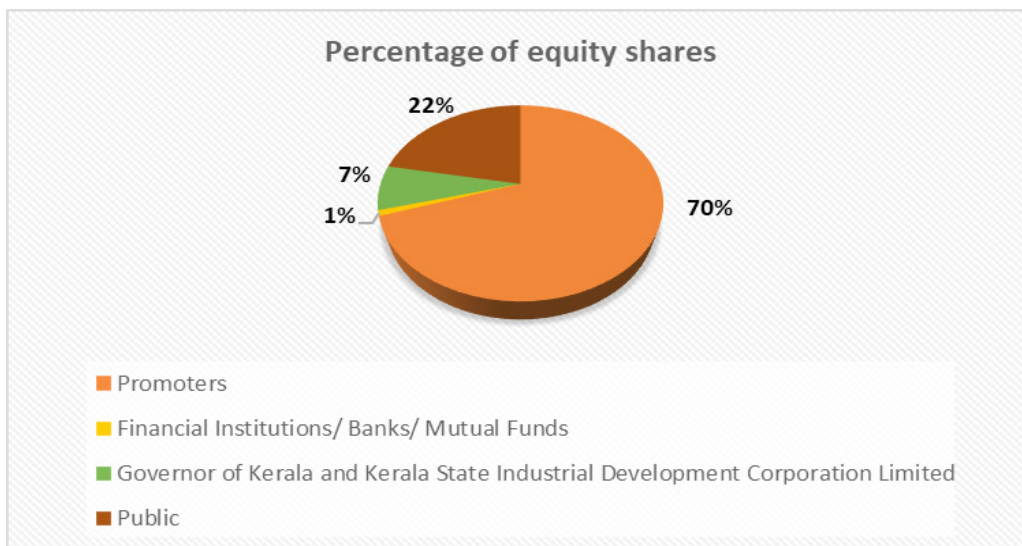
Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of shareholding
UPTO 5000	5,211	98.81	8,25,900	6.24
5001 – 10000	23	0.44	1,67,685	1.27
10001 – 20000	16	0.30	2,44,649	1.85
20001 – 30000	4	0.08	94,102	0.71
30001 – 40000	4	0.08	1,34,928	1.02
40001 – 50000	1	0.02	41,433	0.31
50001 – 100000	4	0.08	2,58,409	1.95
100001 AND ABOVE	10	0.19	1,14,70,594	86.65
Grand Total	5,273	100.00	1,32,37,700	100.00

The Promoter holds 92,43,079 shares constituting 69.82% of the share capital of the Company as on 31st March, 2021.

n) Category of Shareholders as on 31st March, 2021

The following is the distribution of shareholding of equity shares of the Company as on 31st March, 2021:

Category	Number of equity shares	%
Promoters	92,43,079	69.82
Financial Institutions/ Banks/ Mutual Funds	1,20,220	0.91
Governor of Kerala / Kerala State Industrial Development Corporation Ltd	9,74,960	7.37
Public	28,99,441	21.90
Total	1,32,37,700	100.00



o) Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Company Secretary in practice conducts the Reconciliation of Share Capital Audit of the Company for the purpose of reconciliation of total admitted capital with the depositories, i.e. NSDL and CDSL, and the total issued and listed capital of the Company.

The Company Secretary in practice conducts such audit in every quarter and issues a Reconciliation of Share Capital Audit Certificate to this effect to the Company. A copy of such audit report is submitted to the stock exchanges, where the Company's shares are listed and is also placed before the Board.

p) Dematerialization of Shares and Liquidity

The equity shares of the Company are being traded under compulsorily demat form as per SEBI notification. The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE025R01013. As on 31st March, 2021, 98.89% of paid up share capital is dematerialized. Reminder letters are sent to shareholders holding shares in physical form at regular intervals requesting them to get their shares dematerialized.

q) Share Transfer/Demat Registry work

All share transfers/demat are being processed by Registrar and Share Transfer Agents (RTA). The RTA has established direct connectivity with NSDL/ CDSL for carrying out demat completely.

r) Share Transfer Department

All communications regarding change of address for shares held in physical form etc. should be sent at the RTA's Office at: -

Alankit Assignments Limited

Alankit House,

4E/2 Jhandewalan Extension

New Delhi – 110 055.

Email: info@alankit.com Website: www.alankit.com

s) Participation & Voting at AGM

Pursuant to the MCA Circular No. 14/2020 dated 8th April, 2020, MCA Circular No.17/2020 dated 13th April, 2020, MCA Circular No. 20/2020 dated 5th May, 2020 and MCA Circular No. 02/2021 dated 13th January, 2021 and all other relevant circulars issued by the Ministry of Corporate Affairs from time to time, physical attendance of the Members to the AGM venue is not required and AGM be held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

Register e-mail address

To contribute towards greener environment, the Company proposes to send documents like Shareholders Meeting Notice/ other Notices, Audited Financial Statements, Board's Report, Auditors' Report or any other documents, to members in electronic form at the e-mail address provided by them and/ or available to the Company by the Depositories.

Members who have not yet registered their e-mail address (including those who wish to change their already registered e-mail address) may get the same registered/updated either with their Depository Participants or by writing to the Company.

- t) Hospital location(s) :** Artemis Hospital (A unit of Artemis Medicare Services Limited)
Sector 51
Gurugram – 122001, Haryana
Sub-unit “Daffodils” by Artemis Hospital
Dalal St, Block G, South City I, Sector 40,
Gurugram - 122022, Haryana

- u) Compliance with mandatory requirements and adoption of discretionary requirements of Corporate Governance as specified in Regulations 17 to 27 and Regulation 34(3) read with Schedule V (C) of the Listing Regulations**

The Company has complied with all mandatory requirements of corporate governance with respect to Regulations 17 to 27 and clauses (b) to (i) of Sub- Regulation (2) of Regulation 46 of Listing Regulations.

CG Compliances

No.	Particulars	Regulation Number	Compliance status (Yes/No)	If status is “No” details of non-compliance
1	Independent Directors have been appointed in terms of specified criteria of independence and/or eligibility	16(1)(b) & 25(6)	Yes	-
2	Board composition	17(1), 17(1A) & 17(1B)	Yes	-
3	Maximum number of Directorships	17A	Yes	-
4	Meeting of Board of Directors	17(2)	Yes	-
5	Quorum of Board Meeting	17(2A)	Yes	-
6	Review of compliance reports	17(3)	Yes	-
7	Plans for orderly succession for appointments	17(4)	Yes	-
8	Code of conduct	17(5)	Yes	-
9	Fees or compensation	17(6)	Yes	-
10	Minimum information	17(7)	Yes	-
11	Compliance certificate	17(8)	Yes	-
12	Risk assessment and management	17(9)	Yes	-
13	Performance evaluation of Independent Directors	17(10)	Yes	-
14	Recommendation of Board	17(11)	Yes	-
15	Composition of Audit Committee	18(1)	Yes	-
16	Meeting of Audit Committee	18(2)	Yes	-
17	Composition of Nomination and Remuneration Committee	19(1) & (2)	Yes	-
18	Quorum of Nomination and Remuneration Committee meeting	19(2A)	Yes	-

No.	Particulars	Regulation Number	Compliance status (Yes/No)	If status is "No" details of non-compliance
19	Meeting of Nomination and Remuneration Committee	19(3A)	Yes	-
20	Composition of Stakeholder Relationship Committee	20(1), 20(2), 20(2A)	Yes	-
21	Meeting of Stakeholders Relationship Committee	20(3A)	Yes	-
22	Composition and role of Risk Management Committee	21(1),(2),(3),(4)	NA	-
23	Vigil mechanism	22	Yes	-
24	Policy for Related Party Transactions	23(1), (1A), (5),(6),(7) & (8)	Yes	-
25	Prior or omnibus approval of Audit committee for all related party transactions	23(2), (3)	Yes	-
26	Approval for material Related Party Transactions	23(4)	Yes	-
27	Disclosure of Related Party Transactions on consolidated basis	23(9)	Yes	-
28	Composition of Board of Directors of Unlisted Material Subsidiary	24(1)	NA	-
29	Other corporate governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes	-
30	Annual Secretarial Compliance Report	24(A)	Yes	-
31	Alternate Director to Independent Director	25(1)	NA	-
32	Maximum tenure of Independent Directors	25 (2)	Yes	-
33	Meeting of Independent Directors	25(3) & (4)	Yes	-
34	Familiarization of Independent Directors	25(7)	Yes	-
35	Declaration from Independent Director	25(8) & (9)	Yes	-
36	Memberships in Committees	26(1)	Yes	-
37	Affirmation with compliance to Code of Conduct from members of Board of Directors and Senior Management Personnel	26(3)	Yes	-
38	Disclosure of shareholding by Non-Executive Directors	26(4)	Yes	-
39	Policy with respect to obligations of Directors and Senior Management	26(2) & 26(5)	Yes	-

The Company has also adopted the discretionary requirements of Corporate Governance

- **Modified Opinion(s) in Audit Report**

The Company is in the regime of Financial Statements with Unmodified Audit Opinion.

- **Reporting of Internal Auditor**

The Internal Auditor is reporting directly to the Audit Committee.

v) As on 31st March, 2021, shares of the Company were not suspended from trading.

w) **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/ Warrants/any convertible instruments during the year under review.

x) Additional Information**a) Investor Relations Section**

The Investors Relations Section is located at the Corporate Office of the Company.

Contact person: Ms. Shilpa Budhia, Compliance Officer

Time: 09:00 AM to 5:30 PM on all working days of the Company (except Saturdays and Sundays)

Tel No.: +91 124 4511 111

E-mail: investor@artemishospitals.com

Address for correspondence: Artemis Hospitals, Sector 51, Gurugram - 122001

b) Credit Rating

During the year, the following rating agencies, rated our bank facilities as under:

- On 7th July, 2020, CARE rating has reaffirmed its 'CARE A-; Stable/ CARE A2' ratings on the Long term/ Short term Bank Facilities of the Company.
- On 7th July, 2020, CARE rating has reaffirmed its 'CARE A-; Stable' ratings on the Long term Bank Facilities of the Company.

c) Bankers

Axis Bank Limited

IDFC Bank Limited

IndusInd Bank Limited

HDFC Bank Limited

Kotak Mahindra Bank Limited

State Bank of India

YES Bank Limited

d) Statutory Auditors

M/s. SCV & Co LLP, Chartered Accountants

e) Cost Auditors

M/s. Chandra Wadhwa & Co., Cost Accountants

With reference to the General Circular No. 15/2011 – 52/5/ CAB-2011 dated 11th April, 2011, issued by the Government of India, Ministry of Corporate Affairs, Cost Audit Branch, New Delhi, following are the details of Cost Auditor and filing of cost audit report with Central Government:

Particulars of the Cost Auditor	Details of Cost Audit Report filed for the period ended 31 st March, 2020
Mr. Chandra Wadhwa (Mem. No. 6797) Address: 1305 & 1306, Vijaya Building, 17, Barakhamba Road, New Delhi – 110 001 E-mail: wadhwafin@gmail.com	Filing date: 17 th August, 2020

f) Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI regulations on prevention of Insider Trading, the Company has formulated a comprehensive Code of Conduct for 'Prevention of Insider Trading' in the securities of the Company. This Code of Conduct is applicable to Promoters, Directors, Chiefs, Group Heads, Heads and such other employees of the Company and others who are expected to have access to unpublished price sensitive information.

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct lays down guidelines advising them on procedures to be followed and disclosures to be made while dealing with the shares of the Company and cautioning them of consequences of violations. The Company Secretary of the Company is the Compliance Officer.

g) Code of Conduct for Directors and Senior Management

The Company has well defined policy framework which lays down procedures to be adhered to by all Board Member and Senior Management for ethical professional conduct.

The Code outlines fundamental ethical considerations as well as specified considerations that need to be maintained for professional conduct.

Declaration signed by the Chairman affirming compliance of provisions of the Code of Conduct is provided below:

Declaration affirming Compliance of provisions of the Code of Conduct

To the best of my knowledge and belief and on the basis of the declarations given to me, I hereby affirm that all Board Members and Senior Management Personnel have fully complied with the provisions of the Code of Conduct and Senior Management Personnel during the financial year ended 31st March, 2021.

Sd/-
Onkar Kanwar
Chairman

h) Whistle Blower Policy/Vigil Mechanism

AMSL believes in the conduct of its business affair in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures.

Your Company has approved a Whistle Blower Policy which will enable all Employees, Directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct or Ethics Policy.

The Audit Committee of the Company periodically reviews the functioning of Whistle Blower Mechanism.

i) Code of Practices and Procedures for Fair Disclosure

The Board at its meeting held on 4th February, 2019, has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code lays down broad standards of compliance and ethics, as required by Listing Regulations and other applicable SEBI regulations. The Code is required to be complied in respect of all corporate disclosures in respect of the Company and/or its Subsidiary Company.

The Company Secretary of the Company is the Compliance Officer.

j) Policy to prevent and deal with Sexual Harassment

The Company is an equal employment opportunity employer and is committed to creating a healthy and productive work environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that an act of sexual harassment results in the violation of the fundamental rights. Such acts violate the right to equality, right to life and to live with dignity and right to practice any profession or to carry on any occupation, trade or business, which also includes a right to have a safe and healthy work environment free from sexual harassment.

In keeping with its belief and in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereof, the Company adopted the policy to prevent and deal with sexual harassment at the workplace. The Company is committed to provide to all employees who are present at the workplace, a work environment free from sexual harassment, intimidation and exploitation.

Status of the Complaint received relating to Sexual harassment during FY 2020-21: -

Particulars	No. of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed off during the financial year	N.A.
Number of complaints pending as on end of the financial year	N.A.

k) Declaration by Independent Directors under sub-section (6) of Section of the Act & Regulation 16(1) (b) of the Listing Regulations

During FY 2020-21, the Company received declaration in terms of the provisions of Section 149(6) & 149(7) of the Act and Regulation 16(1)(b) of Listing Regulations from the Independent Directors.

l) Certificate from Practicing Company Secretary

The Company has received a certificate from Practicing Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority.

The Certificate is attached as Annexure VII to the Corporate Governance Report.

m) Web link for various documents

The following documents/information are linked with the website of the Company, i.e. <https://www.artemishospitals.com/> -

Particulars	Web link
Familiarization programme for Independent Directors	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/director-familiarisation-programme.pdf
Policy for determining 'material' Subsidiaries	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/policy-for-determining-material-subsiadiaries.pdf
Policy on Related Party Transactions	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/related-party-transactions-policy.pdf
CSR policy	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/corporate-social-resonsibility-policy.pdf
Code of Conduct for Directors and Senior Management	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/code-of-conduct.pdf
Whistle Blower Policy/Vigil Mechanism	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/whistle-blower-policy.pdf
Policy on preservation and archival of documents	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/policy-on-preservation-of-documents.pdf
Policy on determination of materiality of events or information	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/policy-for-determination-of-materiality-of-events-or-information.pdf
Code of Practices and Procedures for Fair Disclosure of UPSI	https://www.artemishospitals.com/BackEndImages/downloads/Investorsdata/code-of-conduct.pdf

n) Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit Committee during FY 2020-21.

For and on behalf of the Board of Directors

Sd/-
Onkar Kanwar
Chairman
DIN : 00058921

Place: London

Date: 10th May, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Artemis Medicare Services Limited
Plot No. 14, Sector 20, Dwarka, South West Delhi-110075

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Artemis Medicare Services Limited having CIN L85110DL2004PLC126414 and having registered office at Plot No. 14, Sector 20, Dwarka, New Delhi – 110075 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	DIN	Name of Director	Date of Appointment in the Company*
1	00058921	Mr. Onkar Kanwar	14/09/2006
2	00058951	Mr. Neeraj Singh Kanwar	17/01/2008
3	00015511	Ms. Shalini Kanwar Chand	24/01/2007
4	02316154	Dr. Nirmal Kumar Ganguly	10/02/2014
5	07107875	Dr. Devlina Chakravarty	02/04/2015
6	00094081	Dr. Subbaraman Narayan	19/10/2006
7	05344208	Dr. Sanjaya Baru	06/02/2013
8	07862942	Ms. Deepa Gopalan Wadhwa	22/05/2020
9	07088442	Mr. Sanjib Sen	03/08/2020

**The date of appointment is the Original date of appointment as per the MCA portal.*

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Laur and Associates
(Registration No. S2017DE454000)

Sd/-
Name: Manju Laur
FCS-9254, C.P No.: 12247

Date : 10th May, 2021
Place: New Delhi

UDIN: F009254C000272871

CEO AND CFO CERTIFICATE

[Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors,
Artemis Medicare Services Limited
Plot No. 14, Sector – 20,
Dwarka, South West Delhi - 110075

We hereby certify that: -

- (a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended as on 31st March, 2021 and that to the best of our knowledge and belief:
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.
- (d) During the period under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud is found by management or employees having a significant role in the Company's internal control system over financial reporting.

For Artemis Medicare Services Limited

Date : 10th May, 2021
Place : Gurugram

Sd/-
Dr. Devlina Chakravarty
Managing Director

Sd/-
Mr. Sanjiv Kumar Kothari
Chief Financial Officer

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

As per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members,
Artemis Medicare Services Limited
Plot No. 14, Sector 20 Dwarka,
New Delhi – 110 075

1. This certificate is issued in accordance with our terms of engagement letter dated 26th November ,2020.
2. The Corporate Governance Report prepared by Artemis Medicare Services Limited (hereinafter the “Company”), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub- regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“the Listing Regulations”) (‘Applicable criteria’) with respect to Corporate Governance for the year ended 31st March, 2021. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the members of the Company.

Management Responsibility

3. The preparation of the corporate governance report is the responsibility of management of the Company including preparation and maintenance of all the relevant supporting records and documents. The responsibility also includes the design implementation and maintenance of internal control relevant to the preparation and presentation of the corporate governance report.
4. The Management along with Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by Securities and Exchange Board of India.

Auditors Responsibility

5. Pursuant to the requirements of Listing regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the company has complied with the specific requirements of the Listing regulations referred to in the paragraph 2 above.
6. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. The procedures selected depend on the auditor’s judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on 31st March, 2021 and verified that at least one women director was on the Board during the year;
 - iv. Obtained and read the minutes of the following meetings held from 1st April, 2020 to 31st March, 2021:
 - a) Board of Directors
 - b) Annual General Meeting/Postal Ballot
 - c) Audit Committee

- d) Nomination and Remuneration Committee
 - e) Stakeholders Relationship Committee
 - f) Corporate Social Responsibility (CSR) Committee
 - g) Independent Directors meeting
- v. Obtained necessary representations and declarations from Directors of the Company including the Independent Directors; and
 - vi. Performed necessary inquiries with the management and obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

- 9. Based on the procedures performed by us as referred in paragraph 8 above, and according to the information and explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31st March, 2021, referred to in paragraph 2 above.

Other Matter and Restriction on Use

- 10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
- 11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

FOR SCV & CO. LLP

CHARTERED ACCOUNTANTS
ICAI FIRM REGISTRATION No.: 000235N/N500089

Sd/-
(RAJIV PURI)
PARTNER

Place: New Delhi
Date : 10th May, 2021

MEMBERSHIP No.: 084318
ICAI UDIN: 21084318AAAABM9890

MANAGEMENT DISCUSSION AND ANALYSIS

(A) INDUSTRY STRUCTURE & DEVELOPMENTS

Overview

Global

Many public and private health systems have been experiencing revenue pressure, rising costs, and stagnating or declining margins for years. The trend is expected to persist, as increasing demand, funding limitations, infrastructure upgrades and therapeutic and technology advancements strain already limited financial resources.

Health care spending by a Country varies widely. Unfortunately, higher spending levels do not always produce better health outcomes and value. For example, the United States at 18 percent of GDP in 2020 continues to spend considerably more on healthcare than comparable countries but it is in the lower half of the Organization for Economic Cooperation and Development (OECD) countries' life expectancy rankings.

On 11th March, 2020, the World Health Organization announced that the new COVID-19 (corona virus) was officially a pandemic after barreling through 114 countries in three months and infecting over 118,000 people. And the spread had been unabated ever since infecting over 151 Million all over the world and causing over 3.3 million deaths as of 30th April, 2021.

COVID-19 Pandemic has stretched healthcare infrastructure worldwide including that of even the most developed countries, and is expected to cause economic recession unparalleled in the recent history. The rapidly increasing demand on health facilities and health care workers threatens to leave health systems overstretched and unable to operate effectively.

India

India is one of the fastest growing healthcare markets in the world. Rising income levels, growing health awareness, increasing insurance coverage and the imbalance in demand-supply presents a big opportunity for healthcare providers to increase bed capacity and investments in this sector.

Indian healthcare delivery system is categorized into two major components - Public and Private. The public healthcare system comprises limited secondary and tertiary care institutions in key cities and focuses on providing basic healthcare facilities in the form of Primary Healthcare Centres (PHCs) in rural areas. The private sector provides majority of secondary, tertiary and quaternary care institutions with a major concentration in metros, tier I and tier II cities. Private healthcare institutions in India provide world class facilities, employ highly skilled and globally recognized professionals, leverage advanced technology in treatments, and maintain high standards of quality. India is cost competitive compared to its peers in Asia and Western countries. Private sector players occupy a major share of nearly 80% of the country's total healthcare market. They also account for almost 74% of the country's total healthcare expenditure. Their share in hospitals alone is estimated at 74% while the share of hospital beds is estimated at 40%. The cost of surgery in India is about one-tenth of that in the US or Western Europe.

The health sector in India, one of the major contributors to India's economy, is experiencing the wrath of COVID-19 exemplified by the second wave since the month of March 2021. Private players who saw a sharp decline in the business post lock-down during the first wave witnessed recoveries thereafter. Elective surgeries and medical tourism which were the two biggest revenue generators for the private healthcare business in India have suffered a great deal as a result of lockdown.

Government of India is taking all necessary steps to ensure that we are prepared well to face the challenge and threat posed by the growing COVID-19 pandemic. The Union Budget 2020-21 allocated ₹ 739,320 million for the Ministry of Health & Welfare which is up by 7% from the actual expenditure last year with an outlay of ₹ 350,000 million for vaccinations. As of 30th April, 2021 more than 15 crore vaccine doses have been administered in the country as part of one of the largest inoculation program's against the virus in the world. Additionally, over 6 crore doses have been exported overseas as part of a goodwill gesture and commitment towards global vaccination programs.

Government has approval Niti Ayog proposal on 9th January, 2020 to link district hospital with Private Hospitals under Public Private Partnerships mode. In March 2021, the Parliament passed the National Commission for Allied, Healthcare Professions Bill 2021, which aims to create a body that will regulate and maintain educational and service standards for healthcare professionals.

The most important factor in preventing the spread of the virus locally is to empower the citizens with the right information and taking precautions as per the advisories issued by Ministry of Health & Family Welfare.

Market Size

India spends US\$ 196 billion on hospital expenses every year as of FY 2020-21. India had been experiencing strong growth in medical tourism pre-covid with India bound medical tourists having nearly quadrupled in the period 2014-19. With restricted international travel the inflow of patients have reduced.

With India's healthcare spending as percentage of GDP at about 3.5% (2018) there is a significant scope for enhancing healthcare services. Rural India, which accounts for over 65 per cent of the population, is set to emerge as a potential demand source. The government has committed to increased public healthcare spending through programs such as the Pradhan Mantri Jan Arogya Yojna (PM-JAY) popularly known as Ayushman Bharat which is a National Health Insurance Scheme of the state that aims to provide free access to healthcare for low income earners in the country.

During the time of this pandemic, hospitals and medical professionals from doctors to nurses to support staff, who are the brave frontline soldiers fighting the war against COVID-19, are facing difficult times. There is an urgent call for action to address the immediate need of the sector and consider the recommendations for financial stimulus for the private healthcare sector.

Government has also allowed 100% FDI in healthcare sector for greenfield projects.

(B) OPPORTUNITIES AND THREATS

Opportunities

Deeper Value of offerings

There is significant scope to enhance the value offering for patients by leveraging technology. This need not necessarily be cost led but can also include faster recovery, lower trauma, more comprehensive offerings from service providers and higher quality of care with better outcomes. Those providers who are able to elevate their offerings on multiple parameters will have an advantage compared to other service providers.

For instance, Telemedicine has received a major impetus as a result of the virus with increased adoption due to changing patient attitudes.

Increase in Non-Communicable Diseases (NCD)

The rising number of NCD patients suffering from diabetes, cardiovascular diseases and cancer in India is directly proportionate to the changing lifestyle patterns of the working population. This is a huge challenge for the Indian healthcare service providers who will need to address the rising incidence of NCDs. At the same time, it presents an opportunity for service providers.

Increase in Healthcare Spending due to the Pandemic

The healthcare sector especially the private players who provide 70 percent of the healthcare services in India have experienced a sharp decline in the business post lockdown. Elective surgeries and medical tourism which were the two biggest revenue generators for the private healthcare business in India have suffered the most as a result of lockdown as per leading private health professionals.

Though the immediate fallout of the pandemic on private players is negative it is believed that the increased focus on healthcare during and post pandemic is likely to result in an impetus to public and private spending on healthcare in the medium to long term. This is evident in the increased allocation of the healthcare budgets by various countries including India.

Disparities between Urban and Non- Urban Areas

More than 65% of the Indian population is residing in the rural areas, yet 80% of the healthcare facilities are located in the cities. Urban-rural divide is a big reason why a majority of the population do not have access to quality healthcare and medical infrastructure. Patients in such semi-urban areas may have the willingness to pay for good quality healthcare services, however, due to lack of options end up travelling to the cities in search of appropriate treatment. Healthcare service providers who are able to offer services of the desired quality in these areas will benefit from a ready demand for their services.

Increase in Demand for Elective Surgeries

Given the steady increase in disposable incomes and growing health awareness, there has been a manifold expansion in demand for elective or planned surgeries as well as cosmetic surgeries. Patients are now willing to undergo discretionary and eclectic treatments to elevate their standard of living and pursue a lifestyle of their choice. This is steadily developing into a deep and lucrative segment of the healthcare services market.

Growing Population

As the population of the elderly crosses the 100 million mark it is estimated to be around 143 million in 2020, this changing demographics will also contribute to the increasing demand for healthcare services.

Great potential for Medical Tourism

The Indian Healthcare Industry is well poised to address the medical tourism opportunity, with several accredited facilities witnessing a large development of private medical healthcare facilities. Additionally, the inherent cost advantage with prevalence of quality healthcare services makes India a preferred destination among emerging markets. The opportunity is large and the country will have to take appropriate steps to improve procedural efficiency and enhance marketing of services to collect a sizeable share.

Threats**Increasing competitive intensity in the healthcare sector**

The increasing trend of entrepreneurs and business houses entering the healthcare business has resulted in undercutting of prices/ reduced margins.

Increasing cost of resources

Input costs in healthcare are rising. Minimum wage revisions are underway in several categories of manpower; real estate continues to inflate; and import costs of equipment and consumables are high. Increased competition has also meant that compensation expectations for skilled manpower is very high. In light of the Government's thrust to reduce prices through regulation, there is a real threat of hospital finances being rendered unviable.

Technology obsolescence

'Today's `Technology' is at the helm of any growing industry and it has to keep getting upgraded due to the high risk of obsolescence. One of the biggest problems faced by Indian players is availability of good technology at reasonable costs. We however, use the latest treatment technologies in our hospital to provide top quality healthcare services.

Shortage of Skilled Manpower

There is an acute shortage of skilled healthcare resources across the board. At 8 physicians and 12 nursing personnel per 10,000 population, India alarmingly trails the global median of 14 physicians and 29 nursing personnel. We also lag behind other developing nations like Brazil on these parameters. Unless immediate steps are taken to increase the number of doctors, nurses and paramedics, the shortage of manpower will lead to prohibitive costs and derail the delivery of healthcare services.

Price Regulation

The intrinsic value of a service is more than just the cost of inputs. Any attempt to regulate the prices of healthcare without addressing and providing for the comprehensive costs of providing quality services, will cripple the sector's finances and compromise the quality of care.

High Capital Investment Requirements

Establishing a health care facility involves investing substantial amounts of capital towards acquiring land especially in the metros and Tier I cities apart from investments in medical equipment and other costs. Further, ongoing investments are required to upgrade medical equipments and introduce new treatment technologies. Healthcare investments also involve a significant gestation period.

Potential loss on the Medical Tourism Opportunity

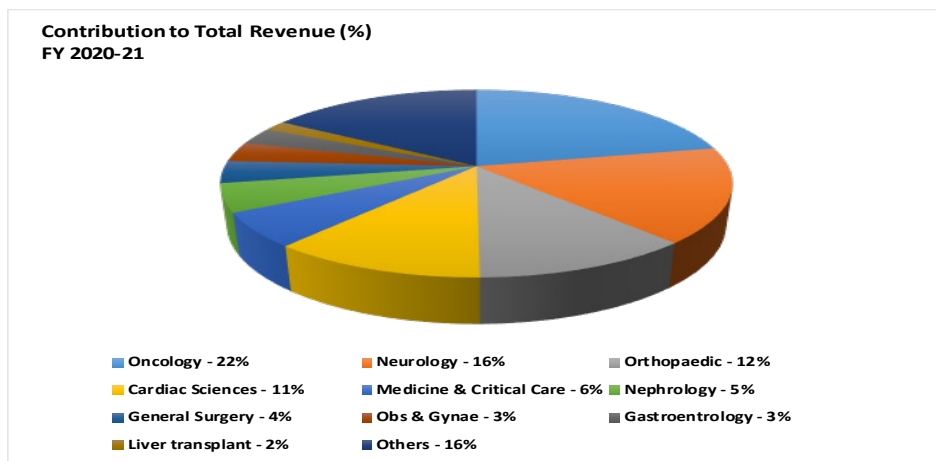
The COVID-19 pandemic is proving fatal for the medical tourism industry. More than 70 governments have responded

by banning entry to travellers who have been to affected regions, barring flights to certain countries and changing visa requirements, and others have recommended that no citizens travel to another country. The restrictions and virus fears have hit tourism hard, and medical tourism is expected to be hit the hardest. While many hospitals and clinics will have more income and more customers locally, those heavily dependent on medical tourism may struggle or even close as the finances are already tight. Small medical tourism agencies will lose business and may not reopen. Many hospitals may now not have spare capacity for medical tourists.

Several countries in the Asia-Pacific region have realized the opportunity of attracting medical value- travellers. These countries provide a number of incentives to domestic service providers in the form of subsidized capital and ease in permissions and tax benefits. Given this fact coupled with their enhanced infrastructure and simplified visa norms in their respective countries, makes these service providers well positioned to gain a larger share of the opportunity.

(C) SEGMENT-WISE PERFORMANCE

The Company has reviewed its business oversight mechanism and has realigned all its operations, based on the assessment of overall risks and rewards. Accordingly, the figures appearing in these financial statements relate to sales and services of abovementioned unit.



Company’s Overview

Artemis Hospital / Artemis (a unit of Artemis Medicare Services Limited), Sector- 51, Gurugram- 122001 established in 2007, spread across 9 acres, is a 395 bed; state-of-the-art multi-speciality hospital located in Gurugram, India. Artemis Hospital is the first Hospital in Gurugram which was accredited with JCI and NABH.

Designed as one of the most advanced in India, Artemis provides a depth of expertise in the spectrum of advanced medical & surgical interventions, comprehensive mix of inpatient and outpatient services.

Clinical Excellence

Artemis Hospital diligently adheres to meet the highest standards of clinical outcomes which it has set for itself in various specialities. Artemis is the first Hospital in Gurugram to receive JCI accreditation, USA constantly for the third time. Our Hospital is awarded for Infection Control. Artemis Hospital is the first hospital in North India to be accredited with National Marrow Donor Program (NMDP), USA. Artemis Hospital is first to introduce Masimo technology based on Clinical Surveillance System and equipped with North India’s first M6 Cyber knife having successfully performed over 1000+ procedures.

The hospital has an impeccable track record and high success rates even in surgeries of high complexity such as transplants, cardiac care and oncology. This unwavering focus on clinical excellence enables Artemis Hospitals to continuously assess the quality of care provided to patients and allows it to objectively measure the consistency and success of healthcare delivery services.

Training & Continuing Medical Education

In addition to the focus on clinical excellence, Artemis ensures that its medical professionals and other staff are periodically trained on the newest techniques and procedures in the Medical field on a periodic and continuous basis.

Accreditations

Artemis Hospital has received accreditations from the Joint Commission International, USA (“JCI”) for meeting international healthcare quality standards for patient care and management. Artemis hospital is NABH & NABL accredited. Our hospital has also received Green OT certification from Bureau Veritas. Our Hospital has accreditation(s) which reiterates that the operational protocols are in line with global best practices.

(D) INDUSTRY OUTLOOK

Looking ahead, the health care sector is expected to be the core of economy with a meaningful contribution to growth. The health care growth remains intact with increased income levels, ageing population, growing health awareness and changing attitude towards preventive health care.

(E) RISKS AND CONCERNS

At Artemis Hospitals, we identify business sustainability risks and opportunities on an ongoing basis and integrate these into our existing risk management framework. The practice of Risk Management is undertaken by the Senior Management under the guidance of the Board of Directors. As risks cannot be totally eradicated, adequate measures are taken to mitigate areas of significant risks that have been identified. Multiple platforms have been established to help employees manage, monitor and mitigate risks appropriately. The comprehensive risk management practices ensure sustainability and longevity of the business.

(F) INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

In our view, your Company’s Internal Financial Controls affecting the financial statements are adequate and are operating effectively. During the financial year under review, in the organization adequate financial controls are established and the financial controls are tested for operating effectiveness through ongoing management monitoring and review process and independently by the Internal Audit Function and no reportable material weakness in the design or operation was observed.

(H) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company is given separately in Directors report.

(I) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The Human Resource strategy of Artemis is based on the firm belief that our people are our Core strength and is focused on shaping our talent for tomorrow. We aspire to provide excellent opportunities for professional and personal growth of our employees and encourage collaboration, creativity continuous learning and fun based work environment. As on 31st March, 2021, Artemis comprises total strength of 1551 employees.

(G) KEY FINANCIAL RATIO

Following are Key Financial Ratios computed on Standalone basis

Particulars	FY 2020-21	FY 2019-20	Movement
Current Ratio	0.91	0.74	22%
Debt / Equity Ratio	0.28	0.25	15%
Debt Service Coverage Ratio*	1.20	1.62	-26%
Inventory Turnover (in days)	29	28	6%
Debtors Turnover (in days)	119	122	-2%
Creditors Turnover (in days)	83	68	23%
Net Capital Turnover Ratio*	0.97	1.48	-34%
Net Profit Margin Ratio*	1.75%	3.60%	-51%
Return on Capital Employed*	4.32%	10.06%	-57%

There is no significant change (i.e. 25% or more as compared to the immediately previous financial year) in the key financial ratio except * Debt Service Coverage ratio, Net Capital Turnover Ratio, Net Profit Margin Ratio and Return on Capital Employed affected due to Covid 19 Pandemic.

(H) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Particulars	FY 2020-21	FY 2019-20	Explanation for change
Return on Net Worth	3.32%	9.89%	Impacted due to Covid 19 Pandemic

CAUTIONARY STATEMENT:

The above statements are as perceived by the directors based on the current scenario and the input available. Any extraneous developments and force majeure conditions may have an impact on the above perceptions.

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

ARTEMIS MEDICARE SERVICES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of ARTEMIS MEDICARE SERVICES LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (together referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit including other comprehensive income, changes in equity and its cash flows and for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter

Capital Work in Progress (CWIP)	
See Note 2.2 to the Standalone Ind AS financial statements	
Key Audit Matter Description	How the matter was addressed
<p>The Company has an expansion plan of its healthcare business.</p> <p>The Company has spent Rs 8100.53 Lakhs towards capital work in progress till 31st March, 2021.</p> <p>Given the significance of the capital expenditure during the year, there are risk pertaining to the appropriateness of the capital expenditure and incorrect accumulation of revenue expenditure as capital expenditure in line with the criteria of Ind AS 16 "Property, Plant and Equipment".</p>	<p>Our audit approach in relation to appropriateness of capitalization of cost as per Ind AS 16 consisted testing of the design and operating effectiveness of the internal controls and substantive testing as under :</p> <ul style="list-style-type: none"> • We obtained and perused the Board approval for the expansion of Tower 2 having 144 beds capacity. • Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalization of various costs incurred in relation to Property, Plant and Equipment.

	<ul style="list-style-type: none"> • Performed test of details relating to capital acquisition process, i.e. quotation/ vendor selection, invoice and purchase order approvals and classification. • Performed test of details with focus on those items (example internally generated cost, borrowing cost etc.) that we considered significant due to their amount or nature and tested a number of items capitalized during the year against underlying supporting documents including running bills of contactors to ascertain nature of costs and whether they meet the recognition criteria provided in Ind AS 16 in this regard. • Tested other costs debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization. • Ensured adequacy of disclosures in the Standalone Ind AS financial statements. • Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized.
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Information other than the Standalone Ind AS financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report of the Board of Directors including annexures to Board’s Report but does not include the Standalone Ind AS financial statements and our auditor’s report thereon.

Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Standalone Ind AS financial Statements

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibility for the Audit of the Standalone Ind AS financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect

a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatement in the Standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Standalone Ind AS financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note 38 to the Standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 29b(ii) to the Standalone Ind AS financial statements.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE : NEW DELHI
DATED : 10th May, 2021

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 21084318AAAABL2995

Annexure “A” to the Independent Auditors’ Report

Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our Report of even date.

- i. (a) The Company has maintained proper records showing full, including quantitative details and situation of fixed assets.
 - (b) Fixed assets verification has been conducted by the management during the year. All the fixed assets of the Company have not been physically verified by the management during the year but there is a regular phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.
- ii. Physical verification of inventory has been conducted by the management at reasonable intervals during the year. The discrepancies noticed on verification between the physical stocks and book records, which in our opinion were not material, have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 except that the Company during the year has granted an unsecured loans to a party, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - a) The terms and conditions of the grant of such loan is, in our opinion, prima facie, not prejudicial to the Company’s interest.
 - b) The schedule of repayment of principal and payment of interest has been as stipulated and repayments or receipts of principal amounts and interest have been regular during the year.
 - c) The entire loan has been repaid during the year and therefore there is no overdue amount remaining outstanding as at the year-end.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Companies Act, 2013 in respect of investment made, grant of loans and guarantee given to its subsidiary company during the year. The Company has not given security during the year which is covered under provisions of section 185 and 186 of the Companies Act, 2013.
- v. According to the information and explanations provided by the management, we are of the opinion that the Company has not accepted any deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Accordingly, the paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of Health services, namely functioning as or running hospitals pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees’ state insurance, income-tax, goods and services tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, goods and services tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues were outstanding, as on 31st March, 2021 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, there are no dues of income tax, goods and services tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.

- viii. Based on our audit procedures and on the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or to banks. The Company did not have any outstanding debentures, or loans or borrowings from Government during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Based on our audit procedures and according to information and explanations given by the management, the term loans were applied for the purpose for which they were obtained.
- x. According to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013. Accordingly, provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, provisions of paragraph 3(xvi) of the Order are not applicable to the Company.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE : NEW DELHI
DATED : 10th May, 2021

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 21084318AAAABL2995

Annexure “B” To the Independent Auditor’s Report

Annexure referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ARTEMIS MEDICARE SERVICES LIMITED** (“the Company”) as of 31st March, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to these Standalone Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE : NEW DELHI
DATED : 10th May, 2021

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 21084318AAAABL2995

BALANCE SHEET AS AT 31ST MARCH 2021

(₹ in Lacs)

Particulars	Note No.	As At 31 st March 2021	As At 31 st March 2020
Assets			
A Non-current assets			
Property, plant and equipment	2.1	31,033.10	32,766.98
Right-of-use assets	2.3	1,718.06	1,438.59
Capital work-in-progress	2.2	8,100.53	5,569.03
Goodwill		4,162.07	4,162.07
Other Intangible assets	2.4	268.70	345.48
Financial assets			
i. Investments	3.1	429.00	169.00
ii. Loans	3.2	259.95	243.34
iii. Other financial assets	3.3	18.67	29.05
Non-current tax assets (Net)	4	1,643.43	1,003.04
Other non-current assets	5	691.82	714.70
Total non-current assets	A	48,325.33	46,441.28
B Current assets			
Inventories	6	926.66	1,053.32
Financial assets			
i. Trade receivables	7	5,297.34	7,650.71
ii. Cash and cash equivalents	8	1,688.85	1,119.50
iii. Bank balances other than (ii) above	9	1,195.78	404.44
iv. Loans	3.2	53.45	110.47
v. Other financial assets	3.3	529.10	359.26
Other current assets	5	879.05	977.44
Total current assets	B	10,570.23	11,675.14
C Total Assets	C = A + B	58,895.56	58,116.42
Equity and liabilities			
D Equity			
Equity share capital	10	1,323.77	1,323.77
Other equity	11	30,838.24	30,083.21
Total equity	D	32,162.01	31,406.98
Liabilities			
E Non-current liabilities			
Financial liabilities			
i. Borrowings	12	9,877.04	6,057.19
ii. Lease Liabilities		1,612.99	1,395.06
Provisions	13	658.06	626.87
Deferred tax liabilities (Net)	14	2,982.88	2,945.18
Total non-current liabilities	E	15,130.97	11,024.30

(₹ in Lacs)

Particulars	Note No.	As At 31 st March 2021	As At 31 st March 2020
F Current liabilities			
Financial liabilities			
i. Borrowings	15	-	1,088.63
ii. Lease Liabilities		318.38	136.84
iii. Trade payables			
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	16	1,099.10	995.49
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16	4,486.71	6,407.71
iv. Other financial liabilities	17	2,820.91	4,264.99
Other current liabilities	18	1,859.58	1,871.66
Provisions	13	1,017.90	919.82
Total current liabilities	F	11,602.58	15,685.14
G Total liabilities	G = E + F	26,733.55	26,709.44
H Total equity and liabilities	H = D + G	58,895.56	58,116.42

Significant accounting policies

1.2

See accompanying Notes to Financial Statements

2 to 44

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 st March 2021	Year Ended 31 st March 2020
Income			
Revenue from Operations	19	40,206.37	56,309.09
Other Income	20	354.56	456.95
Total income	(I)	40,560.93	56,766.04
Expenses			
Purchases of Pharmacy Drugs & Medical Consumables	-	11,317.43	14,035.65
Purchases of Stock in Trade	-	29.71	149.00
Changes in inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade	21	140.93	(361.67)
Employee benefits expense	22	8,248.65	10,239.59
Finance costs	23	1,226.89	1,250.92
Depreciation and other amortization expense	24	2,065.22	2,233.09
Other expenses	25	16,964.80	26,022.92
Total expenses	(II)	39,993.63	53,569.50
Profit before exceptional items and tax	III=(I-II)	567.30	3,196.54
Exceptional Items (refer note 42)	IV	323.29	-
Profit before tax	V=(III+IV)	890.59	3,196.54
Tax Expense	26		
Current Tax		670.51	1,139.63
Earlier Year Tax		94.14	(395.73)
Deferred Tax Charge / (Credit)		(582.77)	409.81
Total Tax Expense	(VI)	181.88	1,153.71
Profit after tax for the year	VII=(V-VI)	708.71	2,042.83
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans (refer note 34)	(VIII)	8.70	(49.46)
Deferred tax adjustment on revaluation	(IX)	40.66	30.50
Income tax relating to items that will not be reclassified to profit or loss	(X)	(3.04)	17.28
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:	XI=(VIII+IX+X)	46.32	(1.68)
Total comprehensive income for the year	XII=(VII+XI)	755.03	2,041.15
Earning Per Equity Share (Face Value of ₹ 10/- each)			
- Basic (₹)	33	5.35	15.43
- Diluted (₹)		5.35	15.43

Significant accounting policies

See accompanying Notes to Financial Statements

1.2

2 to 44

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

(₹ in Lacs)

Particulars		Year Ended 31 st March 2021	Year Ended 31 st March 2020
Cash flow from operating activities			
Profit before tax		890.59	3,196.54
Adjustments for:			
Depreciation and amortization expense		2,065.22	2,233.09
Interest Income		(183.37)	(45.99)
Finance Cost		1,019.52	1,024.19
Exceptional Items		(323.29)	-
Unclaimed Credit balances / provisions no longer required written back		(85.48)	(61.42)
Allowance for Expected Credit Loss		307.63	286.95
Unrealised foreign exchange gain (net)		26.07	(64.12)
Loss / (Gain) on Sale / Scrap of Property, Plant and Equipment (Net)		19.24	11.47
Operating cash flow before working capital changes		3,736.13	6,580.71
Adjustments for Changes in Working Capital			
- (Increase)/ Decrease in trade receivables		2,019.66	(12.22)
- (Increase)/ Decrease in inventories		126.67	(359.62)
- (Increase)/ Decrease in Loan (Current)		57.02	86.77
- (Increase)/ Decrease in Loan (Non -Current)		(16.62)	12.52
- (Increase)/ Decrease in other financial assets (Current)		(169.84)	155.45
- (Increase)/ Decrease in other financial assets (Non - Current)		10.38	3.37
- (Increase)/ Decrease in other Current Assets		98.40	(214.92)
- (Increase)/ Decrease in Other Non Current Assets		(961.51)	(1,164.28)
- Increase/(Decrease) in trade payables		(1,731.91)	97.50
- Increase/(Decrease) in Provisions (Current)		98.09	63.96
- Increase/(Decrease) in Provisions (Non - Current)		39.89	80.45
- Increase / (Decrease) in Other current liabilities (Current)		(12.08)	(140.87)
- Increase / (Decrease) in Other financial liabilities (Current)		(802.34)	876.65
Cash generated from operations		2,491.94	6,065.47
Income tax refund / (paid)		237.45	(416.89)
Net cash generated from operating activities	(A)	2,729.39	5,648.58
Cash flow from investing activity			
Purchase of Property, Plant & Equipment / CWIP		(2,826.23)	(1,956.57)
Proceeds from sale of Property, Plant & Equipment		303.69	11.14
Maturity / (investments) of / in fixed deposits having original maturity of more than 3 months		(791.34)	(90.06)
Investment made in subsidiary		(260.00)	(162.50)
Interest received		183.37	45.99
Net cash (used in) investing activities	(B)	(3,390.51)	(2,152.00)

(₹ in Lacs)

Particulars		Year Ended 31 st March 2021	Year Ended 31 st March 2020
Cash flow from financing activity			
Proceeds from non current borrowings		5,012.57	2,850.85
Repayment of non current borrowings		(1,431.42)	(2,291.68)
Repayment of current borrowings (net)		(1,088.63)	(2,698.96)
Payment of lease liabilities		(242.53)	(136.98)
Interest paid		(1,019.52)	(1,024.19)
Net cash generated from financing activities	(C)	1,230.47	(3,300.96)
Net increase in cash & cash equivalents	(A+B+C)	569.35	195.62
Cash & cash equivalents as the beginning of the year		1,119.50	923.88
Cash & cash equivalents as the end of the year	Total	1,688.85	1,119.50
Components of cash and cash equivalents			
Cash on hand		135.14	79.69
Balances with Banks:			
On current accounts		953.71	1,039.81
Fixed Deposit in banks having original maturity of 3 months or less		600.00	-
On deposit accounts		1,195.78	404.44
Less: Fixed deposits not considered as cash equivalents		(1,195.78)	(404.44)
Total Cash and Cash Equivalents (Refer Note 8)	Total	1,688.85	1,119.50

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]

Place : Gurugram
Dated : 10th May, 2021

STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

(A) Equity Share Capital

Particulars	Note No	Amount
Balance as at 1 st April, 2019		-
Add: Equity shares issued during the year # (Refer Note 27)		1,323.77
Balance as at 31st March, 2020	10	1,323.77
Change in equity share capital during the year		-
Balance as at 31st March, 2021	10	1,323.77

(B) Equity Share Suspense Account (Refer Note 27)

Balance as at 1 st April, 2019	10	1,323.77
Less : Equity shares issued during the year # (Refer Note 27)		1,323.77
Balance as at 31st March, 2020	10	-
Change in equity share capital during the year		-
Balance as at 31st March, 2021	10	-

II Other Equity

(₹ in Lacs)

Particulars	Note	Reserves and Surplus			Items of OCI	Total
		Capital Reserve	Revaluation Reserve	Retained Earnings	Remeasurements of the net defined benefit plans	
Balance as at 1 st April, 2019	11	14,457.89	6,567.81	7,079.05	(62.69)	28,042.06
Profit / (Loss) for the year	11	-	-	2,042.83	-	2,042.83
Deferred tax adjustment on revaluation	11	-	30.50	-	-	30.50
Other comprehensive income (OCI) (net of tax)	11	-	-	-	(32.18)	(32.18)
Balance as at 31st March, 2020	11	14,457.89	6,598.31	9,121.88	(94.87)	30,083.21
Profit / (Loss) for the year	11	-	-	708.71	-	708.71
Deferred tax adjustment on revaluation	11	-	40.66	-	-	40.66
Other comprehensive income (OCI) (net of tax)	11	-	-	-	5.66	5.66
Balance as at 31st March, 2021	11	14,457.89	6,638.97	9,830.59	(89.21)	30,838.24

See accompanying Notes to Financial Statements

2 to 44

As per our report of even date attached

For SCV & Co. LLP

Chartered Accountants

Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-

Onkar Kanwar

[Chairman]

[DIN : 00058921]

Place : London

Dated : 10th May, 2021

Sd/-

Devlina Chakravarty

[Managing Director]

[DIN : 07107875]

Place : Gurugram

Dated : 10th May, 2021

Sd/-

(Rajiv Puri)

Partner

Membership No. 084318

Place : New Delhi

Dated : 10th May, 2021

Sd/-

Sanjiv Kumar Kothari

[Chief Financial Officer]

Place : Gurugram

Dated : 10th May, 2021

Sd/-

Shilpa Budhia

[Company Secretary]

Place : Gurugram

Dated : 10th May, 2021

Notes to Financial Statements for the year ended 31st March, 2021

Note No.

1.1 Nature of operations

Artemis Medicare Services Limited (“The Company”) was incorporated on 18th May, 2004. The Company is engaged in the business of managing and operating of multi specialty hospitals and commenced its commercial operation by setting up Artemis Hospital (formerly Artemis Health Institute) at Gurugram on 16th July, 2007.

1.2 Statement of Significant Accounting Policies

a) Statement of compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the “Act”) read together with Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements were approved by the Company’s Board of Directors on 10th May, 2021. Details of the accounting policies are included in Note 1.

b) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these standalone financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the property, plant and equipment to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such property, plant and equipment are ready to be put to use.

The cost of an item of property, plant and equipment is the case price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit, unless such interest is capitalised as per borrowing cost.

The Company identifies and determines separate useful life of each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset, as per Schedule II of Companies Act, 2013.

d) Depreciation on Property, Plant and Equipment (PPE)

Depreciation on all of the property, plant and equipment is provided using the straight line method at the rates prescribed by Schedule II of the Companies Act, 2013 and / or useful life estimated by management supported by technical valuer's independent assessment. The management believes that depreciation rates currently used fairly reflect its estimates of the useful lives and residual values of property, plant and equipment.

Depreciation commences when the PPE are ready for their intended use. Depreciation on all PPE except land are provided on a straight line based on the estimated useful life of PPE, which is as follows:

Assets	Useful Life of property, plant and equipment as per Schedule II	Useful Life of property, plant and equipment as per Management, supported by Technical Valuer's Estimate
Buildings :		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
Plant & Machinery :		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	
- Loose Tools & Instruments		5 Years
Office Equipments	5 Years	
Computers & Data Processing Units		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
Vehicles	8 Years	
Furnitures & Fittings	10 Years	
Electrical Installations & Equipments	10 Years	

Leasehold Improvements including renovation done on shared facilities have been depreciated as per the useful life ascertained or over the primary period of lease / contract, whichever is shorter.

e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Indian Accounting Standards.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Software

Cost of software is amortized over a period of 8 years, being the estimated useful life as per the management estimates.

f) Borrowing Cost

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

g) Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of assets those are cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

h) LeasesWhere the Company is the lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the

Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cost.

Where the Company is the lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Assets subject to operating leases are included in PPE. Rental income on operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight line basis over the lease term.

i) Inventories

Inventories of Pharmacy Drugs & Other Items, Medical Consumables and the Stores and Spares are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

Traded goods are valued at lower of cost and net realisable value. Costs includes cost of purchase and other costs incurred to bring inventories to their present locations and conditions. Cost is determined on weighted average basis.

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

j) Revenue recognition

The Company derives revenue primarily from Healthcare Services through operating of multi-speciality Hospital.

Revenue is measured at the transaction price. Revenue is reduced for returns, trade allowances for deduction, rebates, value added taxes and amounts collected on behalf of third parties.

Sale of Pharmacy Drugs and Medical Supplies including Traded Goods

Revenue is recognized as and when Pharmacy Drugs, Medical Supplies and Traded goods are sold. Revenue from the sale of Pharmacy Drugs, Medical Supplies and Traded good are recognised when control of the goods has passed to the buyer i.e. at the point of sale / to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts and goods & services tax.

Income from Operations

Revenue is recorded when the performance obligation are satisfied. For outpatient customers services are simultaneously received and consumed by the patient. For inpatient customers, revenue is recognized as serviced are performed over the period. Revenue for the ongoing services at the reporting date is recognised as unbilled revenue. The income is stated net of discount and price differences, as per terms of contract.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Income from Nursing Hostel

Revenue is recognized as per contractual arrangement with nursing staff using the hostel facilities.

Income from Lease Rentals & Outsourced Facilities

Revenue is recognized in accordance with the terms of lease agreements entered into with the respective lessees.

Income from Service Export from India Scheme (SEIS)

Income from 'Service Export from India Scheme' is recognized on accrual basis as and when eligible services are performed and convertible foreign exchange is received on a net basis.

Income from Clinical Research

Income from clinical research is recognised as and when the services are rendered in accordance with the terms of the respective agreements.

Income from Sponsorships

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

k) Foreign currency transactions

In preparing the financial statements, transaction in currencies other than the Company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period

- i) Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date,
- ii) Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- iii) Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings.

l) Employees BenefitsShort term employee benefits

Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

Post employment benefits

Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund and Employee State Insurance (ESI) to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Company's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

m) Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of assets to be recovered.

Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. 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.

iii) Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

n) Expenditure on new projects

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of profit and loss.

o) Earnings Per share

Basic earnings per share is being calculated by dividing net profit or loss for the year (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

p) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

q) Financial Instrument

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

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

Financial Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- i) the assets is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for financial assets designated at Fair Value Through Other Comprehensive Income (FVTOCI). For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for financial assets through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss since there are no designated hedging instruments in a hedging relationship.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or then the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- i) it has been incurred principally for the purpose of repurchasing it in the near term; or
- ii) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value

of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Company entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial

modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

r) Provisions & Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

s) Contingent Liabilities

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

t) Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and such grants can reasonably have a value placed upon them.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

u) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement are comprise of cash at bank and cash in hand and short-term investments with an original maturity of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

v) Critical Accounting Estimates

Expected Credit Loss

The impairment provisions for trade receivables is based on assumptions about risk of default and expected loss rates. The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

Notes to Financial Statements for the year ended 31st March, 2021

Note No. 2.1

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Freehold Land *	Building **	Leasehold Improvement	Computers	Furniture & Fixtures	Office Equipments	Plant and Equipments	Vehicles	Total
<u>COST OR DEEMED COST</u>									
As at 1 st April, 2019	13,262.44	9,431.90	121.99	914.68	733.71	346.18	13,568.70	211.52	38,591.13
Additions	-	9.37	-	78.83	25.54	31.01	1,109.96	76.64	1,331.35
Disposals / Discarded during the year	-	-	-	(1.65)	(3.34)	(0.09)	(166.49)	-	(171.58)
As at 31st March, 2020	13,262.44	9,441.27	121.99	991.86	755.91	377.10	14,512.17	288.16	39,750.90
Additions	-	74.75	14.61	10.53	31.75	24.61	208.21	5.19	369.65
Disposals / Discarded during the year	-	-	-	(0.17)	(17.51)	(14.34)	(372.42)	(23.29)	(427.73)
As at 31st March, 2021	13,262.44	9,516.02	136.60	1,002.22	770.15	387.37	14,347.96	270.06	39,692.82
<u>DEPRECIATION</u>									
As at 1 st April, 2019	-	553.35	8.41	345.30	330.29	174.30	3,629.26	50.61	5,091.52
Charge for the year	-	173.17	36.05	164.60	55.07	67.80	1,509.82	34.85	2,041.36
Disposals / Discarded during the year	-	-	-	(0.33)	(2.29)	(0.08)	(146.26)	-	(148.96)
As at 31st March, 2020	-	726.52	44.46	509.57	383.07	242.02	4,992.82	85.46	6,983.92
Charge for the year	-	173.87	36.71	158.04	54.74	58.86	1,260.08	38.43	1,780.73
Disposals / Discarded during the year	-	-	-	(0.02)	(5.37)	(12.46)	(82.29)	(4.79)	(104.93)
As at 31st March, 2021	-	900.39	81.17	667.59	432.44	288.42	6,170.61	119.10	8,659.72
NET BOOK VALUE									
As at 31 st March, 2020	13,262.44	8,714.75	77.53	482.29	372.83	135.08	9,519.35	202.70	32,766.98
As at 31 st March, 2021	13,262.44	8,615.63	55.43	334.63	337.71	98.95	8,177.35	150.96	31,033.10

Note : The borrowing cost capitalised during the year ended 31st March, 2021 was ₹ 142.37 Lacs. (31st March, 2020 : ₹ 121.00 Lacs). The Company capitalised this borrowing cost in the capital work-in-progress (CWIP).

* Under the Previous GAAP (Indian GAAP), freehold land was carried in the balance sheet on the basis of revaluation performed as on 31st March, 2016. The Company has elected to regard such value as deemed cost at the date of transition.

** Includes part of the building given on operating lease whose cost, depreciation for the year and WDV at the end of the year is not segregated.

Note No. 2.2**CAPITAL WORK IN PROGRESS MOVEMENT**

(₹ in Lacs)

Particulars	Capital work in progress
As at 1st April, 2019	4,943.22
Addition during the year	1,990.75
Capitalised during the year	1,364.94
As at 31st March, 2020	5,569.03
Addition during the year	2,904.07
Capitalised during the year	372.57
As at 31st March, 2021	8,100.53

Note No. 2.3**RIGHT-OF-USE ASSETS**

(₹ in Lacs)

Particulars	Right-of-use assets
As at 1st April, 2019	1,535.71
Additions	-
Deletion	-
Depreciation	97.12
As at 31st March, 2020	1,438.59
Additions	484.37
Deletion	-
Depreciation	204.90
As at 31st March, 2021	1,718.06

Note No. 2.4**INTANGIBLE ASSETS**

(₹ in Lacs)

Particulars	Computer Software
<u>COST OR DEEMED COST</u>	
As at 1st April, 2019	609.13
Additions	33.59
Disposals / Discarded during the year	-
As at 31st March, 2020	642.72
Additions	2.92
Disposals / Discarded during the year	(0.17)
As at 31st March, 2021	645.47
<u>AMORTIZATION</u>	
As at 1st April, 2019	202.63
Charge for the year	94.61
Disposals / Discarded during the year	-
As at 31st March, 2020	297.24
Charge for the year	79.59
Disposals / Discarded during the year	(0.06)
As at 31st March, 2021	376.77
<u>NET BOOK VALUE</u>	
As at 31st March, 2020	345.48
As at 31st March, 2021	268.70

Notes to Financial Statements for the year ended 31st March 2021

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
	Financial Assets		
3.1	Investments (Non-Current)		
	Unquoted Investments		
	Investment in Equity Instruments (at cost)		
	Investment in Subsidiary Company		
	i) Artemis Cardiac Care Private Limited	429.00	169.00
	42,90,000 Equity Shares of ₹ 10/- each		
	(16,90,000 as at 31 st March, 2020 Equity Shares of ₹ 10/- each) (all fully paid)		
	Total	429.00	169.00
	Aggregate amount of unquoted investments and market value thereof		
	Aggregate value of unquoted investment	429.00	169.00
3.2	Loans		
	Non Current		
	(Unsecured, Considered good)		
	Security Deposits	203.08	173.58
	Others		
	Loans & advances to Employees *	56.87	69.76
	Total	259.95	243.34
	Current		
	(Unsecured, Considered good)		
	Security Deposits	-	7.17
	Others		
	Loans & advances to Employees *	53.45	103.30
		53.45	110.47
	* Loans & advances to Employees includes dues from Executive Director, officers etc. (Refer Note 30) (As a part of service condition extended to all its eligible employees)	61.50	79.50
3.3	Other Financial Assets		
	Non Current		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	18.67	29.05
		18.67	29.05
	Current		
	Interest accrued on fixed deposits	17.01	18.91
	Other receivables#	66.68	-
	Unbilled Revenue (Accrued operating income)	445.41	340.35
		529.10	359.26

Receivables from the private limited company, in which director of the company is director.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
4	Income tax assets		
	Non Current		
	Income Tax Recoverable (Net of provision for taxation)	1,643.43	1,003.04
	Total	1,643.43	1,003.04

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
5	Other Assets		
	Non-Current (Unsecured, Considered good)		
	Capital Advances	685.10	684.77
	Prepaid Expenses	6.72	29.93
	Total	691.82	714.70
	Current (Unsecured, Considered good)		
	Advances recoverable	55.87	98.66
	Balances with statutory / government authorities	28.44	34.36
	Prepaid Expenses	141.84	191.52
	Export Incentive receivable	652.90	652.90
		879.05	977.44

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
6	Inventories		
	(Valued at lower of cost or net realisable value)		
	Stock of Pharmacy Drugs & Medical Consumables	842.64	937.93
	Stock in Trade (Pharmacy and Other Items)	13.56	59.20
	Stores & Spares	70.46	56.19
	Total	926.66	1,053.32

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
7	Trade Receivables (Unsecured)		
	Current - at amortised cost		
	Considered good	5,297.34	7650.71
	Considered Doubtful	805.32	497.69
	Less: Allowance for credit losses	(805.32)	(497.69)
		5,297.34	7,650.71

Trade Receivables Includes :

(₹ in Lacs)

Particulars	As At 31 st March, 2021	As At 31 st March, 2020
- Dues from Directors	7.58	19.95

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

No single customer accounted for more than 10% of the revenue as of 31st March, 2021 & 31st March, 2020. There is no significant concentration of credit risk.

The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

The Company has recorded an allowance of ₹ 805.32 Lacs (Previous year ₹ 497.69 Lacs) towards trade receivables. The Management believes that there is no further provision required in excess of the allowance for credit loss.

The movement in allowance for expected credit loss in respect of trade receivables during the year was as follows:

(₹ in Lacs)

Allowance for expected credit loss	As At 31 st March, 2021	As At 31 st March, 2020
Opening balance	497.69	210.74
Credit loss created /(reversed)	307.63	286.95
Closing balance	805.32	497.69

The Company's exposure to currency risks related to trade receivables are disclosed in note (Refer Note 35).

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
8	Cash & Cash Equivalents		
	Balance with Banks:		
	- In Current Accounts	953.71	1,039.81
	- Bank deposit with original maturity of three months or less.	600.00	-
	Cash on hand	135.14	79.69
		1,688.85	1,119.50

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
9	Other Bank Balances		
	Fixed Deposit in banks having original maturity of more than 3 months and remaining maturity of less than 12 months	1,195.78	404.44
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of more than 12 months *	18.67	29.05
	Amount disclosed under Other Non-Current Financial Assets	(18.67)	(29.05)
	Total	1,195.78	404.44

* Given as security of ₹ 128.52 lacs (previous year ₹ 112.97 lacs) to secure bank guarantee issued to government authorities.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
10	Share Capital:		
	Authorised Shares (in nos.)		
	6,95,50,000 Equity Shares of ₹ 10/- Each (6,95,50,000 as at 31 st March, 2020 Equity Shares of ₹ 10/- Each)	6,955.00	6,955.00
	11% Non-Cumulative 50,000 Preference Shares of ₹ 100/- Each (50,000 as at 31 st March, 2020 Preference Shares of ₹ 100/- Each)	50.00	50.00
	Issued, Subscribed & Paid Up Shares (in nos.)		
	1,32,37,700 Equity Shares of ₹ 10/- Each (1,32,37,700 as at 31 st March, 2020 Equity Shares of ₹ 10/- each fully paid up)	1,323.77	1,323.77
	Total Issued, Subscribed & Paid Up Capital *	1,323.77	1,323.77
	*1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26 th October, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)		
	Equity Share Capital Suspense Account		
	Equity Shares of ₹ 10/- par value per share fully paid-up, pending allotment (to be issued and allotted to the shareholders of Artemis Global Life Sciences Limited, pursuant to the Scheme of Amalgamation) (Refer Note 27)	-	1,323.77
	Less : Share issued, during the year	-	(1,323.77)
	Total equity share capital suspense account	-	-

a. Reconciliation of the equity shares at the beginning and at the end of the year

Reconciliation	As At 31 st March, 2021		As At 31 st March, 2020	
	Nos.	₹ in Lacs	Nos.	₹ in Lacs
Shares outstanding at the beginning of the year	13,237,700	1,323.77	-	-
Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	-	-	-
Shares issued during the year # (Refer Note 27)	-	-	13,237,700	1,323.77
Shares outstanding at the end of the year *	13,237,700	1,323.77	13,237,700	1,323.77

* 1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26th October, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)

b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share, where voting is held by show of hands. In case of Poll each holder of equity share is entitled to Number of votes against Number of shares held.

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

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

Name of the Shareholder	As At 31 st March, 2021		As At 31 st March, 2020	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Constructive Finance Private Limited - holding company	9,242,579	924.26	9,242,579	924.26

(Refer Note 27)

d. Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As At 31 st March, 2021		As At 31 st March, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Constructive Finance Private Limited - holding company	9,242,579	69.82%	9,242,579	69.82%
Governor of Kerala	674,950	5.10%	674,950	5.10%

(Refer Note 27)

Notes to Financial Statements for the year ended 31st March, 2021

(₹ in Lacs)

Note No.	Particulars		As At 31 st March, 2021	As At 31 st March, 2020
11	Other Equity :			
	Capital Reserve			
	Balance as per last financial statements		14,457.89	14,457.89
	Closing Balance	(A)	14,457.89	14,457.89
	Revaluation Reserve			
	Balance as per last financial statements		6,598.31	6,567.81
	Add : Deferred tax adjustment on revaluation		40.66	30.50
	Closing Balance	(B)	6,638.97	6,598.31
	Retained earnings			
	Balance as per last financial statements		9,027.01	7,016.36
	Add : Profit / (Loss) for the year		708.71	2,042.83
	Add : Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax		5.66	(32.18)
	Balance at end of year	(C)	9,741.38	9,027.01
	Total Other Equity	(A+B+C)	30,838.24	30,083.21

A. Capital Reserve

Capital reserve represents excess of assets over liabilities and share issued consequent to scheme of arrangement of transferor companies in earlier years.

B. Revaluation Reserve

Revaluation Reserve represents freehold land revalued as on 31st March, 2016 as per independent valuer report.

C. Retained Earnings

Retained earnings represents the profits that the Company has earned till date, less any transfer of general reserve, dividends or other distributions to shareholders etc.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
12	Borrowings		
	Non Current Borrowings		
	Term Loans		
	<u>From Banks</u>		
	- Indian Rupee loans from Banks(secured at amortised cost)	9,877.04	6,057.19
	Total	9,877.04	6,057.19
	Current Maturity		
Term Loans			
<u>From Banks</u>			
- Indian Rupee loans from Banks (secured) (at amortised cost)	1,894.03	2,132.72	
	1,894.03	2,132.72	
Transferred to Other Financial Liability (Note 17)	(1,894.03)	(2,132.72)	
Total	-	-	

1. **Indian Rupee Loans from Banks include :**

- a) Term loans * of ₹ 11721.73 Lacs (As at 31st March, 2020 ₹ 8088.16 Lacs) from Scheduled Bank carries interest as linked with Base Rate of banks. The loans are secured by first pari passu charge over Land & Building located at Sector 51, Gurugram, Haryana and charge over all movable fixed assets, both present & future and second pari passu charge on current assets.

(₹ in Lacs)

* Term Loans	As At 31 st March, 2021	As At 31 st March, 2020
HDFC Bank Ltd	6,001.71	5,701.65
IDFC Bank Ltd	3,294.39	2,386.51
Axis Bank Ltd.	2,425.63	-
Total	11,721.73	8,088.16

- b) Vehicle Loans of ₹ 49.34 Lacs (As at 31st March, 2020 ₹ 101.75 Lacs) from Scheduled Bank carries interest as linked with Banks prime lending rate (PLR). The loan is secured on exclusive charge on the vehicles financed out of the said term loan.

(₹ in Lacs)

Repayment Schedule	FY 2021-22	FY 2022-23	FY 2023-24	FY 2023-24	after FY 2024-25
Secured Loan					
Term Loan - HDFC Bank Limited	1,757.01	1,868.65	923.61	248.90	1,310.88
Term Loan - Axis Bank Limited	-	76.18	152.35	228.53	2,082.16
Term Loan - IDFC First Bank Limited	99.32	198.64	297.96	397.27	2,317.42
Vehicle Loan - HDFC Bank Limited	37.70	11.64	-	-	-
Total	1,894.03	2,155.11	1,373.92	874.70	5,710.46

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021		As At 31 st March, 2020	
		Non-Current	Current	Non-Current	Current
13	Provisions				
	Provision for Employee Benefits				
	Leave Benefits	187.43	97.64	190.45	92.79
	Gratuity (Refer Note 34)	470.63	200.74	436.42	145.00
	Other Provisions				
	Provision for Contingencies (Refer Note 39)	-	719.52	-	682.03
	Total	658.06	1,017.90	626.87	919.82

(₹ in Lacs)

14	Deferred tax assets / (liabilities) in relation to :	As at 1st April, 2019	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Compre- hensive Income	As at 31st March, 2020
	Deferred Tax Assets / (Liabilities) (Net)				
	The following is the analysis of deferred tax assets / liabilities Recognised in profit and loss account and other comprehensive income				
	Property, plant and equipment (including intangible assets)	(3,996.41)	(1,171.34)	30.50	(5,137.26)
	Other provisions	234.43	3.93	-	238.36
	Allowance for Doubtful Debts (Expected credit loss)	73.64	100.28	-	173.92
	Employee Benefits	238.33	46.54	17.28	302.15
	Lease Liability	-	535.31	-	535.31
	MAT Credit Entitlement	779.22	(0.42)*	-	778.80
	Fair Value Adjustments	(5.06)	4.45	-	(0.61)
	Others	93.12	71.03	-	164.15
		(2,582.73)	(410.23)	47.78	(2,945.18)

14	Deferred tax assets / (liabilities) in relation to :	As at 1st April, 2020	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Compre- hensive Income	As at 31st March, 2021
	Deferred Tax Assets / (Liabilities) (Net)				
	The following is the analysis of deferred tax assets / liabilities Recognised in profit and loss account and other comprehensive income				
	Property, plant and equipment (including intangible assets)	(5,137.26)	182.03	40.66	(4,914.57)
	Other provisions	238.36	13.10	-	251.46
	Allowance for Doubtful Debts (Expected credit loss)	173.92	107.49	-	281.41
	Employee Benefits	302.15	35.11	(3.04)	334.22
	Lease Liability	535.31	139.59	-	674.90
	MAT Credit Entitlement	778.80	(658.10)*	-	120.70
	Fair Value Adjustments	(0.61)	6.70	-	6.09
	Others	164.15	98.76	-	262.91
		(2,945.18)	(75.32)	37.62	(2,982.88)

Note : Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

* Including MAT credit utilisation forming part of Current Year Tax of ₹ 435.55 Lacs (Previous Year ₹ 0.42 Lacs).

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
15	Borrowings		
	Bank Overdraft (secured) *	-	1,088.63
	Total	-	1,088.63

* Bank overdraft which is for routine working capital purpose / cash flow mismatch and the same is secured by the first charge on current assets and second charge on movable and immovable fixed assets.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
16	Trade payables		
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 32)	1,099.10	995.49
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	4,486.71	6,407.71
	Total	5,585.81	7,403.20

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
17	Other Financial Liabilities (secured)		
	Current		
	Term Loan (current maturity) (Refer Note 12)	1,894.03	2,132.72
		1,894.03	2,132.72
	Other Payable #	884.83	2,088.17
	Interest Accrued but not due on borrowings	42.05	44.10
		926.88	2,132.27
	Total	2,820.91	4,264.99

Other payable includes payments due on account of capital items, due to employees.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
18	Other Liabilities		
	Current		
	Advance from Patients / Others *	939.66	968.28
	Taxes and Other Statutory Dues * *	413.76	451.35
	Security Deposits	315.18	338.90
	Deferred Government Grant * * *	190.98	113.13
	Total	1,859.58	1,871.66

* Advance from Patients/ Others for which the company is obliged to transfer services to the patients/ Others.

* * Taxes and other statutory dues includes Withholding Tax, Goods & Services Tax and contribution of P F, ESI etc.

* * * During the year, the company has obtained EPCG License against import of fixed assets. The company has recognised this grant as deferred income at fair value, which is being amortised in proportion to fulfillment of Export Obligation (Refer note 38B).

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
19	Revenue from Operations				
	Sale of Services				
	Revenue from Healthcare & Other Services	39,160.03		54,008.99	
	Sale of Goods				
	Sale of Pharmacy Drugs & Medical Consumables	766.75		1,205.47	
	Sale of Stock in Trade (Pharmacy)	84.13		183.72	
	Other Operating Income				
	Income from Nursing Hostel	30.73		35.39	
	Income from Education & Training	71.37		89.55	
	Income from Export Incentive	-		714.79	
Unclaimed credit balances / provisions no longer required written back	85.48		61.42		
Sale of Scrap	7.88		9.76		
Total	40,206.37		56,309.09		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
20	Other Income				
	Interest Income	183.37		45.99	
	- From Bank deposits	134.23		36.53	
	- From Financial Assets carried at amortised cost	6.89		7.76	
	- From Others (including interest on tax refunds)	42.25		1.70	
	Income from outsource activities (Cafeteria, Parking etc.)	36.63		99.25	
	Other Non-Operating Income (net of reimbursements)	105.54		177.91	
	Foreign Exchange Gain (Net)	29.02		133.80	
Total	354.56		456.95		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
21	(Increase) / Decrease in Inventories of Pharmacy Drugs & Medical Consumables				
	Inventories at the beginning of the year	937.93		605.03	
	Inventories at the end of the year	842.64		937.93	
		95.29		(332.90)	
	(Increase) / Decrease in Inventories of Stock in Trade				
	Inventories at the beginning of the year	59.20		30.43	
	Inventories at the end of the year	13.56		59.20	
	45.64		(28.77)		
Total	140.93		(361.67)		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
22	Employee Benefits Expense		
	Salaries, Wages and Bonus	7,506.70	9,367.02
	Contribution to Provident and Other Funds	402.00	473.62
	Gratuity Expenses (Refer note 34)	132.17	126.41
	Employee Welfare Expenses	207.78	272.54
	Total	8,248.65	10,239.59

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
23	Finance Costs		
	Interest expense on financial liabilities measured at amortised cost		
	- On term Loans	850.15	883.05
	- Deferred Payment	-	0.54
	- On lease liability	167.93	140.06
	Other Interest Expense	1.44	0.54
	Bank Charges (Including Other Borrowing Costs)	207.37	226.73
	Total	1,226.89	1,250.92

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
24	Depreciation and amortization expense		
	Depreciation of property, plant and equipment	1,780.73	2,041.36
	Amortization of intangible assets	79.59	94.61
	Depreciation of Right-of-use assets	204.90	97.12
	Total	2,065.22	2,233.09

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
25	Other expenses		
	Consumption of stores & spares	103.50	129.44
	Power & Fuel	901.39	1,034.38
	Rent - Lease Rent	29.28	33.85
	Equipment Hire Charges	146.95	145.50
	Repairs and Maintenance - Machinery	958.08	1,238.85
	Repairs and Maintenance - Buildings	19.56	41.42
	Repairs and Maintenance - Others	165.85	177.50
	Rates & Taxes	73.73	54.18

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
	Legal & Professional Consultation Fees	330.02	479.18
	Merger Expenses	-	15.15
	AGM & Annual Listing Expenses	21.28	62.65
	Fee paid to Doctors	9,023.29	12,734.83
	Printing & Stationery	110.30	150.01
	Patient Facility Maintenance	550.69	759.98
	Patient Food & Beverages Expenses	377.39	506.02
	Outsource Lab Test Charges	364.44	371.76
	Security Charges	209.92	242.73
	Professional Medical Consultancy	2,248.19	5,929.19
	Provision for Contingencies	37.49	11.25
	Travelling & Conveyance	162.29	544.66
	Advertisement & Business Promotion	78.49	321.87
	Patients Amenities	43.94	70.80
	Communication Expenses	58.34	67.35
	Charity & Donation	21.49	46.50
	Insurance	73.40	54.24
	Clinical Research Expenses	331.02	191.13
	<u>Auditors Remuneration</u>		
	- Audit Fee	11.51	11.51
	- Limited Review	3.89	1.30
	- Tax Audit Fee	2.89	2.89
	- Others Services & Certification	1.72	7.14
	Directors Sitting Fees	33.21	37.33
	CSR Expenses	78.19	115.26
	Newspaper & Periodicals	19.12	29.45
	Bad Debts Written Off	22.42	22.61
	Balance Written Off	-	52.57
	Allowance for Expected Credit Loss	307.63	286.95
	Loss on Sale / Scrap of Property, Plant and Equipment (Net)	19.24	11.47
	Miscellaneous Expenses	24.66	30.02
	Total	16,964.80	26,022.92

INCOME TAX

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
26	Recognised in Statement of Profit and loss account		
	Current Tax		
	(a) In respect of the current year	670.51	1,139.63
	(b) Earlier years tax	94.14	(395.73)
	Total	764.65	743.90
	Deferred Tax		
	(a) In respect of the current year	(582.77)	409.81
	Tax expense recognised through statement of profit and loss account	181.88	1,153.71
	Recognised in Other Comprehensive Income (OCI)		
	Deferred tax		
	In respect of the current year	(37.62)	(47.78)
	Tax credit recognised through Other Comprehensive Income	(37.62)	(47.78)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	890.59	3,196.54
	Enacted income tax rate in India	34.944%	34.944%
	Income tax calculated	311.21	1,117.00
	Earlier years Tax	94.14	(395.73)
	Effect of expenses not deductible in determining taxable profit	40.50	63.73
	Effect of Other Adjustments	(263.97)	368.71
	Income tax expense recognised in profit and loss	181.88	1,153.71

Note No.

27 Amalgamation of Artemis Health Sciences Limited ('AHSL'), Athena Eduspark Limited ('AEL'), Artemis Global Life Sciences Limited ('AGLSL') with Artemis Medicare Services Limited ('AMSL') (The Company)

The Hon'ble National Company Law Tribunal, Delhi Bench, has approved the Composite Scheme of Amalgamation (Scheme) between "The Company and its Parent Company i.e. Artemis Health Sciences Limited (AHSL), its ultimate Parent Company i.e. Artemis Global Life Sciences Limited (AGLSL) and its fellow Subsidiary Company i.e. Athena Eduspark Limited (AEL) (collectively the Transferor Companies)" on 30th September, 2019. The Company has filed copy of the order with Registrar of Companies Delhi on 14th October, 2019. Upon the scheme becoming effective the Transferor Companies stood dissolved without being wound-up. In compliance with the scheme, on merger of AGLSL i.e. the ultimate Parent Company with the Company, 2,10,35,000 equity shares of AMSL were cancelled and 1,32,37,700 equity shares were issued afresh to shareholders of AMSL (earlier AGLSL) on 26th October, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from 23rd January, 2020. The Company has accounted for the merger under the pooling of interest method as described in Appendix C to Ind AS 103 - Business Combinations of entities under common control.

Pursuant to the aforesaid amalgamation and in terms of the said approved scheme, the authorized share capital of AGLSL of ₹ 2,000 Lacs, AHSL of ₹ 2,500 Lacs and AEL of ₹ 5 Lacs has been combined with the authorised share capital of the company. Accordingly effective 1st April, 2018 the authorized share capital of the company stands at ₹ 7,005 Lacs which comprises of 6,95,50,000 (Six crore ninety five lacs fifty thousand) Equity Shares of ₹ 10/- each and 50,000 (Fifty thousand) 11% Non-Cumulative Redeemable Preference Shares of ₹ 100/- each.

(A) The aggregate carrying balances of the transferor companies which merged into the Company are as under :

(₹ in Lacs)

Particulars	Transferor Companies	Eliminations / Inter Company Adjustments	Total
Assets			
Property, plant and equipment	162.27	-	162.27
Non Current Investments	29,267.12	-	29,267.12
Non-current tax assets (Net)	4.74	2.75	7.49
Other non-current assets	0.02	-	0.02
Deferred tax assets	14.75	(14.75)	-
Trade receivables	15.29	4.38	19.67
Cash and cash equivalents	112.88	-	112.88
Short term loans	37.28	-	37.28
Other current financial assets	6.35	(6.35)	-
Current tax assets (Net)	2.74	(2.74)	-
Other current assets	6.77	0.23	7.00
Total Assets	29,630.21	(16.48)	29,613.73
Equity and Liabilities			
Equity			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
Total equity	29,259.44	(14.75)	29,244.69
Liabilities			
Deferred tax liabilities	-	-	-
Short term Borrowings	38.80	-	38.80
Trade Payables	1.95	(1.95)	-
Other current liabilities	330.02	0.22	330.24
Total liabilities	370.77	(1.73)	369.04
Total equity and liabilities	29,630.21	(16.48)	29,613.73

(B) Details of other equity on Amalgamation of Transferor Companies

(₹ in Lacs)

Particulars	Retained Earnings	Amalgamation Adjustment Account	Capital Reserve	Total
Reserve of Transferor Companies	1,655.65	-	14,457.89	16,113.54
Investment of Transferor Companies	-	29,267.12	-	29,267.12
Share Capital of transferor companies including share capital cancelled and share capital issued by transferee company pursuant to Composite Scheme of Amalgamation	-	(25,105.05)	-	(25,105.05)
Total	1,655.65	4,162.07	14,457.89	20,275.61

On amalgamation, the effect of cancellation of investment of Transferor Companies of ₹ 29,267.12 Lacs and difference between share capital of transferor company including shares cancelled and issued by transferee company of ₹ 25,105.05 Lacs have resulted an amount of ₹ 4,162.07 Lacs, which is shown as Goodwill.

28 Segmental Reporting

Operating segments

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company's sole operating segment is therefore 'Medical and Healthcare Services'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

Geographical information

Geographical information analyses the Company's revenue and non current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Secondary Segment - Geographical Location of customers

	India		Outside India		Total	
	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
Revenue by geographical markets	34,051.67	36,580.88	6,154.70	19,728.21	40,206.37	56,309.09
Non current assets	47,617.70	45,999.89	-	-	47,617.70	45,999.89

29 Capital and Other Commitments

(₹ in Lacs)

As at 31st March, 2021 As at 31st March, 2020

a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)

8,206.98 5,527.55

b) Other Commitments

- For commitments relating to lease arrangement, please refer Note 31.
- The Company does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses.

c) Expenditure on Corporate Social Responsibility (CSR)

- Gross amount required to be spent by the Company during the year ended 31st March, 2021 ₹ 71.65 lacs (during the year ended 31st March, 2020 ₹ 72.66 lacs)
- Amount approved by board of directors ₹ 71.65 lacs (Previous year 72.66 lacs)
- Amount spent during the year ended 31st March, 2021 :

(₹ in Lacs)

Particulars	Paid (A)	Yet to be paid (B)	Total (A+B)
(i) Construction / acquisition of any property, plant and equipment	-	-	-
(ii) On purposes other than (i) above	78.19 115.26*	-	78.19 115.26*

*For the year ended 31st March, 2020

iv) Details of related party transactions :

- Contribution during the year ended 31st March, 2021 ₹ 2.54 Lacs (Year ended 31st March, 2020 - ₹ Nil)
- Payable as at 31st March, 2021 ₹ Nil (Year ended 31st March, 2020 - ₹ Nil)

30 Related party disclosure**a) Name of related parties****Parties where control exists irrespective of whether transactions have occurred or not**

Holding Company Constructive Finance Private Limited

Names of other related parties with whom transactions have taken place during the year

Subsidiary Company Artemis Cardiac Care Pvt. Ltd.

Key Management Personnel Mr. Onkar Kanwar (Chairman)
 Dr. Devlina Chakravarty (Managing Director)
 Mr. Sanjiv Kumar Kothari (Chief Financial Officer)
 Mr. Rakesh Kaushik (Chief Legal Officer & Company Secretary) (up to 21st Oct, 2020)
 Ms Shilpa Budhia (Company Secretary) (from 5th Nov, 2020)
 Mr. Anuj Sood (Company Secretary) Artemis Global Life Sciences Limited
 Ms. Aastha Kalra (Chief Financial Officer) Artemis Global Life Sciences Limited
 Ms. Deepa Khatri (Company Secretary) Artemis Health Sciences Limited

Relatives of Key Managerial Personnel

Mr. Neeraj Kanwar (Non-Executive Director)
 Mrs. Shalini Kanwar Chand (Non-Executive Director)
 Mrs. Taru Kanwar
 Mrs. Devarchana Rana

Non-Executive Directors

Dr. Nirmal Kumar Ganguly (Non-Executive Director)
 Dr. S. Narayan (Independent Director)
 Dr. Sanjaya Baru (Independent Director)
 Mr. Akshay Kumar Chudasama (Independent Director) (upto 4th Aug, 2020)
 Mr. Saurabh Srivastava (Independent Director) (upto 13th May, 2019)
 Ms. Deepa Gopalan Wadhwa (from 22nd May, 2020)
 Mr. Harish Bahadur (Director) - Athena Eduspark Limited
 Mr. Sunil Tandon (Independent Director) (upto 9th Oct, 2020)
 Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited
 Mr. Sanjib Sen (Independent Director) (from 3rd Aug, 2020)
 Mr. Ugar Sain Anand (Independent Director) (upto 9th Oct, 2020)
 Dr. Gautam Chaudhuri (from 3rd Aug, 2020 till 8th Mar, 2021)

Enterprises owned or significantly influenced by key management personnel or their relatives
 Apollo International Ltd.

Apollo Tyres Ltd.
 Artemis Health Sciences Foundation
 Artemis Education & Research Foundation
 Swaranganga Consultants Pvt. Ltd
 Premedium Pharmaceuticals Pvt. Ltd.

b) Transactions during the year

(₹ in Lacs)

Particulars	Holding Company		Subsidiary Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Reimbursement of Expenses Received								
Artemis Health Sciences Foundation	-	-	-	-	-	-	-	0.97
Artemis Education & Research Foundation	-	-	-	-	-	-	-	12.46
Artemis Cardiac Care Pvt Ltd	-	-	1.17	-	-	-	-	-
Corporate Guarantee Given								
Artemis Cardiac Care Pvt Ltd	-	-	-	1,500.00	-	-	-	-
Corporate Guarantee Fee								
Artemis Cardiac Care Pvt Ltd	-	-	0.63	0.48	-	-	-	-
Inter-corporate Loan Given								
Artemis Cardiac Care Pvt Ltd	-	-	60.00	-	-	-	-	-
Inter-corporate Loan Repaid								
Artemis Cardiac Care Pvt Ltd	-	-	60.00	-	-	-	-	-
Interest on Inter-corporate Loan								
Artemis Cardiac Care Pvt Ltd	-	-	0.78	-	-	-	-	-
Investment in Subsidiary								
Artemis Cardiac Care Pvt Ltd	-	-	260.00	162.50	-	-	-	-
Sale of Goods / Fixed Assets								
Artemis Cardiac Care Pvt Ltd								
Pharmacy drugs & consumables	-	-	6.12	1.96	-	-	-	-
Property, plant & equipment	-	-	316.79	6.74	-	-	-	-
CSR Expenses								
Artemis Health Sciences Foundation	-	-	-	-	-	-	2.54	-
Recovery of Loans & Advances								
Dr. Devlina Chakravarty	-	-	-	-	12.00	12.00	-	-
Mr. Sanjiv Kumar Kothari	-	-	-	-	6.00	6.00	-	-
Lease Expenses *								
Swaranganga Consultants Pvt Ltd	-	-	-	-	-	-	2.64	2.51
Charges for support services								
Artemis Education Research Foundation	-	-	-	-	-	-	17.43	39.38
Sale of Services / License								
Total Transactions	-	-	-	-	43.00	44.76	233.79	814.33
Transactions in excess of 10%								
Apollo Tyres Ltd.	-	-	-	-	-	-	225.42	807.58
Purchase of services / goods *								
Apollo Tyres Ltd.	-	-	-	-	-	-	7.08	7.08
Mrs. Devarchana Rana	-	-	-	-	5.41	6.49	-	-

Particulars	Holding Company		Subsidiary Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Dr. Nirmal Kumar Ganguly	-	-	-	-	20.17	19.61	-	-
Premedium Pharmaceuticals Pvt Ltd	-	-	-	-	-	-	4,212.96	4,772.61
Donation Paid								
Artemis Education & Research Foundation	-	-	-	-	-	-	18.00	41.50
Artemis Health Sciences Foundation	-	-	-	-	-	-	3.49	5.00
Directors' Sitting Fees paid								
Mr. Onkar Kanwar	-	-	-	-	2.80	3.95	-	-
Mr. Neeraj Kanwar	-	-	-	-	2.80	2.30	-	-
Ms. Shalini Kanwar Chand	-	-	-	-	3.80	4.00	-	-
Dr. S. Narayan	-	-	-	-	4.60	5.25	-	-
Dr. Sanjaya Baru	-	-	-	-	3.00	3.65	-	-
Dr. Nirmal Kumar Ganguly	-	-	-	-	2.80	2.60	-	-
Mr. Saurabh Srivastava	-	-	-	-	-	0.50	-	-
Mr. Sunil Tandon	-	-	-	-	1.00	1.20	-	-
Mr. Ugar Sain Anand	-	-	-	-	1.40	2.90	-	-
Mr. Akshay Kumar Chudasama	-	-	-	-	1.80	4.80	-	-
Ms. Deepa Gopalan Wadhwa	-	-	-	-	2.60	-	-	-
Mr. Sanjib Sen	-	-	-	-	1.70	-	-	-
Mr. Harish Bahadur	-	-	-	-	-	1.00	-	-
Mr. Anil Chopra	-	-	-	-	-	0.25	-	-
Key Management Personnel-Compensation								
Dr. Devlina Chakravarty	-	-	-	-	493.99	489.23	-	-
Mr. Sanjiv Kumar Kothari	-	-	-	-	69.27	66.81	-	-
Mr. Rakesh Kaushik	-	-	-	-	48.55	66.50	-	-
Ms. Shilpa Budhia	-	-	-	-	11.27	-	-	-
Mr. Anuj Sood	-	-	-	-	-	8.86	-	-
Ms. Mr. Aastha Kalra	-	-	-	-	-	6.79	-	-
Ms. Deepa Khatri	-	-	-	-	-	2.66	-	-
Defined benefit obligation as at year end								
Post-employment benefits	-	-	-	-	78.18	68.23	-	-
Short-term benefits	-	-	-	-	25.55	28.27	-	-
Total	-	-	-	-	103.73	96.50	-	-
Dr. Devlina Chakravarty	-	-	-	-	89.16	80.15	-	-
Mr. Sanjiv Kumar Kothari	-	-	-	-	14.22	12.61	-	-
Mr. Rakesh Kaushik	-	-	-	-	-	3.74	-	-
Ms. Shilpa Budhia	-	-	-	-	0.35	-	-	-
Total	-	-	-	-	103.73	96.50	-	-

* Transactions are reported including taxes.

(₹ in Lacs)

Balance Payable	Name of Entity	31 st March, 2021	31 st March, 2020
Key Management Personnel and their relatives	Relatives of Director & KMP	-	-
	Mrs. Devarchana Rana	-	0.45
	Dr. Nirmal Kumar Ganguly	0.76	1.15
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	-	7.08
	Swaranganga Consultants Pvt. Ltd.	-	1.51
	Premedium Pharmaceuticals Pvt. Ltd.	404.39	678.50

(₹ in Lacs)

Balance Recoverable	Name of Entity	31 st March, 2021	31 st March, 2020
Key Management Personnel and their relatives	Relatives of Director & KMP	7.97	20.09
	Dr. Devlina Chakravarty	32.56	63.74
	Mr. Sanjiv Kumar Kothari	18.87	22.94
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	16.85	55.89
	Apollo International Ltd.	9.17	4.39
	Artemis Education & Research Foundation	11.11	11.14
	Artemis Cardiac Care Pvt. Ltd.	66.68	-
	Artemis Cardiac Care Pvt. Ltd. (Corporate Guarantee Outstanding)	1,500.00	1,500.00

31 Leases

- A Effective 1st April, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method, on the date of initial application. Consequently, the Company recorded the lease liability, at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application.

Movement of Lease Liabilities during the year ended 31st March, 2021

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Balance at the beginning of the year	1,531.90	1,528.82
Addition during the year	474.07	-
Finance cost accrued during the year	167.93	140.06
Payment of Lease Liability	(242.53)	(136.98)
Balance at the end of the year	1,931.37	1,531.90

Impact on the statement of profit or loss (increase / (decrease))

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Depreciation expense	204.90	97.12
Rent expense (included in Other expenses)	(242.53)	(136.98)
Finance Cost	167.93	140.06
Loss (profit) for the year	130.30	100.20

- B The Company incurred ₹ 29.28 Lacs for the year ended 31st March, 2021 and ₹ 33.85 Lacs for the year ended 31st March, 2020 towards expenses related to short term leases and leases of low value assets.

- 32 The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of “The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006” are as follows:

(₹ in Lacs)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.		
- Principal Amount	1,099.10	995.49
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

33 Earning Per Share (EPS)

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	708.71	2,042.83
Basic / Weighted Average Number of Equity Shares Outstanding during the year *	13,237,700	13,237,700
Earning Per Share (in ₹)		
- Basic	5.35	15.43
- Diluted	5.35	15.43
Nominal value of Equity Shares (in ₹)	10.00	10.00

* The shares pending for allotment for the previous year have been considered for the purpose of calculation of EPS appropriately.

34 Employee Benefits

A) Defined Contribution Plan

- i) The Company has recognized, in statement of Profit and Loss for the year ended 31st March 2021 an amount of ₹ 402.00 Lacs (Previous year ₹ 473.62 Lacs) under defined contribution plans.

Expense under defined contribution plans include:

	Year Ended 31 st March, 2021 (₹ in Lacs)	Year Ended 31 st March, 2020 (₹ in Lacs)
a) Employer's contribution to provident fund	342.09	400.79
b) Employer's contribution to Employee State Insurance Corporation	51.20	62.75
c) Employer's contribution to Labour Welfare Fund	8.71	10.08
	402.00	473.62

The expense is disclosed in the line item - contribution to provident fund and other funds in Note 22.

B) Defined Benefit Plan

- ii) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of the service gets a gratuity on retirement / termination at 15 days salary (last drawn salary) for each completed year of service. The Company has also provided for long-term compensated absences.

(₹ in Lacs)

	Gratuity (unfunded)		Leaves (unfunded)	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
(i) Reconciliation of opening and closing balances of obligations:				
a) Obligation at the beginning	581.41	432.70	283.24	249.33
b) Current Service Cost	99.61	96.55	54.96	67.03
c) Interest Cost	32.56	29.86	15.86	17.20
d) Past Service Cost	-	-	-	-
e) Actuarial (Gain) / Loss	(8.70)	49.46	(22.98)	(5.07)
f) Benefits paid	(33.51)	(27.15)	(46.01)	(45.24)
g) Obligation at the year end	671.37	581.41	285.07	283.24
(ii) Change in Plan Assets (Reconciliation of opening and closing balances):				
a) Fair Value of Plan Assets at beginning	-	-	-	-
b) Prior Period Adjustment	-	-	-	-
c) Expected return on Plan Asset	-	-	-	-
d) Contributions	-	-	-	-
e) Benefits paid	-	-	-	-
f) Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
g) Fair Value of Plan Assets at year end	-	-	-	-
(iii) Reconciliation of fair value of assets and obligations:				
a) Present value of obligation at year end	671.37	581.41	285.07	283.24
b) Fair Value of Plan Assets at year end	-	-	-	-
c) Asset / Liability recognized in the Balance Sheet	671.37	581.41	285.07	283.24

(iv)	Amount recognized in the income statement				
a)	Current Service Cost	99.61	96.55	54.96	67.03
b)	Past Service Cost	-	-	-	-
c)	Interest Cost	32.56	29.86	15.86	17.20
d)	Curtailment Cost (Credit)	-	-	-	-
e)	Expected return on Plan Assets	-	-	-	-
f)	Actuarial (Gain) / Loss	-	-	(22.98)	(5.07)
g)	Expenses recognized during the year	132.17	126.41	47.84	79.16
(v)	Other Comprehensive Income (OCI)				
a)	Unrealised actuarial Gain / (Loss)	8.70	(49.46)	-	-
(vi)	Assumptions:	Year Ended 31st March, 2021	Year Ended 31st March, 2020		
a)	Discounting Rate (per annum)	5.40%	5.60%		
b)	Future Salary Increase	5.50%	5.00%		
	Withdrawal / Employee Turnover Rate				
c)	Age upto 30 years	36.00%	36.00%		
d)	Age from 31 to 44 years	32.00%	32.00%		
e)	Age above 44 years	15.00%	15.00%		
	Mortality table used	Indian Assured Lives Mortality (2012-14 ult)	Indian Assured Lives Mortality (2012-14 ult)		

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Significant actuarial assumption for the determination of the defined obligation are discounted rate, expected salary escalation rate and withdrawal rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The above information is certified by the actuarial valuer.

Enterprise best estimate of contribution during next year is ₹ 123.65 Lacs for Gratuity & ₹ 53.40 Lacs for Leave Encashment.

The discount rate is based on prevailing market yield of Government Bonds as at the date of valuation.

Particulars	(₹ in Lacs)			
	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 1.00%	27.80	29.86	23.83	25.42
Change in Salary escalation rate by 1.00%	29.54	28.03	25.32	24.18

Sensitivity due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

35 Financial Instruments

i) Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in Notes 12, 15 & 17 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements other than for covenants under various loan arrangements of the Company.

The Company's Board reviews the capital structure of the Company on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 31st March, 2021 of 31.48% (previous year 26.12%) (See below).

Gearing Ratio :

The gearing ratio at end of the reporting period was as follows : (₹ in Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Debt *	11,813.12	9,322.64
Less : Cash and Cash Equivalents (Refer Note 8)	1,688.85	1,119.50
Net Debt	10,124.27	8,203.14
Total Equity	32,162.01	31,406.98
Net Debt to Equity Ratio	31.48%	26.12%

* Debt is defined as long-term and short-term borrowings.

ii) Categories of Financial Instruments

(₹ in Lacs)

Financial Assets	As at 31 st March, 2021	As at 31 st March, 2020
Measured at amortised cost		
Loans- Non Current	259.95	243.34
Other Financial assets - Non Current	18.67	29.05
Trade receivables - Current	5,297.34	7,650.71
Cash and cash equivalents	1,688.85	1,119.50
Other Bank balances - Current	1,195.78	404.44
Loans - Current	53.45	110.47
Other financial assets - Current	529.10	359.26
Total	9,043.14	9,916.77

At the end of the reporting period, there are no significant concentrations of financial assets designated at FVTPL. The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

(₹ in Lacs)

Financial Liabilities	As at 31 st March, 2021	As at 31 st March, 2020
Measured at amortised cost		
Borrowings - Non Current	9,877.04	6,057.19
Borrowings - Current	-	1,088.63
Lease Liabilities - Non Current	1,612.99	1,395.06
Lease Liabilities - Current	318.38	136.84
Trade payables - Current	5,585.81	7,403.20
Other financial liabilities - Current	2,820.91	4,264.99
Total	20,215.13	20,345.91

iii) **Financial Risk Management Objectives**

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Company through internal risk reports which analyse exposure by magnitude of risk. The Company has limited exposure from the international market as the Company's operations are in India. The Company has limited exposure towards foreign currency risk it earns approx. & 10% of its revenue from in foreign currency from international patients. Also capital expenditure includes capital goods purchased in foreign currency through the overseas vendors. The Company has not taken any derivative contracts to hedge the exposure. However the exposure towards foreign currency fluctuation is partly hedged naturally on account of receivable from customers and payable to vendors in foreign currency.

Market Risk

The Company's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

a) **Foreign Currency risk management**

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Lacs)

I. Assets		As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Receivables (trade & others) (A)	USD	6.80	493.08	8.59	641.50
	AED	-	-	3.70	73.78
Hedges by derivative contracts (B)	USD	-	-	-	-
	USD	-	-	-	-
Unhedged Receivables (C=A-B)	USD	6.80	493.08	8.59	641.50
	AED	-	-	3.70	73.78

II. Liabilities	Foreign Currency	As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Payables (trade & others) (including Deferred payment liability) (D)	USD	-	-	0.33	24.88
	AED	-	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Payables (F=D-E)	USD	-	-	0.33	24.88
	AED	-	-	-	-

III. Contingent Liabilities and Commitments	Foreign Currency	As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Contingent Liabilities (G)	USD	-	-	-	-
	EURO	-	-	-	-
Commitments (H)	USD	3.33	246.35	3.65	308.33
	EURO	1.00	87.03	5.73	436.25
Hedges by derivative contracts (I)	USD	-	-	-	-
	EURO	-	-	-	-
Unhedged Payables (J=G+H-I)	USD	3.33	246.35	3.65	308.33
	EURO	1.00	87.03	5.73	436.25
Total unhedged FC Exposures (K=C+F+J)	USD	10.13	739.42	12.56	974.71
	AED	-	-	3.70	73.78
	EURO	1.00	87.03	5.73	436.25

Foreign currency sensitivity analysis

The Company is mainly exposed to the USD, AED & EURO currency.

The following table details the Company's sensitivity to a 1% increase and decrease in the Rupees against the USD. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. In case of net foreign currency outflow, a positive number below indicates an increase in profit or equity where the ₹ strengthens 1% against the relevant currency. For a 1% weakening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative. In case of net foreign currency inflow, a positive number below indicates an increase in profit or equity where the ₹ weakens 1% against the relevant currency. For a 1% strengthening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Lacs)

If decrease by 1%	Currency Impact (net USD Inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	4.93	6.17
Increase / (decrease) in total equity as at the end of the reporting period	4.93	6.17

(₹ in Lacs)

If increase by 1%	Currency Impact (net USD Inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	(4.93)	(6.17)
Increase / (decrease) in total equity as at the end of the reporting period	(4.93)	(6.17)

(₹ in Lacs)

If decrease by 1%	Currency Impact (net AED inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	-	0.74
Increase / (decrease) in total equity as at the end of the reporting period	-	0.74

(₹ in Lacs)

If increase by 1%	Currency Impact (net AED inflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	-	(0.74)
Increase / (decrease) in total equity as at the end of the reporting period	-	(0.74)

(₹ in Lacs)

If increase by 1%	Currency Impact (net EURO outflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	(0.87)	(4.36)
Increase / (decrease) in total equity as at the end of the reporting period	(0.87)	(4.36)

(₹ in Lacs)

If decrease by 1%	Currency Impact (net EURO outflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	0.87	4.36
Increase / (decrease) in total equity as at the end of the reporting period	0.87	4.36

b) Interest Rate risk management

The Company is exposed to interest rate risk because Company borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest Rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(₹ in Lacs)

If increase by 1% in interest rates	Interest Impact	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	(117.71)	(81.90)
Increase / (decrease) in total equity as at the end of the reporting period	(117.71)	(81.90)

(₹ in Lacs)

If decrease by 1% in interest rates	Interest Impact	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	117.71	81.90
Increase / (decrease) in total equity as at the end of the reporting period	117.71	81.90

c) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors.

The Company is exposed to credit risk in relation to financial guarantee given by the company on behalf of the subsidiary company. The company's maximum exposure in this regard is the maximum amount company could have to pay if the guarantee is called on at 31st March, 2021 is ₹ 966.87 Lacs (31st March, 2020 ₹ 500.66 Lacs). This financial guarantee has been issued to banks. Based on the expectations at the end of reporting period, the company considers likelihood of any claim under guarantee is remote.

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

Liquidity risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities :

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2021					
Term Loan	1,894.03	2,155.11	7,959.09	12,008.23	11,771.07
Trade Payables	5,585.81	-	-	5,585.81	5,585.81
Borrowings	-	-	-	-	-
Interest accrued but not due on borrowings	42.05	-	-	42.05	42.05
Lease Liability	318.38	329.43	1,283.56	1,931.37	1,931.37
Other Financial Liability	884.83	-	-	884.83	884.83
Total	8,725.10	2484.54	9,242.65	20,452.29	20,215.13

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2020					
Term Loan	2,132.72	2,206.15	3,867.54	8,206.41	8,189.91
Trade Payables	7,403.20	-	-	7,403.20	7,403.20
Borrowings	1,088.63	-	-	1,088.63	1,088.63
Interest accrued but not due on borrowings	44.10	-	-	44.10	44.10
Lease Liability	136.84	9.23	1,385.83	1,531.90	1,531.90
Other Financial Liability	2,088.17	-	-	2,088.17	2,088.17
Total	12,893.66	2,215.38	5,253.37	20,362.41	20,345.91

36 Disclosure u/s 186(4) of the Companies Act, 2013

(₹ in Lacs)

Particulars	Purpose	Amount Outstanding As at 31 st March, 2021	Amount Outstanding As at 31 st March, 2020
Corporate Guarantee given to bank on behalf of subsidiary	Business Purpose	1,500.00	1,500.00
Investment in subsidiary company (Refer Note 3.1)	Investment	429.00	169.00

37 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

(₹ in Lacs)

a. Disaggregated revenue information	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Type of Services or goods		
Revenue from Healthcare & Other Services	39,355.49	54,919.90
Revenue from Sale of Pharmacy Drugs & Medical Consumables	850.88	1,389.19
Total	40,206.37	56,309.09
Revenue from Contracts with Customers		
Revenue from Customers based in India	34,051.67	36,580.88
Revenue from Customers based outside India	6,154.70	19,728.21
Total	40,206.37	56,309.09
Timing of Revenue Recognition		
Services transferred over time (Healthcare Services & Others)	39,347.61	54,910.15
Goods (Pharmacy & Scrap) transferred at a point in time	858.76	1,398.94
Total	40,206.37	56,309.09

(₹ in Lacs)

b. Trade receivables and Contract Customers	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivables	5,297.34	7,650.71
Unbilled revenue	445.41	340.35
Total	5,742.75	7,991.06

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 307.63 Lacs (₹ 286.95 Lacs as at 31st March, 2020) was recognised during the year as provision for expected credit losses on trade receivables.

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on 31st March, 2021, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

38 Contingent Liabilities

(₹ in Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A Claims against the Company not acknowledged as debts		
(i) In respect of compensation demanded by the patient / their relatives, for negligence in treatment and are pending with various consumers disputes redressal forums. The Company has been advised by its legal counsel that it is possible, the action may succeed after considering that insurance cover has also been taken by the Company and the doctors, the Company is of the view that is adequately insured to mitigate the possibility of any loss to that extent.	1,562.90	1,549.06
(ii) Basis on the Apex court judgement dated 28 th February, 2019 in the matter of “M/s Surya Roshini Limited Vs RPFC”, the RPFC (Regional Provident Fund Commissioner – I) Gurugram, has passed an impugned order (dated 12 th January 2021) against the company to deposit a sum of ₹ 392.16 Lacs plus interest & penalty for the period November 2015 till January 2019. “The Company has filed an appeal to stay the impugned order before “The Central Govt. Industrial Tribunal -1”. The matter is under adjudication.	392.16	-

B The status of completion of obligation as at the end on licensing years for the EPCG licenses obtained by the Company is as under:

Obligation value (₹ in lacs)	Licensing Year	Export Obligation to be completed till	Export Obligation completed in foreign currency
473.74	2018-2019	2024-2025	NIL
200.22	2019-2020	2025-2026	NIL
467.13	2020-2021	2026-2027	NIL

C Corporate guarantee given to Bank in respect of financial assistance availed by the subsidiary company i.e. Artemis Cardiac Care Pvt. Ltd. Outstanding as on 31st March, 2021 for ₹ 966.87 Lacs (Previous Year ₹ 500.66 Lacs).

39 The Company carries a general provision for contingencies towards various claims against the Company including claims raised by patients / vendors / government authorities, not acknowledged as debts.

(₹ in Lacs)

Opening Balance as at 1 st April, 2020	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31 st March, 2021
682.03	37.49	0.00	719.52

40 Capitalisation of Expenditure :

During the year, the Company has capitalised the following expenses to the cost of property, plant and equipment / capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amount capitalised by the Company.

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Finance charges	142.37	121.00
Professional consultancy Fees	33.57	93.06
Other expenses directly attributable	22.62	60.13
Total	198.56	274.19

- 41 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on all the carrying amounts of trade receivables and other current assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the country specific economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it.

The Company is providing healthcare services, being “essential services” there has been no suspension of operation and the Company has further taken steps for smooth functioning of its operations during the pandemic relating to COVID-19. The management has also evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, no material adjustment is required in the financial statements. Due to the temporary travel restrictions of overseas patients, business operations of the Company are expected to be lower in the coming year, though the same is not likely to have a continuing impact on the business of the Company. Further, the Management believes that there may not be material impact of COVID-19 pandemic on the financial position and performance of the Company, in the long-term. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

- 42 Exceptional item consist of reversal of old disputed liability of ₹ 323.29 lacs carried forward from Artemis Global Life Sciences Limited (AGLSL) (the erstwhile ultimate parent company of Artemis Medicare Services Limited) prior to the merger which was under Arbitration. The Management has been advised by an independent legal expert that since the Arbitration proceedings are not being carried out for last many years, this amount is now no longer payable. Accordingly, the same has been written back by the Company.
- 43 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India however, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective, if any.
- 44 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year’s classification.

As per our report of even date attached

Signature to Note 1 to 44

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

INDEPENDENT AUDITOR’S REPORT

TO THE MEMBERS OF

ARTEMIS MEDICARE SERVICES LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **ARTEMIS MEDICARE SERVICES LIMITED** (“the Company”) and its subsidiary (the Company and its subsidiary together referred to as “the Group”) which comprise the Consolidated Balance Sheet as at 31st March, 2021, the Consolidated Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2021, the Consolidated profit including other comprehensive income, Consolidated changes in equity and its Consolidated cash flows and for the year then ended.

Basis for Opinion

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘*Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements*’ section of our report. We are independent of the Group in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other offices		
505, 5 th Floor, Tower B, World Trade Tower Sector 16, Noida, 201301 T: +91-120-4814400	4/18, Asaf Ali Road, New Delhi-110002 T: +91-11-23274888/77410	B-XIX-220, Rani Jhansi Road, Ghumar Mandi Ludhiana – 121001 T: +91-161-2774527 ● F: +91-161-2771618

SCV & Co. (a Partnership firm) converted into SCV & Co. LLP (a Limited Liability Partnership with LLP Identity No. AAM-5565) with effect from 3rd May, 2018. Post its conversion to SCV & Co. LLP, its ICAI registration number is 000235N/ N500089 (ICAI registration number before conversion was 000235N).

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter

Capital Work in Progress (CWIP) See Note 2.2 to the Consolidated Ind AS financial statements	
Key Audit Matter Description	How the matter was addressed
<p>The Holding Company has an expansion plan of its healthcare business.</p> <p>The Holding Company has spent Rs 8105.79 Lakhs towards capital work in progress till 31st March, 2021.</p> <p>Given the significance of the capital expenditure during the year, there are risk pertaining to the appropriateness of the capital expenditure and incorrect accumulation of revenue expenditure as capital expenditure in line with the criteria of Ind AS 16 “Property, Plant and Equipment”.</p>	<p>Our audit approach in relation to appropriateness of capitalization of cost as per Ind AS 16 “Property, Plant and Equipment consisted testing of the design and operating effectiveness of the internal controls and substantive testing as under :</p> <ul style="list-style-type: none"> • We obtained and perused the Board approval of Holding Company for the expansion of Tower 2 having 144 beds capacity. • Understood, evaluated and tested the design and operating effectiveness of key controls relating to capitalization of various costs incurred in relation to Property, Plant and Equipment. • Performed test of details relating to capital acquisition process, i.e. quotation/ vendor selection, invoice and purchase order approvals and classification. • Performed test of details with focus on those items (example internally generated cost, borrowing cost etc.) that we considered significant due to their amount or nature and tested a number of items capitalized during the year against underlying supporting documents including running bills of contactors to ascertain nature of costs and whether they meet the recognition criteria provided in Ind AS 16 in this regard. • Tested other costs debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization. • Ensured adequacy of disclosures in the Consolidated Ind AS financial statements. • Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized.

Information other than the Consolidated Ind AS Financial Statements and Auditor’s Report Thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report of the Board of Directors including annexures to Board’s Report, but does not include the Consolidated Ind AS financial statements and our auditor’s report thereon.

Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Those Charged with Governance for the Consolidated Ind AS financial Statements

The Holding Company’s Board of Directors is responsible in terms of the requirements of the Companies Act, 2013 for the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for

preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's responsibility for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS financial statements of which we are the independent auditors. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatement in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated

Ind AS financial statements, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2021 taken on record by the Board of Directors of the Company and its subsidiary, none of the directors of the group companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated financial statements has disclosed the impact of pending litigations on the financial position of the Group- Refer Note 37 to the Consolidated Ind AS financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 29 b) (ii) to the Consolidated Ind AS financial statements.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

According to the information and explanation given to us, the managerial remuneration for the year ended 31st March, 2021 has been paid/provided by the Holding company in accordance with the provisions of section 197 read with schedule V to the Act and the subsidiary company has not paid / provided for any managerial remuneration during the year ended 31st March, 2021.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE : NEW DELHI
DATED : 10th May , 2021

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
UDIN: 21084318AAAABL2995

Annexure “A” To the Independent Auditor’s Report

Annexure referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ARTEMIS MEDICARE SERVICES LIMITED** (“the Holding Company”) and its subsidiary company incorporated in India as of 31st March, 2021 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiary company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’ and its subsidiary company’s internal financial controls system over financial reporting with reference to these Ind AS Consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree

of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SCV & Co. LLP
CHARTERED ACCOUNTANTS
FIRM REGISTRATION No. 000235N/N500089

PLACE : NEW DELHI
DATED : 10th May, 2021

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
UDIN: 21084318AAAABL2995

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Note No.	As At 31 st March, 2021	As At 31 st March, 2020
Assets			
A Non-current assets			
Property, plant and equipment	2.1	32,160.51	33,379.58
Right-of-use assets	2.3	1,718.06	1,438.59
Capital work-in-progress	2.2	8,105.79	5,569.03
Goodwill		4,162.07	4,162.07
Other Intangible assets	2.4	268.70	345.48
Financial assets			
i. Loans	3.1	259.95	243.34
ii. Other financial assets	3.2	18.67	29.05
Non-current tax assets (Net)	4	1,675.42	1,011.26
Other non-current assets	5	692.77	714.78
Total non-current assets	A	49,061.94	46,893.18
B Current assets			
Inventories	6	962.42	1,075.34
Financial assets			
i. Trade receivables	7	5,471.70	7,659.75
ii. Cash and cash equivalents	8	1,916.20	1,160.82
iii. Bank balances other than (ii) above	9	1,195.78	404.44
iv. Loans	3.1	54.20	111.24
v. Other financial assets	3.2	463.22	360.34
Other current assets	5	883.47	979.21
Total current assets	B	10,946.99	11,751.14
C Total Assets	C = A + B	60,008.93	58,644.32
Equity and liabilities			
D Equity			
Equity share capital	10	1,323.77	1,323.77
Other equity	11	30,695.62	30,000.29
Equity attributable to shareholders of the Company		32,019.39	31,324.06
Non-controlling Interests		154.99	47.34
Total equity	D	32,174.38	31,371.40
Liabilities			
E Non-current liabilities			
Financial liabilities			
i. Borrowings	12	10,773.34	6,557.85
ii. Lease Liabilities		1,612.99	1,395.06
Provisions	13	664.96	631.41
Deferred tax liabilities (Net)	14	2,901.46	2,908.37
Total non-current liabilities	E	15,952.75	11,492.69

(₹ in Lacs)

Particulars	Note No.	As At 31 st March, 2021	As At 31 st March, 2020
F Current liabilities			
Financial liabilities			
i. Borrowings	15	-	1,088.63
ii. Lease Liabilities		318.38	136.84
iii. Trade payables			
(A) Total Outstanding dues of Micro Enterprises and Small Enterprises	16	1,099.10	995.49
(B) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16	4,627.84	6,465.77
iv. Other financial liabilities	17	2,946.67	4,294.04
Other current liabilities	18	1,870.53	1,879.34
Provisions	13	1,019.28	920.12
Total current liabilities	F	11,881.80	15,780.23
G Total liabilities	G = E + F	27,834.55	27,272.92
H Total equity and liabilities	H = D + G	60,008.93	58,644.32

Significant accounting policies

1.2

See accompanying Notes to Consolidated Financial Statements

2 to 44

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Income			
Revenue from Operations	19	40,840.34	56,501.79
Other Income	20	353.83	459.64
Total income	(I)	41,194.17	56,961.43
Expenses			
Purchases of Pharmacy Drugs & Medical Consumables	-	11,488.70	14,123.78
Purchases of Stock in Trade	-	29.71	149.00
Changes in inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade	21	127.19	(383.69)
Employee benefits expense	22	8,399.01	10,342.49
Finance costs	23	1,292.53	1,279.80
Depreciation and other amortization expense	24	2,151.38	2,263.05
Other expenses	25	17,275.92	26,124.09
Total expenses	(II)	40,764.44	53,898.52
Profit before exceptional items & Tax	III=(I-II)	429.73	3,062.91
Exceptional Items (refer note 42)	IV	323.29	-
Profit before Tax	V=(III+IV)	753.02	3,062.91
Tax Expense	26		
Current Tax		670.51	1,139.63
Earlier year tax		94.14	(395.73)
Deferred Tax Charge / (Credit)		(627.63)	373.00
Total Tax Expense	(VI)	137.02	1,116.90
Profit after tax for the year	VII=(V-VI)	616.00	1,946.01
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans (refer note 34)	(VIII)	9.62	(49.46)
Deferred tax adjustment on revaluation	(IX)	40.66	30.50
Income tax relating to items that will not be reclassified to profit or loss	(X)	(3.30)	17.28
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:	XI=(VIII+IX+X)	46.98	(1.68)
Total comprehensive income for the year	XII=(VII+XI)	662.98	1,944.33
Profit / (Loss) for the year attributable to :			
Shareholders of the Company		648.58	1,979.26
Non-controlling interests		(32.58)	(33.25)
		616.00	1,946.01

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Total comprehensive income / (loss) for the year attributable to :			
Shareholders of the Company		695.33	1,977.58
Non-controlling interests		(32.35)	(33.25)
		662.98	1,944.33
Earning Per Equity Share (Face Value of ₹ 10/- each)			
- Basic (₹)	33	4.90	14.95
- Diluted (₹)		4.90	14.95

Significant accounting policies

1.2

See accompanying Notes to Consolidated Financial Statements

2 to 44

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]

Place : Gurugram
Dated : 10th May, 2021

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Lacs)

Particulars		Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Cash flow from operating activities			
Profit before tax		753.02	3,062.91
Adjustments for:			
Depreciation and amortization expense		2,151.38	2,263.05
Interest Income		(182.37)	(50.06)
Finance Cost		1,084.55	1,053.47
Exceptional Items		(323.29)	-
Unclaimed Credit balances / provisions no longer required written back		(85.48)	(61.42)
Allowance for Expected Credit Loss		307.63	286.95
Unrealised foreign exchange gain (net)		26.07	(64.12)
Loss / (Gain) on Sale / Scrap of Property, Plant and Equipment (Net)		23.81	13.56
Operating cash flow before working capital changes		3,755.32	6,504.34
Adjustments for Changes in Working Capital			
- (Increase)/ Decrease in trade receivables		1,854.35	(21.26)
- (Increase)/ Decrease in inventories		112.92	(381.64)
- (Increase)/ Decrease in Loan (Current)		57.04	86.00
- (Increase)/ Decrease in Loan (Non -Current)		(16.61)	12.52
- (Increase)/ Decrease in other financial assets (Current)		(102.88)	154.36
- (Increase)/ Decrease in other financial assets (Non - Current)		10.38	3.37
- (Increase)/ Decrease in other Current Assets		95.74	(231.40)
- (Increase)/ Decrease in Other Non Current Assets		(1,620.47)	(1,164.60)
- Increase/(Decrease) in trade payables		(1,648.85)	153.02
- Increase/(Decrease) in Provisions (Current)		99.16	64.26
- Increase/(Decrease) in Provisions (Non - Current)		43.17	84.99
- Increase / (Decrease) in Other current liabilities (Current)		(8.81)	(133.90)
- Increase / (Decrease) in Other financial liabilities (Current)		(118.08)	903.24
Cash generated from operations		2,512.38	6,033.30
Income tax refund / (paid)		213.68	(425.11)
Net cash generated from operating activities	(A)	2,726.06	5,608.19
Cash flow from investing activity			
Purchase of Property, Plant & Equipment / CWIP		(3,450.12)	(2,600.32)
Proceeds from sale of Property, Plant & Equipment		316.77	11.14
Maturity / (investments) of / in fixed deposits having original maturity of more than 3 months		(791.34)	(90.05)
Interest received		182.37	50.06
Net cash (used in) investing activities	(B)	(3,742.32)	(2,629.17)

(₹ in Lacs)

Particulars		Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Cash flow from financing activity			
Proceeds from non current borrowings		5,478.77	3,395.85
Repayment of non current borrowings		(1,431.42)	(2,336.02)
Repayment of current borrowings (net)		(1,088.63)	(2,698.96)
Proceeds from issuance of shares to non controlling interests		140.00	87.50
Payment of lease liabilities		(242.53)	(136.98)
Interest paid		(1,084.55)	(1,053.47)
Net cash generated from financing activities	(C)	1,771.64	(2,742.08)
Net increase in cash & cash equivalents	(A+B+C)	755.38	236.94
Cash & cash equivalents as the beginning of the year		1,160.82	923.88
Cash & cash equivalents as the end of the year	Total	1,916.20	1,160.82
Components of cash and cash equivalents			
Cash on hand		135.60	80.15
Balances with Banks:			
On current accounts		1,180.60	1,080.67
Fixed Deposit in banks having original maturity of 3 months or less		600.00	-
On deposit accounts		1,195.78	404.44
Less: Fixed deposits not considered as cash equivalents		(1,195.78)	(404.44)
Total Cash and Cash Equivalents (Refer Note 8)	Total	1,916.20	1,160.82

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

(A) Equity Share Capital

Particulars	Note No	Amount
Balance as at 1 st April, 2019	10	-
Add: Equity shares issued during the year # (Refer Note 27)		1,323.77
Balance as at 31st March, 2020	10	1,323.77
Change in equity share capital during the year		-
Balance as at 31st March, 2021	10	1,323.77

(B) Equity Share Suspense Account (Refer Note 27)

Balance as at 1 st April, 2019	10	1,323.77
Less : Equity shares issued during the year # (Refer Note 27)		1,323.77
Balance as at 31st March, 2020	10	-
Change in equity share capital during the year		-
Balance as at 31st March, 2021	10	-

II Other Equity

(₹ in Lacs)

Particulars	Note	Reserves and Surplus			Items of OCI	Other Equity attributable to shareholders of the Company	Non - controlling Interests (NCI)	Total
		Capital Reserve	Revaluation Reserve	Retained Earnings	Remeasurements of the net defined benefit plans			
Balance as at 1 st April, 2019	11	14,457.89	6,567.81	7,059.70	(62.69)	28,022.71	(6.91)	28,015.80
Profit / (Loss) for the year	11	-	-	1,979.26	-	1,979.26	(33.25)	1,946.01
Deferred tax adjustment on revaluation	11	-	30.50	-	-	30.50	-	30.50
Other comprehensive income (OCI) (net of tax)	11	-	-	-	(32.18)	(32.18)	-	(32.18)
Further Issue of Equity Shares of Subsidiary to Non Controlling Interest		-	-	-	-	-	87.50	87.50
Balance as at 31st March, 2020	11	14,457.89	6,598.31	9,038.96	(94.87)	30,000.29	47.34	30,047.63
Profit / (Loss) for the year	11	-	-	648.58	-	648.58	(32.58)	616.00
Deferred tax adjustment on revaluation	11	-	40.66	-	-	40.66	-	40.66
Other comprehensive income (OCI) (net of tax)	11	-	-	-	6.09	6.09	0.23	6.32
Further Issue of Equity Shares of Subsidiary to Non Controlling Interest		-	-	-	-	-	140.00	140.00
Balance as at 31st March, 2021	11	14,457.89	6,638.97	9,687.54	(88.78)	30,695.62	154.99	30,850.61

See accompanying Notes to Consolidated Financial Statements

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As per our report of even date attached

For SCV & Co. LLP

Chartered Accountants

Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors

of Artemis Medicare Services Limited

Sd/-

Onkar Kanwar

[Chairman]

[DIN : 00058921]

Place : London

Dated : 10th May, 2021

Sd/-

Devlina Chakravarty

[Managing Director]

[DIN : 07107875]

Place : Gurugram

Dated : 10th May, 2021

Sd/-

(Rajiv Puri)

Partner

Membership No. 084318

Place : New Delhi

Dated : 10th May, 2021

Sd/-

Sanjiv Kumar Kothari

[Chief Financial Officer]

Place : Gurugram

Dated : 10th May, 2021

Sd/-

Shilpa Budhia

[Company Secretary]

Place : Gurugram

Dated : 10th May, 2021

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No.

1.1 Nature of operations

Artemis Medicare Services Limited (“The Group”) was incorporated on 18th May, 2004. The Group is engaged in the business of managing and operating of multi specialty hospitals and commenced its commercial operation by setting up Artemis Hospital (formerly Artemis Health Institute) at Gurugram on 16th July, 2007.

1.2 Statement of Significant Accounting Policies

a) Statement of compliance

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the “Act”) read together with Companies (Indian Accounting Standards) Rules, 2015, as amended.

The financial statements were approved by the Board of Directors on 10th May, 2021. Details of the accounting policies are included in Note 1.

b) (i) Basis of preparation and presentation of financial statements

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Historical Cost is generally based on the fair value of the consideration given in exchange of goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the assets or liabilities either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(ii) Basis for Consolidation

The consolidated financial statement includes the financial statement of Parent Company and its subsidiary. The parent company has control over the subsidiary when :

- a) It has power over the investee;
- b) it is exposed, or has rights, to variable returns from its involvement with the investee; and
- c) has the ability to use its power to affect its returns.

Consolidation of a subsidiary begins when the parent obtains controls over the subsidiary and ceases when parent loses control of the subsidiary. Assets, liabilities , income and expenses of subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date parent gains control to the date it ceases to control the subsidiary.

Profit and loss and each component of other comprehensive income are attributed to the shareholders of the Parent Company to the non controlling interest. Total comprehensive income of subsidiary is attributed to owners of parent

company and the non controlling interests even if this results in non controlling interest having a deficit balance.

Wherever necessary, adjustments are made to the financial statement of subsidiaries to bring their accounting policies in line with the groups accounting policies.

Financial statement of the Group Companies are consolidated on line by line basis. All intra group assets and liabilities, equity, income, expenses, cash flows relating to transactions between the members of the group are eliminated in full on consolidation. Non-controlling interest represents the part of net profit or loss and net assets of subsidiaries that are not directly or indirectly owned or controlled by the parent company.

The following subsidiary was consolidated:

Name of the subsidiary	Country of Incorporation	% of Holding	% of Holding
		31 st March, 2021	31 st March, 2020
Artemis Cardiac Care Private Limited	India	65	65

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

c) Property, Plant and Equipment (PPE)

Property, Plant and Equipment are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the property, plant and equipment to its working condition for its intended use. Borrowing costs relating to acquisition of property, plant and equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such property, plant and equipment are ready to be put to use.

The cost of an item of property, plant and equipment is the case price equivalent at the recognition date. If payment is deferred beyond normal credit terms, the difference between the cash price equivalent and the total payment is recognised as interest over the period of credit, unless such interest is capitalised as per borrowing cost.

The Group identifies and determines separate useful life of each major component of the property, plant and equipment, if they have useful life that is materially different from that of the remaining asset, as per Schedule II of Companies Act, 2013.

d) Depreciation on Property, Plant and Equipment (PPE)

Depreciation on all of the property, plant and equipment is provided using the straight line method at the rates prescribed by Schedule II of the Companies Act, 2013 and / or useful life estimated by management supported by technical valuer's independent assessment. The management believes that depreciation rates currently used fairly reflect its estimates of the useful lives and residual values of property, plant and equipment.

Depreciation commences when the PPE are ready for their intended use. Depreciation on all PPE except land are provided on a straight line based on the estimated useful life of PPE, which is as follows:

Assets	Useful Life of property, plant and equipment as per Schedule II	Useful Life of property, plant and equipment as per Management supported by Technical Valuer's Estimate
Buildings :		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
Plant & Machinery :		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	

Assets	Useful Life of property, plant and equipment as per Schedule II	Useful Life of property, plant and equipment as per Management supported by Technical Valuer's Estimate
- Loose Tools & Instruments		5 Years
Office Equipments	5 Years	
Computers & Data Processing Units		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
Vehicles	8 Years	
Furnitures & Fittings	10 Years	
Electrical Installations & Equipments	10 Years	

Leasehold Improvements including renovation done on shared facilities have been depreciated as per the useful life ascertained or over the primary period of lease / contract, whichever is shorter.

e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Indian Accounting Standards.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Software

Cost of software is amortized over a period of 8 years, being the estimated useful life as per the management estimates.

f) Borrowing Cost

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

g) Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of assets those are cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

h) Leases

Where the Group is the lessee

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cost.

Where the Group is the lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Assets subject to operating leases are included in PPE. Rental income on operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Group's expected inflationary cost increases, such increases are recognized in the year in which such benefits accrue.

Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight line basis over the lease term.

i) Inventories

Inventories of Pharmacy Drugs & Other Items, Medical Consumables and the Stores and Spares are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

Traded goods are valued at lower of cost and net realisable value. Costs includes cost of purchase and other costs incurred to bring inventories to their present locations and conditions. Cost is determined on weighted average basis.

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

j) Revenue recognition

The Group derives revenue primarily from Healthcare Services through operating of multi-speciality Hospital.

Revenue is measured at the transaction price. Revenue is reduced for returns, trade allowances for deduction, rebates, value added taxes and amounts collected on behalf of third parties.

Sale of Pharmacy Drugs and Medical Supplies including Traded Goods

Revenue is recognized as and when Pharmacy Drugs, Medical Supplies and Traded goods are sold. Revenue from the sale of Pharmacy Drugs, Medical Supplies and Traded good are recognised when control of the goods has passed to the buyer i.e. at the point of sale / to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts and goods & services tax.

Income from Operations

Revenue is recorded when the performance obligation are satisfied. For outpatient customers services are simultaneously received and consumed by the patient. For inpatient customers, revenue is recognized as serviced are performed over the period. Revenue for the ongoing services at the reporting date is recognised as unbilled revenue. The income is stated net of discount and price differences, as per terms of contract.

Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

Income from Nursing Hostel

Revenue is recognized as per contractual arrangement with nursing staff using the hostel facilities.

Income from Lease Rentals & Outsourced Facilities

Revenue is recognized in accordance with the terms of lease agreements entered into with the respective lessees.

Income from Service Export from India Scheme (SEIS)

Income from 'Service Export from India Scheme' is recognized on accrual basis as and when eligible services are performed and convertible foreign exchange is received on a net basis.

Income from Clinical Research

Income from clinical research is recognised as and when the services are rendered in accordance with the terms of the respective agreements.

Income from Sponsorships

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

k) Foreign currency transactions

In preparing the financial statements, transaction in currencies other than the Group's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period

- i) Monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date,
- ii) Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined.
- iii) Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Exchange differences on monetary items are recognized in the statement of profit and loss in the period in which they arise except exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as adjustment to interest costs on those foreign currency borrowings.

l) Employees Benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and exgratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

Post employment benefits

Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Group makes specified obligations towards employee provident fund and employee state insurance (ESI) to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Group's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Group's gratuity benefit scheme is a defined benefit plan. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Group's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

m) Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

i) Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Group operates.

ii) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that is no longer probable that sufficient taxable profits will be available to allow all or part of assets to be recovered.

Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. 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.

iii) Current and deferred tax for the year

Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

n) **Expenditure on new projects**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of profit and loss.

o) **Earnings Per share**

Basic earnings per share is being calculated by dividing net profit or loss for the year (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

p) **Operating Cycle**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

q) **Financial Instrument**

Financial assets and financial liabilities are recognised when Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial Assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

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

Financial Assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- i) the assets is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- ii) the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for financial assets designated at Fair Value through Other Comprehensive Income (FVTOCI). For the purposes of recognising foreign exchange gains and losses, FVTOCI financial assets are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for financial assets through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial Assets at Fair Value through Profit or Loss (FVTPL)

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss since there are no designated hedging instruments in a hedging relationship.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or then the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- i) it has been incurred principally for the purpose of repurchasing it in the near term; or
- ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- iii) it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

Financial liabilities subsequently measured at amortised cost.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Commitments to provide a loan at a below-market interest rate

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

r) Provisions & Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

s) Contingent Liabilities

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

t) Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and such grants can reasonably have a value placed upon them.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

u) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement are comprise of cash at bank and cash in hand and short-term investments with an original maturity of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

v) Critical Accounting EstimatesExpected Credit Loss

The impairment provisions for trade receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Group's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

Note No. 2.1

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lacs)

Particulars	Freehold Land *	Building **	Leasehold Improvement	Computers	Furniture & Fixtures	Office Equipments	Plant and Equipments	Vehicles	Total
COST OR DEEMED COST									
As at 1st April, 2019	13,262.44	9,431.90	121.99	915.65	733.71	346.18	13,568.70	211.52	38,592.07
Additions	-	9.37	-	84.13	33.43	37.60	1,720.77	87.71	1,973.01
Disposals / Discarded during the year	-	-	-	(1.65)	(3.34)	(0.09)	(166.49)	-	(171.58)
As at 31st March, 2020	13,262.44	9,441.27	121.99	998.13	763.80	383.69	15,122.98	299.23	40,393.50
Additions	-	74.75	14.61	12.45	38.84	25.21	535.82	9.19	706.87
Disposals / Discarded during the year	-	-	-	-	(4.42)	(11.15)	(64.15)	(23.29)	(103.01)
As at 31st March, 2021	13,262.44	9,516.02	136.60	1010.58	798.22	397.75	15,594.65	281.13	40,997.36
DEPRECIATION									
As at 1st April, 2019	-	553.35	8.41	345.35	330.29	174.30	3,629.26	50.61	5,091.56
Charge for the year	-	173.17	36.05	165.93	56.09	68.10	1,536.01	35.97	2,071.32
Disposals / Discarded during the year	-	-	-	(0.33)	(2.29)	(0.08)	(146.27)	-	(148.96)
As at 31st March, 2020	-	726.52	44.46	510.95	384.09	242.32	5,019.00	86.58	7,013.92
Charge for the year	-	173.87	36.71	160.44	57.34	60.75	1,337.97	39.82	1866.90
Disposals / Discarded during the year	-	-	-	-	(2.20)	(11.00)	(25.98)	(4.79)	(43.97)
As at 31st March, 2021	-	900.39	81.17	671.39	439.23	292.07	6330.99	121.61	8836.85
NET BOOK VALUE									
As at 31st March, 2020	13,262.44	8,714.75	77.53	487.18	379.71	141.37	10,103.98	212.65	33,379.58
As at 31st March, 2021	13,262.44	8,615.63	55.43	339.19	358.99	105.68	9,263.66	159.52	32,160.51

Note: The borrowing cost capitalised during the year ended 31st March, 2021 was ₹ 142.37 Lacs (31st March, 2020 : ₹ 121.00 Lacs). The Holding Company capitalised this borrowing cost in the Capital Work-In-Progress (CWIP).

* Under the Previous GAAP (Indian GAAP), freehold land was carried in the balance sheet on the basis of revaluation performed as on 31st March, 2016. The Holding Company has elected to regard such value as deemed cost at the date of transition.

** Includes part of the building given on operating lease whose cost, depreciation for the year and WDV at the end of the year is not segregated.

Note No. 2.2**CAPITAL WORK IN PROGRESS MOVEMENT**

(₹ in Lacs)

Particulars	Capital work in progress
As at 1st April, 2019	4,943.22
Addition during the year	2,632.41
Deletion during the year	2,006.60
As at 31st March, 2020	5,569.03
Addition during the year	3,527.98
Deletion during the year	991.22
As at 31st March, 2021	8,105.79

Note No. 2.3**RIGHT-OF-USE ASSETS**

(₹ in Lacs)

Particulars	Right-of-use assets
As at 1st April, 2019	1,535.71
Additions	-
Deletion	-
Depreciation	97.12
As at 31st March, 2020	1,438.59
Additions	484.37
Deletion	-
Depreciation	204.90
As at 31st March, 2021	1,718.06

Note No. 2.4**INTANGIBLE ASSETS**

(₹ in Lacs)

Particulars	Computer Software
<u>COST OR DEEMED COST</u>	
As at 1st April, 2019	609.13
Additions	33.59
Disposals / Discarded during the year	-
As at 31st March, 2020	642.72
Additions	2.92
Disposals / Discarded during the year	(0.17)
As at 31st March, 2021	645.47
<u>AMORTIZATION</u>	
As at 1st April, 2019	202.63
Charge for the year	94.61
Disposals / Discarded during the year	-
As at 31st March, 2020	297.24
Charge for the year	79.59
Disposals / Discarded during the year	(0.06)
As at 31st March, 2021	376.77
<u>NET BOOK VALUE</u>	
As at 31st March, 2020	345.48
As at 31st March, 2021	268.70

Notes to Consolidated Financial Statements for the year ended 31st March, 2021

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
3.1	Loans		
	<u>Non Current</u>		
	(Unsecured, Considered good)		
	Security Deposits	203.08	173.58
	Others		
	Loans & advances to Employees *	56.87	69.76
	Total	259.95	243.34
	<u>Current</u>		
	(Unsecured, Considered good)		
	Security Deposits	-	7.39
Others			
Loans & advances to Employees *	54.20	103.85	
	54.20	111.24	
* Loans & advances to Employees includes dues from Executive Director, officers etc. (Refer Note 30) (As a part of service condition extended to all its eligible employees)	61.50	79.50	
3.2	Other Financial Assets		
	<u>Non Current</u>		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	18.67	29.05
		18.67	29.05
	<u>Current</u>		
	Interest accrued on fixed deposits	17.01	18.91
Unbilled Revenue (Accrued operating income)	446.21	341.43	
	463.22	360.34	

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
4	Income tax assets		
	Non Current		
	Income Tax Recoverable (Net of provision for taxation)	1,675.42	1,011.26
	Total	1,675.42	1,011.26

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
5	Other Assets		
	Non-Current (Unsecured, Considered good)		
	Capital Advances	686.05	684.77
	Prepaid Expenses	6.72	30.01
	Total	692.77	714.78
	Current (Unsecured, Considered good)		
	Advances recoverable	58.40	99.66
	Balances with statutory / government authorities	29.49	34.68
	Prepaid Expenses	142.68	191.97
	Export Incentive receivable	652.90	652.90
		883.47	979.21

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
6	Inventories		
	(Valued at lower of cost or net realisable value)		
	Stock of Pharmacy Drugs & Medical Consumables	878.40	959.95
	Stock in Trade (Pharmacy and Other Items)	13.56	59.20
	Stores & Spares	70.46	56.19
	Total	962.42	1,075.34

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
7	Trade Receivables (Unsecured)		
	Current - at amortised cost		
	Considered good	5,471.70	7,659.75
	Considered Doubtful	805.32	497.69
	Less: Allowance for credit losses	(805.32)	(497.69)
		5,471.70	7,659.75

Trade Receivables Includes :

(₹ in Lacs)

Particulars	As At 31 st March, 2021	As At 31 st March, 2020
- Dues from Directors	7.58	19.95

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

No single customer accounted for more than 10% of the revenue as of 31st March, 2021 & 31st March, 2020. There is no significant concentration of credit risk.

The Group uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

The Group has recorded an allowance of ₹ 805.32 Lacs (Previous Year ₹ 497.69 Lacs) towards trade receivables. The Management believes that there is no further provision required in excess of the allowance for credit loss.

The movement in allowance for expected credit loss in respect of trade receivables during the year was as follows:

(₹ in Lacs)

Allowance for expected credit loss	As At 31 st March, 2021	As At 31 st March, 2020
Opening balance	497.69	210.74
Credit loss created /(reversed)	307.63	286.95
Closing balance	805.32	497.69

The Group's exposure to currency risks related to trade receivables are disclosed in note (Refer Note 35).

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
8	Cash & Cash Equivalents		
	Balance with Banks:		
	- In Current Accounts	1,180.60	1,080.67
	- Bank deposit with original maturity of three months or less.	600.00	-
	Cash on hand	135.60	80.15
		1,916.20	1,160.82

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
9	Other Bank Balances		
	Fixed Deposit in banks having original maturity of more than 3 months and remaining maturity of less than 12 months	1,195.78	404.44
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of more than 12 months *	18.67	29.05
	Amount disclosed under Other Non-Current Financial Assets	(18.67)	(29.05)
	Total	1,195.78	404.44

* Given as security of ₹ 128.52 Lacs (Previous Year ₹ 112.97 Lacs) to secure bank guarantee issued to Government Authorities.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020	
10	Share Capital:			
	Authorised Shares (in nos.)			
	6,95,50,000 Equity Shares of ₹ 10/- Each (6,95,50,000 as at 31 st March, 2020 Equity Shares of ₹ 10/- Each)	6,955.00	6,955.00	
	11% Non-Cumulative 50,000 Preference Shares of ₹ 100/- Each (50,000 as at 31 st March, 2020 Preference Shares of ₹ 100/- Each)	50.00	50.00	
	Issued, Subscribed & Paid Up Shares (in nos.)			
	1,32,37,700 Equity Shares of ₹ 10/- Each (1,32,37,700 as at 31 st March, 2020 Equity Shares of ₹ 10/- each fully paid up)	1,323.77	1,323.77	
	Total Issued, Subscribed & Paid Up Capital *	1,323.77	1,323.77	
	*1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26 th October, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)			
	Equity Share Capital Suspense Account			
	Equity Shares of ₹ 10/- par value per share fully paid-up, pending allotment (to be issued and allotted to the shareholders of Artemis Global Life Sciences Limited, pursuant to the Scheme of Amalgamation) (Refer Note 27)	-	1,323.77	
Less : Share issued, during the year	-	(1,323.77)		
Total equity share capital suspense account	-	-		

a. Reconciliation of the equity shares at the beginning and at the end of the year

Reconciliation	As At 31 st March, 2021		As At 31 st March, 2020	
	Nos.	₹ in Lacs	Nos.	₹ in Lacs
Shares outstanding at the beginning of the year	13,237,700	1,323.77	-	-
Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	-	-	-
Shares issued during the year # (Refer Note 27)	-	-	13,237,700	1,323.77
Shares outstanding at the end of the year *	13,237,700	1,323.77	13,237,700	1,323.77

* 1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26th October, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)

b. Terms/rights attached to Equity Shares

The Holding company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share, where voting is held by show of hands. In case of Poll each holder of equity share is entitled to Number of votes against Number of shares held.

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

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

Name of the Shareholder	As At 31 st March, 2021		As At 31 st March, 2020	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Constructive Finance Private Limited - holding company	9,242,579	924.26	9,242,579	924.26

(Refer Note 27)

d. Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As At 31 st March, 2021		As At 31 st March, 2020	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Constructive Finance Private Limited - holding company	9,242,579	69.82%	9,242,579	69.82%
Governor of Kerala	674,950	5.10%	674,950	5.10%

(Refer Note 27)

Notes to Financial Statements for the year ended 31st March, 2021

(₹ in Lacs)

Note No.	Particulars		As At 31 st March, 2021	As At 31 st March, 2020
11	Other Equity :			
	Capital Reserve			
	Balance as per last financial statements		14,457.89	14,457.89
	Closing Balance	(A)	14,457.89	14,457.89
	Revaluation Reserve			
	Balance as per last financial statements		6,598.31	6,567.81
	Add : Deferred tax adjustment on revaluation		40.66	30.50
	Closing Balance	(B)	6,638.97	6,598.31
	Retained earnings			
	Balance as per last financial statements		8,944.09	6,997.01
	Add : Profit / (Loss) for the year		648.58	1,979.26
	Add : Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax		6.09	(32.18)
	Balance at end of year	(C)	9,598.76	8,944.09
Total Other Equity	(A+B+C)	30,695.62	30,000.29	

A. Capital Reserve

Capital reserve represents excess of assets over liabilities and share issued consequent to scheme of arrangement of transferor companies in earlier years.

B. Revaluation Reserve

Revaluation Reserve represents freehold land revalued as on 31st March, 2016 as per independent valuer report.

C. Retained Earnings

Retained earnings represents the profits that the Company has earned till date, less any transfer of general reserve, dividends or other distributions to shareholders etc.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
12	Borrowings		
	Non Current Borrowings		
	Term Loans		
	<u>From Banks</u>		
	- Indian Rupee loans from Banks (secured at amortised cost)	10,773.34	6,557.85
	Total	10,773.34	6,557.85
	Current Maturity		
	Term Loans		
	<u>From Banks</u>		
	- Indian Rupee loans from Banks (secured (at amortised cost)	1,964.60	2,132.72
	Transferred to Other Financial Liability (Note 17)	(1,964.60)	(2,132.72)
	Total	-	-

1. **Indian Rupee Loans from Banks include :**

- a) Term loans* of ₹ 11721.73 Lacs (As at 31st March, 2020 ₹ 8088.16 Lacs) from Scheduled Bank carries interest as linked with Base Rate of banks. The loans are secured by first pari passu charge over Land & Building located at Sector 51, Gurugram, Haryana and charge over all movable fixed assets, both present & future and second pari passu charge on current assets.

(₹ in Lacs)

* Term Loans	As At 31 st March, 2021	As At 31 st March, 2020
HDFC Bank Ltd	6,001.71	5,701.65
IDFC Bank Ltd	3,294.39	2,386.51
Axis Bank Ltd.	2,425.63	-
Total	11,721.73	8,088.16

- b) Term loans of ₹ 966.87 Lacs (As at 31st March, 2020 ₹ 500.66 Lacs) from Scheduled Bank (HDFC Bank Ltd) carries interest as linked with Base rate of Bank The loans are secured by the charge on entire movable fixed assets and second charge on current assets. Further, these loans are secured by corporate guarantee given by holding company.
- c) Vehicle Loans of ₹ 49.34 Lacs (As at 31st March, 2020 ₹ 101.75 Lacs) from Scheduled Bank carries interest as linked with Bank's Prime Lending Rate (PLR). The Loan is secured on exclusive charge on the vehicles financed out of the said term loan.

(₹ in Lacs)

Repayment Schedule	FY 2021-22	FY 2022-23	FY 2023-24	FY 2023-24	after FY 2024-25
Secured Loan					
Term Loan - HDFC Bank Limited	1,827.58	2,041.69	1,115.88	450.78	1,640.00
Term Loan - Axis Bank Limited	-	76.18	152.35	228.53	2,082.16
Term Loan - IDFC First Bank Limited	99.32	198.64	297.95	397.27	2,317.42
Vehicle Loan - HDFC Bank Limited	37.70	11.63	-	-	-
Total	1,964.60	2,328.14	1,566.18	1,076.58	6,039.58

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021		As At 31 st March, 2020	
		Non-Current	Current	Non-Current	Current
13	Provisions				
	Provision for Employee Benefits				
	Leave Benefits	193.28	99.02	193.75	93.09
	Gratuity (Refer Note 34)	471.68	200.74	437.66	145.00
	Other Provisions				
	Provision for Contingencies (Refer Note 38)	-	719.52	-	682.03
	Total	664.96	1,019.28	631.41	920.12

(₹ in Lacs)

14	Deferred tax assets / (liabilities) in relation to :	As at 1st April, 2019	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Compre- hensive Income	As at 31st March, 2020
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Deferred Tax Assets / (Liabilities) (Net)

The following is the analysis of deferred tax assets / liabilities Recognised in profit and loss account and other comprehensive income

Property, plant and equipment (including intangible assets)	(3,996.41)	(1,182.35)	30.50	(5,148.26)
Other provisions	234.43	3.93	-	238.36
Allowance for Doubtful Debts (Expected credit loss)	73.64	100.28	-	173.92
Employee Benefits	238.33	47.75	17.28	303.36
Lease Liability	-	535.31	-	535.31
MAT Credit Entitlement	779.22	(0.42)*	-	778.80
Fair Value Adjustments	(5.06)	4.45	-	(0.61)
Others	93.12	117.63	-	210.75
	(2,582.73)	(373.42)	47.78	(2,908.37)

14	Deferred tax assets / (liabilities) in relation to :	As at 1st April, 2020	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Compre- hensive Income	As at 31st March, 2021
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Deferred Tax Assets / (Liabilities) (Net)

The following is the analysis of deferred tax assets / liabilities Recognised in profit and loss account and other comprehensive income

Property, plant and equipment (including intangible assets)	(5,148.26)	173.30	40.66	(4,934.30)
Other provisions	238.36	13.10	-	251.46
Allowance for Doubtful Debts (Expected credit loss)	173.92	107.49	-	281.41
Employee Benefits	303.36	36.52	(3.30)	336.58
Lease Liability	535.31	139.59	-	674.90
MAT Credit Entitlement	778.80	(658.09)*	-	120.71
Fair Value Adjustments	(0.61)	6.70	-	6.09
Unabsorbed Losses	46.41	52.37	-	98.78
Others	164.34	98.57	-	262.91
	(2,908.37)	(30.45)	37.36	(2,901.46)

Note : Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

* Including MAT credit utilisation forming part of Current Year Tax of ₹ 435.55 Lacs (Previous Year ₹ 0.42 Lacs).

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
15	Borrowings		
	Bank Overdraft (secured) *	-	1,088.63
	Total	-	1,088.63

* Bank overdraft which is for routine working capital purpose / cash flow mismatch and the same is secured by the first charge on current assets and second charge on movable and immovable fixed assets.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
16	Trade payables		
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 32)	1,099.10	995.49
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	4,627.84	6,465.77
	Total	5,726.94	7,461.26

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
17	Other Financial Liabilities (secured)		
	Current		
	Term Loan (current maturity) (Refer Note 12)	1,964.60	2,132.72
		1,964.60	2,132.72
	Other Payable #	933.22	2,113.21
	Interest Accrued but not due on borrowings	48.85	48.11
		982.07	2,161.32
	Total	2,946.67	4,294.04

Other payable includes payments due on account of capital items, due to employees.

(₹ in Lacs)

Note No.	Particulars	As At 31 st March, 2021	As At 31 st March, 2020
18	Other Liabilities		
	Current		
	Advance from Patients / Others *	939.66	968.28
	Taxes and Other Statutory Dues * *	422.18	455.66
	Security Deposits	317.71	342.27
	Deferred Government Grant * * *	190.98	113.13
	Total	1,870.53	1,879.34

* Advance from Patients/ Others for which the company is obliged to transfer services to the patients/ Others.

* * Taxes and other statutory dues includes Withholding Tax, Goods & Services Tax and contribution of P F, ESI etc.

* * * During the year, the company has obtained EPCG License against import of fixed assets. The company has recognised this grant as deferred income at fair value, which is being amortised in proportion to fulfillment of Export Obligation (Refer note 37B).

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
19	Revenue from Operations				
	Sale of Services				
	Revenue from Healthcare & Other Services	39,670.09		54,161.92	
	Sale of Goods				
	Sale of Pharmacy Drugs & Medical Consumables	890.66		1,245.24	
	Sale of Stock in Trade (Pharmacy)	84.13		183.72	
	Other Operating Income				
	Income from Nursing Hostel	30.73		35.39	
	Income from Education & Training	71.37		89.55	
	Income from Export Incentive	-		714.79	
	Unclaimed credit balances / provisions no longer required written back	85.48		61.42	
Sale of Scrap	7.88		9.76		
Total	40,840.34		56,501.79		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
20	Other Income				
	Interest Income	182.37		50.06	
	- From Bank deposits	134.54		41.01	
	- From Financial Assets carried at amortised cost	6.89		7.76	
	- From Others (including interest on tax refunds)	40.94		1.29	
	Income from outsource activities (Cafeteria, Parking etc.)	36.63		99.25	
	Other Non-Operating Income (net of reimbursements)	105.81		176.53	
	Foreign Exchange Gain (Net)	29.02		133.80	
Total	353.83		459.64		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
21	(Increase) / Decrease in Inventories of Pharmacy Drugs & Medical Consumables				
	Inventories at the beginning of the year	959.95		605.03	
	Inventories at the end of the year	878.40		959.95	
		81.55		(354.92)	
	(Increase) / Decrease in Inventories of Stock in Trade				
	Inventories at the beginning of the year	59.20		30.43	
	Inventories at the end of the year	13.56		59.20	
	45.64		(28.77)		
Total	127.19		(383.69)		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
22	Employee Benefits Expense		
	Salaries, Wages and Bonus	7,644.26	9,463.98
	Contribution to Provident and Other Funds	410.14	477.50
	Gratuity Expenses (Refer note 34)	132.89	127.66
	Employee Welfare Expenses	211.72	273.35
	Total	8,399.01	10,342.49

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
23	Finance Costs		
	Interest expense on financial liabilities measured at amortised cost		
	- On term Loans	915.18	909.97
	- Deferred Payment	-	0.54
	- On lease liability	167.93	140.06
	Other Interest Expense	1.44	0.54
	Bank Charges (Including Other Borrowing Costs)	207.98	228.69
	Total	1,292.53	1,279.80

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
24	Depreciation and amortization expense		
	Depreciation of property, plant and equipment	1,866.89	2,071.32
	Amortization of intangible assets	79.59	94.61
	Depreciation of Right-of-use assets	204.90	97.12
	Total	2,151.38	2,263.05

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
25	Other expenses		
	Consumption of stores & spares	103.50	129.47
	Power & Fuel	912.90	1,040.26
	Rent - Lease Rent	30.55	35.07
	Equipment Hire Charges	147.43	145.50
	Repairs and Maintenance - Machinery	985.92	1,240.28
	Repairs and Maintenance - Buildings	19.78	42.48
	Repairs and Maintenance - Others	167.05	182.23
	Rates & Taxes	87.03	54.74

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
	Legal & Professional Consultation Fees	332.44	483.40
	Merger Expenses	-	15.15
	AGM & Annual Listing Expenses	21.28	62.65
	Fee paid to Doctors	9,216.82	12,775.85
	Printing & Stationery	111.16	150.86
	Patient Facility Maintenance	561.91	765.18
	Patient Food & Beverages Expenses	386.59	506.21
	Outsource Lab Test Charges	365.61	373.19
	Security Charges	213.92	244.66
	Professional Medical Consultancy	2,254.10	5,932.97
	Provision for Contingencies	37.49	11.25
	Travelling & Conveyance	168.89	554.65
	Advertisement & Business Promotion	96.80	331.87
	Patients Amenities	35.00	70.80
	Communication Expenses	61.01	69.19
	Charity & Donation	21.49	46.50
	Insurance	74.31	54.47
	Clinical Research Expenses	331.02	191.13
	<u>Auditors Remuneration</u>		
	- Audit Fee	12.69	12.69
	- Limited Review	3.89	1.30
	- Tax Audit Fee	3.48	3.39
	- Others Services & Certification	2.60	8.50
	Directors Sitting Fees	33.21	37.33
	CSR Expenses	78.19	115.26
	Newspaper & Periodicals	19.13	29.45
	Bad Debts Written Off	22.42	22.61
	Balance Written Off	-	52.57
	Allowance for Expected Credit Loss	307.63	286.95
	Loss on Sale / Scrap of Property, Plant and Equipment (Net)	23.81	13.56
	Miscellaneous Expenses	24.87	30.47
	Total	17,275.92	26,124.09

INCOME TAX

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
26	Recognised in Statement of Profit and loss account		
	Current Tax		
	(a) In respect of the current year	670.51	1,139.63
	(b) Earlier years tax	94.14	(395.73)
	Total	764.65	743.90
	Deferred Tax		
	(a) In respect of the current year	(627.63)	373.00
	Tax expense recognised through statement of profit and loss account	137.02	1,116.90
	Recognised in Other Comprehensive Income (OCI)		
	Deferred tax		
	In respect of the current year	(37.36)	(47.78)
	Tax credit recognised through Other Comprehensive Income	(37.36)	(47.78)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	753.02	3,062.91
	Enacted income tax rate in India	34.944%	34.944%
	Income tax calculated	263.14	1,070.30
	Earlier years Tax	94.14	(395.73)
	Effect of expenses not deductible in determining taxable profit	40.50	63.73
	Effect of lower tax rate opted by the subsidiary	13.45	13.06
	Effect of Other Adjustments	(274.21)	365.54
	Income tax expense recognised in profit and loss	137.02	1,116.90

Note No.

27 Amalgamation of Artemis Health Sciences Limited ('AHSL'), Athena Eduspark Limited ('AEL'), Artemis Global Life Sciences Limited ('AGLSL') with Artemis Medicare Services Limited ('AMSL') (The Holding Company)

The Hon'ble National Company Law Tribunal, Delhi Bench, has approved the Composite Scheme of Amalgamation (Scheme) between "the Holding Company and its Parent Company i.e. Artemis Health Sciences Limited (AHSL), its ultimate Parent Company i.e. Artemis Global Life Sciences Limited (AGLSL) and its fellow Subsidiary Company i.e. Athena Eduspark Limited (AEL) (collectively the Transferor Companies)" on 30th September, 2019. The Holding Company has filed copy of the order with Registrar of Companies Delhi on 14th October, 2019. Upon the scheme becoming effective the Transferor Companies stood dissolved without being wound-up. In compliance with the scheme, on merger of AGLSL i.e. the ultimate Parent Company with the Holding Company, 2,10,35,000 equity shares of AMSL were cancelled and 1,32,37,700 equity shares were issued afresh to shareholders of AMSL (earlier AGLSL) on 26th October, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from 23rd January, 2020. The Holding Company has accounted for the merger under the pooling of interest method as described in Appendix C to Ind AS 103 - Business Combinations of entities under common control.

Pursuant to the aforesaid amalgamation and in terms of the said approved scheme, the authorized share capital of AGLSL of ₹ 2,000 Lacs, AHSL of ₹ 2,500 Lacs and AEL of ₹ 5 Lacs has been combined with the authorised share capital of the holding company. Accordingly effective 1st April, 2018 the authorized share capital of the holding company stands at ₹ 7,005 Lacs which comprises of 6,95,50,000 (Six crore ninety five lacs fifty thousand) Equity Shares of ₹ 10/- each and 50,000 (Fifty thousand) 11% Non- Cumulative Redeemable Preference Shares of ₹ 100/- each.

As business combination is involving entities under common control the Holding Company has adopted 'Pooling of interest' method. Accordingly, all the assets, liabilities and reserves of Transferor Companies have been recorded at their carrying amounts and in the form in which they appeared in the financial statements as at the effective date of merger i.e. 1st April, 2018. The Holding Company has consolidated line by line the assets, liabilities and components of Other Equity of each of the Transferor Companies after eliminating the inter-company transactions between these entities. The financial information in the financial statements in respect of periods prior to effective date has been restated.

(A) The aggregate carrying balances of the transferor companies which merged into the Company are as under :

(₹ in Lacs)

Particulars	Transferor Companies	Eliminations / Inter Company Adjustments	Total
Assets			
Property, plant and equipment	162.27	-	162.27
Non Current Investments	29,267.12	-	29,267.12
Non-current tax assets (Net)	4.74	2.75	7.49
Other non-current assets	0.02	-	0.02
Deferred tax assets	14.75	(14.75)	-
Trade receivables	15.29	4.38	19.67
Cash and cash equivalents	112.88	-	112.88
Short term loans	37.28	-	37.28
Other current financial assets	6.35	(6.35)	-
Current tax assets (Net)	2.74	(2.74)	-
Other current assets	6.77	0.23	7.00
Total Assets	29,630.21	(16.48)	29,613.73
Equity and Liabilities			
Equity			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
Total equity	29,259.44	(14.75)	29,244.69
Liabilities			
Short term Borrowings	38.80	-	38.80
Trade Payables	1.95	(1.95)	-
Other current liabilities	330.02	0.22	330.24
Total liabilities	370.77	(1.73)	369.04
Total equity and liabilities	29,630.21	(16.48)	29,613.73

(B) Details of other equity on Amalgamation of Transferor Companies

(₹ in Lacs)

Particulars	Retained Earnings	Amalgamation Adjustment Account	Capital Reserve	Total
Reserve of Transferor Companies	1,655.65	-	14,457.89	16,113.54
Investment of Transferor Companies	-	29,267.12	-	29,267.12
Share Capital of transferor companies including share capital cancelled and share capital issued by transferee company pursuant to Composite Scheme of Amalgamation	-	(25,105.05)	-	(25,105.05)
Total	1,655.65	4,162.07	14,457.89	20,275.61

On amalgamation, the effect of cancellation of investment of Transferor Companies of ₹ 29,267.12 Lacs and difference between share capital of transferor company including shares cancelled and issued by transferee company of ₹ 25,105.05 Lacs have resulted an amount of ₹ 4,162.07 Lacs, which is shown as Goodwill.

28 Segmental Reporting**Operating segments**

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance and allocates resources on overall basis. The Group's sole operating segment is therefore 'Medical and Healthcare Services'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the consolidated financial statements.

Geographical information

Geographical information analyses the Group's revenue and non current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Secondary Segment - Geographical Location of customers

	India		Outside India		Total	
	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)	Current Year (₹ in Lacs)	Previous Year (₹ in Lacs)
Revenue by geographical markets	34,685.64	36,773.57	6,154.70	19,728.22	40,840.34	56,501.79
Non current assets	48,783.32	46,620.79	-	-	48,783.32	46,620.79

29 Capital and Other Commitments

(₹ in Lacs)

As at 31 st March, 2021	As at 31 st March, 2020
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a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)

8,206.98	5,527.55
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b) Other Commitments

- For commitments relating to lease arrangement, please refer Note 31.
- The Group does not have any long term commitments or material non-cancellable contractual commitments/ contracts, including derivative contracts for which there were any material foreseeable losses.

c) Expenditure on Corporate Social Responsibility (CSR)

- Gross amount required to be spent by the Group during the year ended 31st March, 2021 ₹ 71.65 lacs (during the year ended 31st March, 2020 ₹ 72.66 lacs)
- Amount approved by Board of Directors ₹ 71.65 lacs (Previous year ₹ 72.66 lacs)
- Amount spent during the year ended 31st March, 2021 :

(₹ in Lacs)

Particulars	Paid (A)	Yet to be paid (B)	Total (A+B)
(i) Construction / acquisition of any property, plant and equipment	-	-	-
(ii) On purposes other than (i) above	78.19	-	78.19
	115.26*	-	115.26*

*For the year ended 31st March, 2020

iv) Details of related party transactions :

- Contribution during the year ended 31st March, 2021 ₹ 2.54 Lacs (Year ended 31st March, 2020 - ₹ Nil)
- Payable as at 31st March, 2021 ₹ Nil (Year ended 31st March, 2020 - ₹ Nil)

30 Related party disclosure**a) Name of related parties****Parties where control exists irrespective of whether transactions have occurred or not**

Parent Company Constructive Finance Private Limited

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel Mr. Onkar Kanwar (Chairman)
 Dr. Devlina Chakravarty (Managing Director)
 Mr. Sanjiv Kumar Kothari (Chief Financial Officer)
 Mr. Rakesh Kaushik (Chief Legal Officer & Company Secretary) (up to 21st Oct, 2020)
 Ms. Shilpa Budhia (Company Secretary) (from 5th Nov, 2020)
 Mr. Anuj Sood (Company Secretary) Artemis Global Life Sciences Limited
 Ms. Aastha Kalra (Chief Financial Officer) Artemis Global Life Sciences Limited
 Ms. Deepa Khatri (Company Secretary) Artemis Health Sciences Limited
 Mr. Arpit Jain (CEO) Artemis Cardiac Care Pvt. Ltd. (from 14th Jan, 2019)

Relatives of Key Managerial Personnel

Mr. Neeraj Kanwar (Non-Executive Director)
 Ms. Shalini Kanwar Chand (Non-Executive Director)
 Mrs. Taru Kanwar
 Mrs. Devarchana Rana

Non-Executive Directors

Dr. Nirmal Kumar Ganguly (Non-Executive Director)
 Dr. S. Narayan (Independent Director)
 Dr. Sanjaya Baru (Independent Director)
 Mr. Akshay Kumar Chudasama (Independent Director) (upto 4th Aug, 2020)
 Mr. Saurabh Srivastava (Independent Director) (upto 13th May, 2019)
 Ms. Deepa Gopalan Wadhwa (from 22nd May, 2020)
 Mr. Harish Bahadur (Director) - Athena Eduspark Limited
 Mr. Sunil Tandon (Independent Director) (upto 9th Oct, 2020)
 Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited
 Mr. Sanjib Sen (Independent Director) (from 3rd Aug, 2020)
 Mr. Ugar Sain Anand (Independent Director) (upto 9th Oct, 2020)
 Dr. Gautam Chaudhuri (from 3rd Aug, 2020 till 8th Mar, 2021)

Enterprises owned or significantly influenced by key management personnel or their relatives

Apollo Tyres Ltd.
 Apollo International Ltd.
 Artemis Health Sciences Foundation
 Artemis Education & Research Foundation
 Swaranganga Consultants Pvt. Ltd
 Premedium Pharmaceuticals Pvt. Ltd.

b) Transactions during the year

(₹ in Lacs)

Particulars	Parent Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Reimbursement of Expenses Received						
Artemis Education & Research Foundation	-	-	-	-	-	12.46
Artemis Health Sciences Foundation	-	-	-	-	-	0.97
CSR Expenses						
Artemis Health Sciences Foundation	-	-	-	-	2.54	-
Recovery of Loans & Advances						
Dr. Devlina Chakravarty	-	-	12.00	12.00	-	-
Mr. Sanjiv Kumar Kothari	-	-	6.00	6.00	-	-
Lease Expenses *						
Swaranganga Consultants Pvt Ltd	-	-	-	-	2.64	2.51
Support Service Fees						
Artemis Education Research Foundation	-	-	-	-	17.43	39.38
Sale of Services / License						
Total Transactions	-	-	43.00	44.76	233.79	814.33
Transactions in excess of 10%						
Apollo Tyres Ltd.	-	-	-	-	225.42	807.58
Purchase of services / goods *						
Apollo Tyres Ltd.	-	-	-	-	7.08	7.08
Mrs. Devarchana Rana	-	-	5.41	6.49	-	-
Dr. Nirmal Kumar Ganguly	-	-	20.17	19.61	-	-
Premedium Pharmaceuticals Pvt Ltd	-	-	-	-	4,212.96	4,772.61
Donation Paid						
Artemis Education & Research Foundation	-	-	-	-	18.00	41.50
Artemis Health Sciences Foundation	-	-	-	-	3.49	5.00
Directors' Sitting Fees paid						
Mr. Onkar Kanwar	-	-	2.80	3.95	-	-
Mr. Neeraj Kanwar	-	-	2.80	2.30	-	-
Ms. Shalini Kanwar Chand	-	-	3.80	4.00	-	-
Dr. S. Narayan	-	-	4.60	5.25	-	-
Dr. Sanjaya Baru	-	-	3.00	3.65	-	-

Particulars	Parent Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020
Dr. Nirmal Kumar Ganguly	-	-	2.80	2.60	-	-
Mr. Saurabh Srivastava	-	-	-	0.50	-	-
Mr. Sunil Tandon	-	-	1.00	1.20	-	-
Mr. Ugar Sain Anand	-	-	1.40	2.90	-	-
Mr. Akshay Kumar Chudasama	-	-	1.80	4.80	-	-
Ms. Deepa Gopalan Wadhwa	-	-	2.60		-	-
Mr. Sanjib Sen	-	-	1.70		-	-
Mr. Harish Bahadur	-	-	-	1.00	-	-
Mr. Anil Chopra	-	-	-	0.25	-	-
Key management personnel-Compensation						
Dr. Devlina Chakravarty	-	-	493.99	489.23	-	-
Mr. Sanjiv Kumar Kothari	-	-	69.27	66.81	-	-
Mr. Rakesh Kaushik	-	-	48.55	66.50	-	-
Ms. Shilpa Budhia	-	-	11.27	-	-	-
Mr. Anuj Sood	-	-	-	8.86	-	-
Ms. Aastha Kalra	-	-	-	6.79	-	-
Ms. Deepa Khatri	-	-	-	2.66	-	-
Mr. Arpit Jain	-	-	33.72	42.03	-	-
Defined benefit obligation as at year end						
Post-employment benefits	-	-	78.77	68.79	-	-
Short-term benefits	-	-	28.58	29.71	-	-
Total	-	-	107.35	98.50	-	-
Dr. Devlina Chakravarty	-	-	89.16	80.15	-	-
Mr. Sanjiv Kumar Kothari	-	-	14.21	12.61	-	-
Ms. Shilpa Budhia	-	-	0.35	-	-	-
Mr. Rakesh Kaushik	-	-	-	3.74	-	-
Mr. Arpit Jain	-	-	3.63	2.01	-	-
Total	-	-	107.35	98.50	-	-

* Transactions are reported including taxes.

(₹ in Lacs)

Balance Payable	Name of Entity	31 st March, 2021	31 st March, 2020
Key Management Personnel and their relatives	Relatives of Director & KMP	-	-
	Mrs. Devarchana Rana	-	0.45
	Dr. Nirmal Kumar Ganguly	0.76	1.15
	Mr. Arpit Jain	3.57	4.05
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	-	7.08
	Swaranganga Consultants Pvt. Ltd	-	1.51
	Premedium Pharmaceuticals Pvt. Ltd.	404.39	678.50

(₹ in Lacs)

Balance Recoverable	Name of Entity	31 st March, 2021	31 st March, 2020
Key Management Personnel and their relatives	Relatives of Director & KMP	7.97	20.09
	Dr. Devlina Chakravarty	32.56	63.74
	Mr. Sanjiv Kumar Kothari	18.87	22.94
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	16.85	55.89
	Apollo International Ltd.	9.17	4.39
	Artemis Education & Research Foundation	11.11	11.14

31 Leases

- A Effective 1st April, 2019, the Group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1st April, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability, at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company’s incremental borrowing rate at the date of initial application.

Movement of Lease Liabilities during the year ended 31st March, 2021

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Balance at the beginning of the year	1,531.90	1,528.82
Addition during the year	474.07	-
Finance cost accrued during the year	167.93	140.06
Payment of Lease Liability	(242.53)	(136.98)
Balance at the end of the year	1,931.37	1,531.90

Impact on the statement of profit or loss (increase / (decrease))

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Depreciation expense	204.90	97.12
Rent expense (included in Other expenses)	(242.53)	(136.98)
Finance Cost	167.93	140.06
Loss (profit) for the year	130.30	100.20

- B The group incurred ₹ 30.55 Lacs for the year ended 31st March, 2021 and ₹ 35.07 Lacs for the year ended 31st March, 2020 towards expenses related to short term leases and leases of low value assets.

- 32 The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures as per Section 22 of “The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006” are as follows:

(₹ in Lacs)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.		
- Principal Amount	1,099.10	995.49
- Interest thereon	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-

33 Earning Per Share (EPS)

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	648.58	1,979.26
Basic / Weighted Average Number of Equity Shares Outstanding during the year *	13,237,700	13,237,700
Earning Per Share (in ₹)		
- Basic	4.90	14.95
- Diluted	4.90	14.95
Nominal value of Equity Shares (in ₹)	10.00	10.00

* The shares pending for allotment for the previous year have been considered for the purpose of calculation of EPS appropriately.

34 Employee Benefits

A) Defined Contribution Plan

- i) The Group has recognized, in statement of Profit and Loss for the year ended 31st March, 2021 an amount of ₹ 410.14 Lacs (Previous year ₹ 477.50 Lacs) under defined contribution plans.

Expense under defined contribution plans include:

	Year Ended 31 st March, 2021 (₹ in Lacs)	Year Ended 31 st March, 2020 (₹ in Lacs)
a) Employer's contribution to provident fund	349.41	404.40
b) Employer's contribution to Employee State Insurance Corporation	51.93	62.98
c) Employer's contribution to Labour Welfare Fund	8.80	10.12
	410.14	477.50

The expense is disclosed in the line item - contribution to provident fund and other funds in Note 22.

B) Defined Benefit Plan

- ii) The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of the service gets a gratuity on retirement / termination at 15 days salary (last drawn salary) for each completed year of service. The Group has also provided for long-term compensated absences.

(₹ in Lacs)

	Gratuity (unfunded)		Leaves (unfunded)	
	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
(i) Reconciliation of opening and closing balances of obligations:				
a) Obligation at the beginning	582.66	432.70	286.84	249.33
b) Current Service Cost	100.25	97.67	60.10	70.27
c) Interest Cost	32.64	29.86	16.10	17.20
d) Past Service Cost	-	0.13	-	0.44
e) Actuarial (Gain) / Loss	(9.62)	49.46	(23.54)	(5.07)
f) Benefits paid	(33.51)	(27.15)	(47.20)	(45.33)
g) Obligation at the year end	672.42	582.66	292.30	286.84
(ii) Change in Plan Assets (Reconciliation of opening and closing balances):				
a) Fair Value of Plan Assets at beginning	-	-	-	-
b) Prior Period Adjustment	-	-	-	-
c) Expected return on Plan Asset	-	-	-	-
d) Contributions	-	-	-	-
e) Benefits paid	-	-	-	-
f) Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
g) Fair Value of Plan Assets at year end	-	-	-	-
(iii) Reconciliation of fair value of assets and obligations:				
a) Present value of obligation at year end	672.42	582.66	292.30	286.84
b) Fair Value of Plan Assets at year end	-	-	-	-
c) Asset / Liability recognized in the Balance Sheet	672.42	582.66	292.30	286.84

(iv)	Amount recognized in the income statement				
a)	Current Service Cost	100.25	97.67	60.10	70.27
b)	Past Service Cost	-	0.13	-	0.44
c)	Interest Cost	32.64	29.86	16.10	17.20
d)	Curtailment Cost (Credit)	-	-	-	-
e)	Expected return on Plan Assets	-	-	-	-
f)	Actuarial (Gain) / Loss	-	-	(23.54)	(5.07)
g)	Expenses recognized during the year	132.89	127.66	52.66	82.84
(v)	Other Comprehensive Income (OCI)				
a)	Unrealised actuarial Gain / (Loss)	9.62	(49.46)	-	-
(vi)	Assumptions:	Year Ended 31st March, 2021	Year Ended 31st March, 2020		
a)	Discounting Rate (per annum)	5.40% - 6.76%	5.60% - 6.75%		
b)	Future Salary Increase	5.50%	5.00% - 8.00%		
	Withdrawal / Employee Turnover Rate				
c)	Age upto 30 years	36.00%	36.00%		
d)	Age from 31 to 44 years	32.00%	32.00%		
e)	Age above 44 years	15.00%	15.00%		
	Mortality table used	Indian Assured Lives Mortality (2012-14 ult)	Indian Assured Lives Mortality (2012-14 ult)		

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Significant actuarial assumption for the determination of the defined obligation are discounted rate, expected salary escalation rate and withdrawal rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

The above information is certified by the actuarial valuer.

Group best estimate of contribution during next year is ₹ 124.87 Lacs for Gratuity & ₹ 58.18 Lacs for Leave Encashment.

The discount rate is based on prevailing market yield of Government Bonds as at the date of valuation.

Particulars	(₹ in Lacs)			
	Year Ended 31 st March, 2021		Year Ended 31 st March, 2020	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 1.00%	28.13	30.14	24.27	25.90
Change in Salary escalation rate by 1.00%	29.82	28.36	25.79	24.63

Sensitivity due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

35 Financial Instruments

i) Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in Notes 12, 15 & 17 offset by cash and bank balances) and total equity of the Group.

The Group is not subject to any externally imposed capital requirements other than for covenants under various loan arrangements of the Group.

The Group's Board reviews the capital structure of the Group on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 31st March, 2021 of 33.95% (previous year 27.67%) (See below).

Gearing Ratio :

The gearing ratio at end of the reporting period was as follows : (₹ in Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
Debt *	12,786.79	9,827.31
Less : Cash and Cash Equivalents (Refer Note 8)	1,916.20	1,160.82
Net Debt	10,870.59	8,666.49
Total Equity	32,019.39	31,324.06
Net Debt to Equity Ratio	33.95%	27.67%

* Debt is defined as long-term and short-term borrowings.

ii) Categories of Financial Instruments

(₹ in Lacs)

Financial Assets	As at 31 st March, 2021	As at 31 st March, 2020
Measured at amortised cost		
Loans- Non Current	259.95	243.34
Other Financial assets - Non Current	18.67	29.05
Trade receivables - Current	5,471.70	7,659.75
Cash and cash equivalents	1,916.20	1,160.82
Other Bank balances - Current	1,195.78	404.44
Loans - Current	54.20	111.24
Other financial assets - Current	463.22	360.34
Total	9,379.72	9,968.98

At the end of the reporting period, there are no significant concentrations of financial assets designated at FVTPL. The carrying amount reflected above represents the Group's maximum exposure to credit risk for such financial assets.

(₹ in Lacs)

Financial Liabilities	As at 31 st March, 2021	As at 31 st March, 2020
Measured at amortised cost		
Borrowings - Non Current	10,773.34	6,557.85
Borrowings - Current	-	1,088.63
Lease Liabilities - Non Current	5,726.94	7,461.26
Lease Liabilities - Current	1,612.99	1,395.06
Trade payables - Current	318.38	136.84
Other financial liabilities - Current	2,946.67	4,294.04
Total	21,378.32	20,933.68

iii) Financial Risk Management Objectives

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Board of Directors manages the financial risk of the Group through internal risk reports which analyse exposure by magnitude of risk. The Group has limited exposure from the international market as the Group's operations are in India. The Group has limited exposure towards foreign currency risk it earns approx. 10% of its revenue from in foreign currency from international patients. Also capital expenditure includes capital goods purchased in foreign currency through the overseas vendors. The Group has not taken any derivative contracts to hedge the exposure. However the exposure towards foreign currency foreign currency fluctuation is partly hedged naturally on account of receivable from customers and payable to vendors in foreign currency.

Market Risk

The Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

a) Foreign Currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

(₹ in Lacs)

I. Assets		As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Receivables (trade & others) (A)	USD	6.80	493.08	8.59	641.50
	AED	-	-	3.70	73.78
Hedges by derivative contracts (B)	USD	-	-	-	-
	USD	-	-	-	-
Unhedged Receivables (C=A-B)	USD	6.80	493.08	8.59	641.50
	AED	-	-	3.70	73.78

(₹ in Lacs)

II. Liabilities	Foreign Currency	As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Payables (trade & others) (including Deferred payment liability) (D)	USD	-	-	0.33	24.88
	AED	-	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Payables (F=D-E)	USD	-	-	0.33	24.88
	AED	-	-	-	-

(₹ in Lacs)

III. Contingent Liabilities and Commitments	Foreign Currency	As at 31 st March, 2021		As at 31 st March, 2020	
		FC in lacs	Equivalent ₹ In Lacs	FC in lacs	Equivalent ₹ In Lacs
Contingent Liabilities (G)	USD	-	-	-	-
	EURO	-	-	-	-
Commitments (H)	USD	3.33	246.35	3.65	308.33
	EURO	1.00	87.03	5.73	436.25
Hedges by derivative contracts (I)	USD	-	-	-	-
	EURO	-	-	-	-
Unhedged Payables (J=G+H-I)	USD	3.33	246.35	3.65	308.33
	EURO	1.00	87.03	5.73	436.25
Total unhedged FC Exposures (K=C+F+J)	USD	10.13	739.42	12.56	974.71
	AED	-	-	3.70	73.78
	EURO	1.00	87.03	5.73	436.25

Foreign currency sensitivity analysis

The Group is mainly exposed to the USD, AED & EURO currency.

The following table details the Group's sensitivity to a 1% increase and decrease in the Rupees against the USD. 1% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates. In case of net foreign currency outflow, a positive number below indicates an increase in profit or equity where the ₹ strengthens 1% against the relevant currency. For a 1% weakening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative. In case of net foreign currency inflow, a positive number below indicates an increase in profit or equity where the ₹ weakens 1% against the relevant currency. For a 1% strengthening of the Rupees against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ in Lacs)

If decrease by 1%	Currency Impact (net USD Inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	4.93	6.17
Increase / (decrease) in total equity as at the end of the reporting period	4.93	6.17

(₹ in Lacs)

If increase by 1%	Currency Impact (net USD Inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	(4.93)	(6.17)
Increase / (decrease) in total equity as at the end of the reporting period	(4.93)	(6.17)

(₹ in Lacs)

If decrease by 1%	Currency Impact (net AED inflow)	
	As at 31 st March, 2021	As at 31 st March, 2020
Particulars		
Increase / (decrease) in profit or loss for the year	-	0.74
Increase / (decrease) in total equity as at the end of the reporting period	-	0.74

(₹ in Lacs)

If increase by 1%	Currency Impact (net AED inflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	-	(0.74)
Increase / (decrease) in total equity as at the end of the reporting period	-	(0.74)

(₹ in Lacs)

If increase by 1%	Currency Impact (net EURO outflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	(0.87)	(4.36)
Increase / (decrease) in total equity as at the end of the reporting period	(0.87)	(4.36)

(₹ in Lacs)

If decrease by 1%	Currency Impact (net EURO outflow)	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	0.87	4.36
Increase / (decrease) in total equity as at the end of the reporting period	0.87	4.36

b) Interest Rate risk management

The Group is exposed to interest rate risk because Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest Rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

(₹ in Lacs)

If increase by 1% in interest rates	Interest Impact	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	(127.38)	(86.91)
Increase / (decrease) in total equity as at the end of the reporting period	(127.38)	(86.91)

(₹ in Lacs)

If decrease by 1% in interest rates	Interest Impact	
Particulars	As at 31st March, 2021	As at 31st March, 2020
Increase / (decrease) in profit or loss for the year	127.38	86.91
Increase / (decrease) in total equity as at the end of the reporting period	127.38	86.91

c) Credit Risk Management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group takes due care while extending any credit as per the approval matrix approved by Board of Directors.

d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's short-term, medium-term and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

Liquidity risk

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

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities :

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2021					
Term Loan	1,964.60	2,328.14	8,682.35	12,975.09	12,737.94
Trade Payables	5,726.94	-	-	5,726.94	5,726.94
Borrowings	-	-	-	-	-
Interest accrued but not due on borrowings	48.85	-	-	48.85	48.85
Lease Liability	318.38	329.43	1,283.56	1,931.37	1,931.37
Other Financial Liability	933.22	-	-	933.22	933.22
Total	8,991.99	2,657.57	9,965.91	21,615.47	21,378.32

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2020					
Term Loan	2,132.72	2,240.37	4,333.98	8,707.07	8,690.57
Trade Payables	7,461.26	-	-	7,461.26	7,461.26
Borrowings	1,088.63	-	-	1,088.63	1,088.63
Interest accrued but not due on borrowings	48.11	-	-	48.11	48.11
Lease Liability	136.84	9.23	1,385.83	1,531.90	1,531.90
Other Financial Liability	2,113.21	-	-	2,113.21	2,113.21
Total	12,980.77	2,249.60	5,719.81	20,950.18	20,933.68

36 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

(₹ in Lacs)

a. Disaggregated revenue information	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Type of Services or goods		
Revenue from Healthcare & Other Services	39,865.55	55,072.83
Revenue from Sale of Pharmacy Drugs & Medical Consumables	974.79	1,428.96
Total	40,840.34	56,501.79
Revenue from Contracts with Customers		
Revenue from Customers based in India	34,685.64	36,773.57
Revenue from Customers based outside India	6,154.70	19,728.22
Total	40,840.34	56,501.79
Timing of Revenue Recognition		
Services transferred over time (Healthcare Services & Others)	39,857.67	55,063.07
Goods (Pharmacy & Scrap) transferred at a point in time	982.67	1,438.72
Total	40,840.34	56,501.79

(₹ in Lacs)

b. Trade receivables and Contract Customers	As at 31 st March, 2021	As at 31 st March, 2020
Trade Receivables	5,471.70	7,659.75
Unbilled revenue	446.21	341.43
Total	5,917.91	8,001.18

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 307.63 Lacs (₹ 286.95 Lacs as at 31st March, 2020) was recognised as provision during the year for expected credit losses on trade receivables.

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. As on 31st March, 2021, there were no remaining performance obligation as the same is satisfied upon delivery of goods/ services.

37 Contingent Liabilities

(₹ in Lacs)

Particulars	As at 31 st March, 2021	As at 31 st March, 2020
A Claims against the Company not acknowledged as debts		
(i) In respect of compensation demanded by the patient / their relatives, for negligence in treatment and are pending with various consumers disputes redressal forums. The Group has been advised by its legal counsel that it is possible, the action may succeed after considering that insurance cover has also been taken by the Group and the doctors, the Group is of the view that is adequately insured to mitigate the possibility of any loss to that extent.	1,562.90	1,549.06
(ii) "Basis on the Apex court judgement dated 28 th February, 2019 in the matter of "M/s Surya Roshini Limited Vs RPF", the RPF (Regional Provident Fund Commissioner – I) Gurugram, has passed an impugned order (dated 12 th January, 2021) against the holding company to deposit a sum of ₹ 392.16 Lacs plus interest & penalty for the period November 2015 till January 2019. "The Holding Company has filed an appeal to stay the impugned order before "The Central Govt. Industrial Tribunal -1". The matter is under adjudication."	392.16	-

B The status of completion of obligation as at the end on licensing years for the EPCG licenses obtained by the Group is as under:

Obligation value (₹ in lacs)	Licensing Year	Export Obligation to be completed till	Export Obligation completed in foreign currency
473.74	2018-2019	2024-2025	NIL
200.22	2019-2020	2025-2026	NIL
467.13	2020-2021	2026-2027	NIL

38 The Group carries a general provision for contingencies towards various claims against the Group including claims raised by patients / vendors / government authorities, not acknowledged as debts.

(₹ in Lacs)

Opening Balance as at 1 st April, 2020	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31 st March, 2021
682.03	37.49	0.00	719.52

39 Capitalisation of Expenditure :

During the year, the Group has capitalised the following expenses to the cost of property, plant and equipment / capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amount capitalised by the Group.

(₹ in Lacs)

Particulars	Year Ended 31 st March, 2021	Year Ended 31 st March, 2020
Finance charges	142.37	121.00
Professional consultancy Fees	33.57	93.06
Other expenses directly attributable	22.62	60.13
Total	198.56	274.19

40 a) Interest in other entities

Detail of subsidiaries which have been consolidated are as follows:

S. No.	Name of Company	Country of Incorporation	Ownership Interest held by the group		Ownership Interest held by the non-controlling interests		Reporting date used for consolidation
			31 st March, 2021	31 st March, 2020	31 st March, 2021	31 st March, 2020	
1	Artemis Cardiac Care Private Limited	India	65%	65%	35%	35%	31 st March, 2021

b) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

Current Year 2020-21

(₹ in Lacs)

S. No.	Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
1	Artemis Medicare Services Limited (Parent)	99.96%	32,162.01	115.05%	708.71	98.59%	46.32	113.88%	755.03
	<u>Subsidiary</u>								
	Artemis Cardiac Care Pvt Ltd.	-0.44%	(141.18)	-9.82%	(60.51)	0.92%	0.43	-9.06%	(60.08)
	Non-controlling Interests in Subsidiary	0.48%	154.99	-5.29%	(32.58)	0.50%	0.23	-4.88%	(32.35)
	Adjustments arising	0.00%	(1.44)	0.06%	0.38	0.00%	-	0.06%	0.38
	TOTAL	100%	32,174.38	100.00%	616.00	100%	46.98	100.00%	662.98

Previous Year 2019-20

(₹ in Lacs)

S. No.	Name of the Entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in Profit or Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
1	Artemis Medicare Services Limited (Parent)	100.11%	31,406.98	104.98%	2,042.83	100.00%	(1.68)	104.98%	2,041.15
	<u>Subsidiary</u>								
	Artemis Cardiac Care Pvt Ltd.	-0.26%	(81.11)	-3.17%	(61.76)	0.00%	-	-3.18%	(61.76)
	Non-controlling Interests in Subsidiary	0.15%	47.34	-1.71%	(33.25)	0.00%	-	-1.71%	(33.25)
	Adjustments arising	0.00%	(1.81)	-0.09%	(1.81)	0.00%	-	-0.09%	(1.81)
	TOTAL	100%	31,371.40	100%	1,946.01	100%	(1.68)	100%	1,944.33

- 41 The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on all the carrying amounts of trade receivables and other current assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the country specific economic conditions prevailing as at the date of approval of these consolidated financial statements and has used internal and external sources of information to the extent determined by it.

The Group is providing healthcare services, being “essential services” there has been no suspension of operation and the Group has further taken steps for smooth functioning of its operations during the pandemic relating to COVID-19. The management has also evaluated impact of this pandemic on its business operations and based on its review and current indicators of future economic conditions, no material adjustment is required in the consolidated financial statements. Due to the temporary travel restrictions of overseas patients, business operations of the Group are expected to be lower in the coming year, though the same is not likely to have a continuing impact on the business of the Group. Further, the Management believes that there may not be material impact of COVID-19 pandemic on the financial position and performance of the Group, in the long-term. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these consolidated financial statements. The Group will continue to monitor any material changes to future economic conditions.

- 42 Exceptional item consist of reversal of old disputed liability of ₹ 323.29 lacs carried forward from Artemis Global Life Sciences Limited (AGLSL) (the erstwhile ultimate parent company of Artemis Medicare Services Limited) prior to the merger which was under Arbitration. The Management has been advised by an independent legal expert that since the Arbitration proceedings are not being carried out for last many years, this amount is now no longer payable. Accordingly, the same has been written back by the Holding Company.
- 43 The Parliament of India has approved the Code of Social Security, 2020 (the Code) which may impact the contributions by the group towards provident fund, gratuity and ESIC. The Code has been published in the Gazette of India however, the effective date has not yet been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective, if any.
- 44 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year’s classification.

As per our report of even date attached

Signature to Note 1 to 44

For SCV & Co. LLP
Chartered Accountants
Firm Registration Number 000235N / N500089

For and on behalf of the Board of Directors
of Artemis Medicare Services Limited

Sd/-
Onkar Kanwar
[Chairman]
[DIN : 00058921]
Place : London
Dated : 10th May, 2021

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318
Place : New Delhi
Dated : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]
Place : Gurugram
Dated : 10th May, 2021

Sd/-
Shilpa Budhia
[Company Secretary]
Place : Gurugram
Dated : 10th May, 2021

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiary

(Information in respect of subsidiary to be presented with amounts ₹ in Lacs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Artemis Cardiac Care Private Limited
2	The date since when subsidiary was acquired/incorporated	14 th January, 2019
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
5	Share Capital	660.00
6	Reserves & surplus	(217.20)
7	Total assets	1691.90
8	Total Liabilities	1249.10
9	Investments	0
10	Turnover	639.47
11	Profit before taxation	(137.95)
12	Provision for taxation	(44.86)
13	Profit after taxation	(93.09)
14	Proposed Dividend	0
15	% of shareholding	65

Sd/-
Onkar Kanwar
Chairman & Director
DIN:00058921

Place: London
Date : 10th May, 2021

Sd/-
Devlina Chakravarty
Managing Director
DIN:07107875

Place: Gurugram
Date : 10th May, 2021

Sd/-
Sanjiv Kumar Kothari
Chief Financial Officer

Place: Gurugram
Date : 10th May, 2021

Sd/-
Shilpa Budhia
Company Secretary

Place: Gurugram
Date : 10th May, 2021



Artemis Medicare Services Limited

CIN: L85110DL2004PLC12641

Registered Office: Plot No. 14, Sector 20, Dwarka, South West Delhi - 110075

Corporate Office: Artemis Hospital, Sector 51, Gurugram - 122001, Haryana, India

Email : investor@artemishospitals.com

Website : www.artemishospitals.com