

# 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 31<sup>st</sup> 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 31<sup>st</sup> 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**

<b>Capital Work in Progress (CWIP)</b>	
<b>See Note 2.2 to the Standalone Ind AS financial statements</b>	
<b>Key Audit Matter Description</b>	<b>How the matter was addressed</b>
<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 31<sup>st</sup> 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"> <li>• We obtained and perused the Board approval for the expansion of Tower 2 having 144 beds capacity.</li> <li>• 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.</li> </ul>

	<ul style="list-style-type: none"> <li>● Performed test of details relating to capital acquisition process, i.e. quotation/ vendor selection, invoice and purchase order approvals and classification.</li> <li>● 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.</li> <li>● Tested other costs debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization.</li> <li>● Ensured adequacy of disclosures in the Standalone Ind AS financial statements.</li> <li>● Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized.</li> </ul>
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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 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 31<sup>st</sup> 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 : 10<sup>th</sup> 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 31<sup>st</sup> 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 : 10<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 : 10<sup>th</sup> May, 2021

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

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2021

(₹ in Lacs)

Particulars	Note No.	As At 31 <sup>st</sup> March 2021	As At 31 <sup>st</sup> March 2020
<b>Assets</b>			
<b>A Non-current assets</b>			
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
<b>Total non-current assets</b>	<b>A</b>	<b>48,325.33</b>	<b>46,441.28</b>
<b>B Current assets</b>			
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
<b>Total current assets</b>	<b>B</b>	<b>10,570.23</b>	<b>11,675.14</b>
<b>C Total Assets</b>	<b>C = A + B</b>	<b>58,895.56</b>	<b>58,116.42</b>
<b>Equity and liabilities</b>			
<b>D Equity</b>			
Equity share capital	10	1,323.77	1,323.77
Other equity	11	30,838.24	30,083.21
<b>Total equity</b>	<b>D</b>	<b>32,162.01</b>	<b>31,406.98</b>
<b>Liabilities</b>			
<b>E Non-current liabilities</b>			
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
<b>Total non-current liabilities</b>	<b>E</b>	<b>15,130.97</b>	<b>11,024.30</b>

(₹ in Lacs)

Particulars	Note No.	As At 31 <sup>st</sup> March 2021	As At 31 <sup>st</sup> March 2020
<b>F Current liabilities</b>			
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
<b>Total current liabilities</b>	<b>F</b>	<b>11,602.58</b>	<b>15,685.14</b>
<b>G Total liabilities</b>	<b>G = E + F</b>	<b>26,733.55</b>	<b>26,709.44</b>
<b>H Total equity and liabilities</b>	<b>H = D + G</b>	<b>58,895.56</b>	<b>58,116.42</b>

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 Karwar  
[Chairman]  
[DIN : 00058921]  
Place : London  
Dated : 10<sup>th</sup> May, 2021

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

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

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

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
<b>Income</b>			
Revenue from Operations	19	40,206.37	56,309.09
Other Income	20	354.56	456.95
<b>Total income</b>	<b>(I)</b>	<b>40,560.93</b>	<b>56,766.04</b>
<b>Expenses</b>			
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
<b>Total expenses</b>	<b>(II)</b>	<b>39,993.63</b>	<b>53,569.50</b>
<b>Profit before exceptional items and tax</b>	<b>III=(I-II)</b>	<b>567.30</b>	<b>3,196.54</b>
Exceptional Items (refer note 42)	IV	323.29	-
<b>Profit before tax</b>	<b>V=(III+IV)</b>	<b>890.59</b>	<b>3,196.54</b>
<b>Tax Expense</b>	<b>26</b>		
Current Tax		670.51	1,139.63
Earlier Year Tax		94.14	(395.73)
Deferred Tax Charge / (Credit)		(582.77)	409.81
<b>Total Tax Expense</b>	<b>(VI)</b>	<b>181.88</b>	<b>1,153.71</b>
<b>Profit after tax for the year</b>	<b>VII=(V-VI)</b>	<b>708.71</b>	<b>2,042.83</b>
<b>Other comprehensive income</b>			
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
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>	<b>XI=(VIII+IX+X)</b>	<b>46.32</b>	<b>(1.68)</b>
<b>Total comprehensive income for the year</b>	<b>XII=(VII+XI)</b>	<b>755.03</b>	<b>2,041.15</b>
Earning Per Equity Share (Face Value of ₹ 10/- each)			
- Basic (₹)	33	5.35	15.43
- Diluted (₹)		5.35	15.43

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 : 10<sup>th</sup> May, 2021

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

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

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

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2021**

(₹ in Lacs)

Particulars		Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
<b>Cash flow from operating activities</b>			
Profit before tax		890.59	3,196.54
<b>Adjustments for:</b>			
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
<b>Operating cash flow before working capital changes</b>		<b>3,736.13</b>	<b>6,580.71</b>
<b>Adjustments for Changes in Working Capital</b>			
- (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
<b>Cash generated from operations</b>		<b>2,491.94</b>	<b>6,065.47</b>
Income tax refund / (paid)		237.45	(416.89)
<b>Net cash generated from operating activities</b>	<b>(A)</b>	<b>2,729.39</b>	<b>5,648.58</b>
<b>Cash flow from investing activity</b>			
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
<b>Net cash (used in) investing activities</b>	<b>(B)</b>	<b>(3,390.51)</b>	<b>(2,152.00)</b>

(₹ in Lacs)

Particulars		Year Ended 31 <sup>st</sup> March 2021	Year Ended 31 <sup>st</sup> March 2020
<b>Cash flow from financing activity</b>			
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)
<b>Net cash generated from financing activities</b>	<b>(C)</b>	<b>1,230.47</b>	<b>(3,300.96)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>569.35</b>	<b>195.62</b>
Cash & cash equivalents as the beginning of the year		1,119.50	923.88
<b>Cash &amp; cash equivalents as the end of the year</b>	<b>Total</b>	<b>1,688.85</b>	<b>1,119.50</b>
<b>Components of cash and cash equivalents</b>			
Cash on hand		135.14	79.69
<b>Balances with Banks:</b>			
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)
<b>Total Cash and Cash Equivalents ( Refer Note 8 )</b>	<b>Total</b>	<b>1,688.85</b>	<b>1,119.50</b>

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 : 10<sup>th</sup> May, 2021

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

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

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

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

## STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

(A) Equity Share Capital

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

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

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

## 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	
<b>Balance as at 1<sup>st</sup> April, 2019</b>	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)
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>11</b>	<b>14,457.89</b>	<b>6,598.31</b>	<b>9,121.88</b>	<b>(94.87)</b>	<b>30,083.21</b>
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
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>11</b>	<b>14,457.89</b>	<b>6,638.97</b>	<b>9,830.59</b>	<b>(89.21)</b>	<b>30,838.24</b>

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 : 10<sup>th</sup> May, 2021

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

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

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

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

## Notes to Financial Statements for the year ended 31<sup>st</sup> March, 2021

### Note No.

#### 1.1 Nature of operations

Artemis Medicare Services Limited ("The Company") was incorporated on 18<sup>th</sup> 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 16<sup>th</sup> 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 10<sup>th</sup> 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
<b>Buildings :</b>		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
<b>Plant &amp; Machinery :</b>		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	
- Loose Tools & Instruments		5 Years
<b>Office Equipments</b>	5 Years	
<b>Computers &amp; Data Processing Units</b>		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
<b>Vehicles</b>	8 Years	
<b>Furnitures &amp; Fittings</b>	10 Years	
<b>Electrical Installations &amp; Equipments</b>	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) Leases**Where 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 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 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 31<sup>st</sup> 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
<b><u>COST OR DEEMED COST</u></b>									
As at 1 <sup>st</sup> 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 31 <sup>st</sup> 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 31 <sup>st</sup> 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
<b><u>DEPRECIATION</u></b>									
As at 1 <sup>st</sup> 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 31 <sup>st</sup> 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 31 <sup>st</sup> March, 2021	-	900.39	81.17	667.59	432.44	288.42	6,170.61	119.10	8,659.72
<b>NET BOOK VALUE</b>									
As at 31 <sup>st</sup> 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 <sup>st</sup> 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 31<sup>st</sup> March, 2021 was ₹ 142.37 Lacs. (31<sup>st</sup> 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 31<sup>st</sup> 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
<b>As at 1<sup>st</sup> April, 2019</b>	4,943.22
Addition during the year	1,990.75
Capitalised during the year	1,364.94
<b>As at 31<sup>st</sup> March, 2020</b>	<b>5,569.03</b>
Addition during the year	2,904.07
Capitalised during the year	372.57
<b>As at 31<sup>st</sup> March, 2021</b>	<b>8,100.53</b>

## Note No. 2.3

## RIGHT-OF-USE ASSETS

(₹ in Lacs)

Particulars	Right-of-use assets
<b>As at 1<sup>st</sup> April, 2019</b>	<b>1,535.71</b>
Additions	-
Deletion	-
Depreciation	97.12
<b>As at 31<sup>st</sup> March, 2020</b>	<b>1,438.59</b>
Additions	484.37
Deletion	-
Depreciation	204.90
<b>As at 31<sup>st</sup> March, 2021</b>	<b>1,718.06</b>

## Note No. 2.4

## INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	Computer Software
<b><u>COST OR DEEMED COST</u></b>	
<b>As at 1<sup>st</sup> April, 2019</b>	609.13
Additions	33.59
Disposals / Discarded during the year	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>642.72</b>
Additions	2.92
Disposals / Discarded during the year	(0.17)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>645.47</b>
<b><u>AMORTIZATION</u></b>	
<b>As at 1<sup>st</sup> April, 2019</b>	<b>202.63</b>
Charge for the year	94.61
Disposals / Discarded during the year	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>297.24</b>
Charge for the year	79.59
Disposals / Discarded during the year	(0.06)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>376.77</b>
<b><u>NET BOOK VALUE</u></b>	
<b>As at 31<sup>st</sup> March, 2020</b>	<b>345.48</b>
<b>As at 31<sup>st</sup> March, 2021</b>	<b>268.70</b>

Notes to Financial Statements for the year ended 31<sup>st</sup> March 2021

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
	<b>Financial Assets</b>		
<b>3.1</b>	<b>Investments (Non-Current)</b>		
	Unquoted Investments		
	Investment in Equity Instruments (at cost)		
	Investment in Subsidiary Company		
	<b>i) Artemis Cardiac Care Private Limited</b>	429.00	169.00
	42,90,000 Equity Shares of ₹ 10/- each (16,90,000 as at 31 <sup>st</sup> March, 2020 Equity Shares of ₹ 10/- each) (all fully paid)		
	<b>Total</b>	<b>429.00</b>	<b>169.00</b>
	<b>Aggregate amount of unquoted investments and market value thereof</b>		
	Aggregate value of unquoted investment	429.00	169.00
<b>3.2</b>	<b>Loans</b>		
	<b>Non Current</b>		
	(Unsecured, Considered good)		
	<b>Security Deposits</b>	203.08	173.58
	<b>Others</b>		
	Loans & advances to Employees *	56.87	69.76
	<b>Total</b>	<b>259.95</b>	<b>243.34</b>
	<b>Current</b>		
	(Unsecured, Considered good)		
	<b>Security Deposits</b>	-	7.17
	<b>Others</b>		
	Loans & advances to Employees *	53.45	103.30
		<b>53.45</b>	<b>110.47</b>
	* 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
<b>3.3</b>	<b>Other Financial Assets</b>		
	<b>Non Current</b>		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	18.67	29.05
		<b>18.67</b>	<b>29.05</b>
	<b>Current</b>		
	Interest accrued on fixed deposits	17.01	18.91
	Other receivables#	66.68	-
	Unbilled Revenue (Accrued operating income)	445.41	340.35
		<b>529.10</b>	<b>359.26</b>

# Receivables from the private limited company, in which director of the company is director.

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
4	<b>Income tax assets</b>		
	<b>Non Current</b>		
	Income Tax Recoverable (Net of provision for taxation)	1,643.43	1,003.04
	<b>Total</b>	<b>1,643.43</b>	<b>1,003.04</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
5	<b>Other Assets</b>		
	<b>Non-Current</b> (Unsecured, Considered good)		
	Capital Advances	685.10	684.77
	Prepaid Expenses	6.72	29.93
	<b>Total</b>	<b>691.82</b>	<b>714.70</b>
	<b>Current</b> (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
	<b>879.05</b>	<b>977.44</b>	

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
6	<b>Inventories</b>		
	(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
	<b>Total</b>	<b>926.66</b>	<b>1,053.32</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
7	<b>Trade Receivables (Unsecured)</b>		
	<b>Current - at amortised cost</b>		
	Considered good	5,297.34	7650.71
	Considered Doubtful	805.32	497.69
	Less: Allowance for credit losses	(805.32)	(497.69)
	<b>5,297.34</b>	<b>7,650.71</b>	

**Trade Receivables Includes :**

(₹ in Lacs)

Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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 31<sup>st</sup> March, 2021 & 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
8	<b>Cash &amp; Cash Equivalents</b>		
	<b>Balance with Banks:</b>		
	- In Current Accounts	953.71	1,039.81
	- Bank deposit with original maturity of three months or less.	600.00	-
	<b>Cash on hand</b>	135.14	79.69
	<b>1,688.85</b>	<b>1,119.50</b>	

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>9</b>	<b>Other Bank Balances</b>		
	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)
	<b>Total</b>	<b>1,195.78</b>	<b>404.44</b>

\* 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>10</b>	<b>Share Capital:</b>		
	<b>Authorised Shares (in nos.)</b>		
	6,95,50,000 Equity Shares of ₹ 10/- Each (6,95,50,000 as at 31 <sup>st</sup> 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 <sup>st</sup> March, 2020 Preference Shares of ₹ 100/- Each)	50.00	50.00
	<b>Issued, Subscribed &amp; Paid Up Shares (in nos.)</b>		
	1,32,37,700 Equity Shares of ₹ 10/- Each (1,32,37,700 as at 31 <sup>st</sup> March, 2020 Equity Shares of ₹ 10/- each fully paid up)	1,323.77	1,323.77
	<b>Total Issued, Subscribed &amp; Paid Up Capital *</b>	<b>1,323.77</b>	<b>1,323.77</b>
	*1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26 <sup>th</sup> October, 2019 pursuant to composite Scheme of Amalgamation ( Refer Note 27 )		
	<b>Equity Share Capital Suspense Account</b>		
	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)
	<b>Total equity share capital suspense account</b>	-	-



**a. Reconciliation of the equity shares at the beginning and at the end of the year**

Reconciliation	As At 31 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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
<b>Shares outstanding at the end of the year *</b>	<b>13,237,700</b>	<b>1,323.77</b>	<b>13,237,700</b>	<b>1,323.77</b>

\* 1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26<sup>th</sup> 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 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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 31<sup>st</sup> March, 2021

(₹ in Lacs)

Note No.	Particulars		As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
11	<b>Other Equity :</b>			
	<b>Capital Reserve</b>			
	Balance as per last financial statements		14,457.89	14,457.89
	<b>Closing Balance</b>	(A)	<b>14,457.89</b>	<b>14,457.89</b>
	<b>Revaluation Reserve</b>			
	Balance as per last financial statements		6,598.31	6,567.81
	Add : Deferred tax adjustment on revaluation		40.66	30.50
	<b>Closing Balance</b>	(B)	<b>6,638.97</b>	<b>6,598.31</b>
	<b>Retained earnings</b>			
	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)	
<b>Balance at end of year</b>	(C)	<b>9,741.38</b>	<b>9,027.01</b>	
<b>Total Other Equity</b>	(A+B+C)	<b>30,838.24</b>	<b>30,083.21</b>	

**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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
12	<b>Borrowings</b>		
	<b>Non Current Borrowings</b>		
	<b>Term Loans</b>		
	<u>From Banks</u>		
	- Indian Rupee loans from Banks(secured at amortised cost)	9,877.04	6,057.19
	<b>Total</b>	<b>9,877.04</b>	<b>6,057.19</b>
	<b>Current Maturity</b>		
	<b>Term Loans</b>		
	<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)	
<b>Total</b>	<b>-</b>	<b>-</b>	

**1. Indian Rupee Loans from Banks include :**

- a) Term loans \* of ₹ 11721.73 Lacs (As at 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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	-
<b>Total</b>	<b>11,721.73</b>	<b>8,088.16</b>

- b) Vehicle Loans of ₹ 49.34 Lacs (As at 31<sup>st</sup> 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
<b>Secured Loan</b>					
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	-	-	-
<b>Total</b>	<b>1,894.03</b>	<b>2,155.11</b>	<b>1,373.92</b>	<b>874.70</b>	<b>5,710.46</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> March, 2020	
		Non-Current	Current	Non-Current	Current
<b>13</b>	<b>Provisions</b>				
	<b>Provision for Employee Benefits</b>				
	Leave Benefits	187.43	97.64	190.45	92.79
	Gratuity (Refer Note 34)	470.63	200.74	436.42	145.00
	<b>Other Provisions</b>				
	Provision for Contingencies (Refer Note 39)	-	719.52	-	682.03
	<b>Total</b>	<b>658.06</b>	<b>1,017.90</b>	<b>626.87</b>	<b>919.82</b>

(₹ in Lacs)

<b>14</b>	<b>Deferred tax assets / (liabilities) in relation to :</b>	<b>As at 1<sup>st</sup> April, 2019</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Compre- hensive Income</b>	<b>As at 31<sup>st</sup> March, 2020</b>
	<b>Deferred Tax Assets / (Liabilities) (Net)</b>				
	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
		<b>(2,582.73)</b>	<b>(410.23)</b>	<b>47.78</b>	<b>(2,945.18)</b>

<b>14</b>	<b>Deferred tax assets / (liabilities) in relation to :</b>	<b>As at 1<sup>st</sup> April, 2020</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Compre- hensive Income</b>	<b>As at 31<sup>st</sup> March, 2021</b>
	<b>Deferred Tax Assets / (Liabilities) (Net)</b>				
	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
		<b>(2,945.18)</b>	<b>(75.32)</b>	<b>37.62</b>	<b>(2,982.88)</b>

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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>15</b>	<b>Borrowings</b>		
	Bank Overdraft (secured) *	-	1,088.63
	<b>Total</b>	-	<b>1,088.63</b>

\* 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>16</b>	<b>Trade payables</b>		
	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
	<b>Total</b>	<b>5,585.81</b>	<b>7,403.20</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>17</b>	<b>Other Financial Liabilities (secured)</b>		
	<b>Current</b>		
	Term Loan (current maturity) (Refer Note 12)	1,894.03	2,132.72
		<b>1,894.03</b>	<b>2,132.72</b>
	Other Payable #	884.83	2,088.17
	Interest Accrued but not due on borrowings	42.05	44.10
		<b>926.88</b>	<b>2,132.27</b>
	<b>Total</b>	<b>2,820.91</b>	<b>4,264.99</b>

# Other payable includes payments due on account of capital items, due to employees.

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>18</b>	<b>Other Liabilities</b>		
	<b>Current</b>		
	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
	<b>Total</b>	<b>1,859.58</b>	<b>1,871.66</b>

\* 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 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
19	<b>Revenue from Operations</b>				
	<b>Sale of Services</b>				
	Revenue from Healthcare & Other Services	39,160.03		54,008.99	
	<b>Sale of Goods</b>				
	Sale of Pharmacy Drugs & Medical Consumables	766.75		1,205.47	
	Sale of Stock in Trade (Pharmacy)	84.13		183.72	
	<b>Other Operating Income</b>				
	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		
<b>Total</b>	<b>40,206.37</b>		<b>56,309.09</b>		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
20	<b>Other Income</b>				
	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
<b>Total</b>		<b>354.56</b>		<b>456.95</b>	

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
21	<b>(Increase) / Decrease in Inventories of Pharmacy Drugs &amp; Medical Consumables</b>				
	Inventories at the beginning of the year	937.93		605.03	
	Inventories at the end of the year	842.64	95.29	937.93	(332.90)
	<b>(Increase) / Decrease in Inventories of Stock in Trade</b>				
	Inventories at the beginning of the year	59.20		30.43	
	Inventories at the end of the year	13.56	45.64	59.20	(28.77)
	<b>Total</b>		<b>140.93</b>		<b>(361.67)</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
22	<b>Employee Benefits Expense</b>		
	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
	<b>Total</b>	<b>8,248.65</b>	<b>10,239.59</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
23	<b>Finance Costs</b>		
	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	
	<b>Total</b>	<b>1,226.89</b>	<b>1,250.92</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
24	<b>Depreciation and amortization expense</b>		
	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
	<b>Total</b>	<b>2,065.22</b>	<b>2,233.09</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
25	<b>Other expenses</b>		
	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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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
	<b>Total</b>	<b>16,964.80</b>	<b>26,022.92</b>



## INCOME TAX

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
26	<b>Recognised in Statement of Profit and loss account</b>		
	<b>Current Tax</b>		
	(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
	<b>Deferred Tax</b>		
	(a) In respect of the current year	(582.77)	409.81
	<b>Tax expense recognised through statement of profit and loss account</b>	<b>181.88</b>	<b>1,153.71</b>
	<b>Recognised in Other Comprehensive Income (OCI)</b>		
	<b>Deferred tax</b>		
	In respect of the current year	(37.62)	(47.78)
	<b>Tax credit recognised through Other Comprehensive Income</b>	(37.62)	(47.78)
	<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
	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
	<b>Income tax expense recognised in profit and loss</b>	<b>181.88</b>	<b>1,153.71</b>

## 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 30<sup>th</sup> September, 2019. The Company has filed copy of the order with Registrar of Companies Delhi on 14<sup>th</sup> 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 26<sup>th</sup> October, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from 23<sup>rd</sup> 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
<b>Assets</b>			
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
<b>Total Assets</b>	<b>29,630.21</b>	<b>(16.48)</b>	<b>29,613.73</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
<b>Total equity</b>	<b>29,259.44</b>	<b>(14.75)</b>	<b>29,244.69</b>
<b>Liabilities</b>			
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
<b>Total liabilities</b>	<b>370.77</b>	<b>(1.73)</b>	<b>369.04</b>
<b>Total equity and liabilities</b>	<b>29,630.21</b>	<b>(16.48)</b>	<b>29,613.73</b>

(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)
<b>Total</b>	<b>1,655.65</b>	<b>4,162.07</b>	<b>14,457.89</b>	<b>20,275.61</b>

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 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> 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 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 31<sup>st</sup> March, 2021 ₹ 71.65 lacs (during the year ended 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2020

## iv) Details of related party transactions :

- Contribution during the year ended 31<sup>st</sup> March, 2021 ₹ 2.54 Lacs (Year ended 31<sup>st</sup> March, 2020 - ₹ Nil)
- Payable as at 31<sup>st</sup> March, 2021 ₹ Nil (Year ended 31<sup>st</sup> 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 21<sup>st</sup> Oct, 2020)  
 Ms Shilpa Budhia (Company Secretary) (from 5<sup>th</sup> 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 4<sup>th</sup> Aug, 2020)  
 Mr. Saurabh Srivastava (Independent Director) (upto 13<sup>th</sup> May, 2019)  
 Ms. Deepa Gopalan Wadhwa (from 22<sup>nd</sup> May, 2020)  
 Mr. Harish Bahadur (Director) - Athena Eduspark Limited  
 Mr. Sunil Tandon (Independent Director) (upto 9<sup>th</sup> Oct, 2020)  
 Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited  
 Mr. Sanjib Sen (Independent Director) (from 3<sup>rd</sup> Aug, 2020)  
 Mr. Ugar Sain Anand (Independent Director) (upto 9<sup>th</sup> Oct, 2020)  
 Dr. Gautam Chaudhuri (from 3<sup>rd</sup> Aug, 2020 till 8<sup>th</sup> 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 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Reimbursement of Expenses Received</b>								
Artemis Health Sciences Foundation	-	-	-	-	-	-	-	0.97
Artemis Education & Research Foundation	-	-	-	-	-	-	-	12.46
Artemis Cardiac Care Pvt Ltd	-	-	1.17	-	-	-	-	-
<b>Corporate Guarantee Given</b>								
Artemis Cardiac Care Pvt Ltd	-	-	-	1,500.00	-	-	-	-
<b>Corporate Guarantee Fee</b>								
Artemis Cardiac Care Pvt Ltd	-	-	0.63	0.48	-	-	-	-
<b>Inter-corporate Loan Given</b>								
Artemis Cardiac Care Pvt Ltd	-	-	60.00	-	-	-	-	-
<b>Inter-corporate Loan Repaid</b>								
Artemis Cardiac Care Pvt Ltd	-	-	60.00	-	-	-	-	-
<b>Interest on Inter-corporate Loan</b>								
Artemis Cardiac Care Pvt Ltd	-	-	0.78	-	-	-	-	-
<b>Investment in Subsidiary</b>								
Artemis Cardiac Care Pvt Ltd	-	-	260.00	162.50	-	-	-	-
<b>Sale of Goods / Fixed Assets</b>								
Artemis Cardiac Care Pvt Ltd								
<b>Pharmacy drugs &amp; consumables</b>								
	-	-	6.12	1.96	-	-	-	-
<b>Property, plant &amp; equipment</b>								
	-	-	316.79	6.74	-	-	-	-
<b>CSR Expenses</b>								
Artemis Health Sciences Foundation	-	-	-	-	-	-	2.54	-
<b>Recovery of Loans &amp; Advances</b>								
Dr. Devlina Chakravarty	-	-	-	-	12.00	12.00	-	-
Mr. Sanjiv Kumar Kothari	-	-	-	-	6.00	6.00	-	-
<b>Lease Expenses *</b>								
Swaranganga Consultants Pvt Ltd	-	-	-	-	-	-	2.64	2.51
<b>Charges for support services</b>								
Artemis Education Research Foundation	-	-	-	-	-	-	17.43	39.38
<b>Sale of Services / License</b>								
Total Transactions	-	-	-	-	43.00	44.76	233.79	814.33
<b>Transactions in excess of 10%</b>								
Apollo Tyres Ltd.	-	-	-	-	-	-	225.42	807.58
<b>Purchase of services / goods *</b>								
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 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Dr. Nirmal Kumar Ganguly	-	-	-	-	20.17	19.61	-	-
Premedium Pharmaceuticals Pvt Ltd	-	-	-	-	-	-	4,212.96	4,772.61
<b>Donation Paid</b>								
Artemis Education & Research Foundation	-	-	-	-	-	-	18.00	41.50
Artemis Health Sciences Foundation	-	-	-	-	-	-	3.49	5.00
<b>Directors' Sitting Fees paid</b>								
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	-	-
<b>Key Management Personnel-Compensation</b>								
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	-	-
<b>Total</b>	-	-	-	-	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	-	-	-
<b>Total</b>	-	-	-	-	103.73	96.50	-	-

\* Transactions are reported including taxes.

(₹ in Lacs)

Balance Payable	Name of Entity	31 <sup>st</sup> March, 2021	31 <sup>st</sup> 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 <sup>st</sup> March, 2021	31 <sup>st</sup> 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 1<sup>st</sup> April, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1<sup>st</sup> 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 31<sup>st</sup> March, 2021

(₹ in Lacs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Depreciation expense	204.90	97.12
Rent expense (included in Other expenses)	(242.53)	(136.98)
Finance Cost	167.93	140.06
<b>Loss (profit) for the year</b>	<b>130.30</b>	<b>100.20</b>

B The Company incurred ₹ 29.28 Lacs for the year ended 31<sup>st</sup> March, 2021 and ₹ 33.85 Lacs for the year ended 31<sup>st</sup> 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)

<b>Details of dues to Micro and Small Enterprises as per MSMED Act, 2006</b>	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
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)

<b>Particulars</b>	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
<b>Net profit after Tax</b>		
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
<b>Earning Per Share (in ₹)</b>		
- 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 <sup>st</sup> March, 2021 (₹ in Lacs)	Year Ended 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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:	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
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.

(₹ in Lacs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> 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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Debt *	11,813.12	9,322.64
Less : Cash and Cash Equivalents (Refer Note 8)	1,688.85	1,119.50
<b>Net Debt</b>	<b>10,124.27</b>	<b>8,203.14</b>
Total Equity	<b>32,162.01</b>	<b>31,406.98</b>
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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortised cost</b>		
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
<b>Total</b>	<b>9,043.14</b>	<b>9,916.77</b>

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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortised cost</b>		
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
<b>Total</b>	<b>20,215.13</b>	<b>20,345.91</b>

**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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> 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)

<b>If increase by 1%</b>	<b>Currency Impact (net AED inflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1%</b>	<b>Currency Impact (net EURO outflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If decrease by 1%</b>	<b>Currency Impact (net EURO outflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1% in interest rates</b>	<b>Interest Impact</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If decrease by 1% in interest rates</b>	<b>Interest Impact</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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 31<sup>st</sup> March, 2021 is ₹ 966.87 Lacs (31<sup>st</sup> 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)
<b>As at 31<sup>st</sup> March, 2021</b>					
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
<b>Total</b>	<b>8,725.10</b>	<b>2484.54</b>	<b>9,242.65</b>	<b>20,452.29</b>	<b>20,215.13</b>

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
<b>As at 31<sup>st</sup> March, 2020</b>					
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
<b>Total</b>	<b>12,893.66</b>	<b>2,215.38</b>	<b>5,253.37</b>	<b>20,362.41</b>	<b>20,345.91</b>

## 36 Disclosure u/s 186(4) of the Companies Act, 2013

(₹ in Lacs)

Particulars	Purpose	Amount Outstanding As at 31 <sup>st</sup> March, 2021	Amount Outstanding As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Type of Services or goods</b>		
Revenue from Healthcare & Other Services	39,355.49	54,919.90
Revenue from Sale of Pharmacy Drugs & Medical Consumables	850.88	1,389.19
<b>Total</b>	<b>40,206.37</b>	<b>56,309.09</b>
<b>Revenue from Contracts with Customers</b>		
Revenue from Customers based in India	34,051.67	36,580.88
Revenue from Customers based outside India	6,154.70	19,728.21
<b>Total</b>	<b>40,206.37</b>	<b>56,309.09</b>
<b>Timing of Revenue Recognition</b>		
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
<b>Total</b>	<b>40,206.37</b>	<b>56,309.09</b>

(₹ in Lacs)

b. Trade receivables and Contract Customers	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Trade Receivables	5,297.34	7,650.71
Unbilled revenue	445.41	340.35
<b>Total</b>	<b>5,742.75</b>	<b>7,991.06</b>

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 307.63 Lacs (₹ 286.95 Lacs as at 31<sup>st</sup> 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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>A Claims against the Company not acknowledged as debts</b>		
(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 <sup>th</sup> 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 <sup>th</sup> 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 31<sup>st</sup> 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 <sup>st</sup> April, 2020	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Finance charges	142.37	121.00
Professional consultancy Fees	33.57	93.06
Other expenses directly attributable	22.62	60.13
<b>Total</b>	<b>198.56</b>	<b>274.19</b>

**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 Karwar  
[Chairman]  
[DIN : 00058921]  
Place : London  
Dated : 10<sup>th</sup> May, 2021

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

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

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

Sd/-  
Shilpa Budhia  
[Company Secretary]  
Place : Gurugram  
Dated : 10<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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		
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SCV & Co. (a Partnership firm) converted into SCV & Co. LLP (a Limited Liability Partnership with LLP Identity No. AAM-5565) with effect from 3<sup>rd</sup> 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**

<b>Capital Work in Progress (CWIP)</b>	
<b>See Note 2.2 to the Consolidated Ind AS financial statements</b>	
<b>Key Audit Matter Description</b>	<b>How the matter was addressed</b>
<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 31<sup>st</sup> 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"> <li>● We obtained and perused the Board approval of Holding Company for the expansion of Tower 2 having 144 beds capacity.</li> <li>● 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.</li> <li>● Performed test of details relating to capital acquisition process, i.e. quotation/ vendor selection, invoice and purchase order approvals and classification.</li> <li>● 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.</li> <li>● Tested other costs debited to Statement of Profit and Loss, to ascertain whether these meet the criteria for capitalization.</li> <li>● Ensured adequacy of disclosures in the Consolidated Ind AS financial statements.</li> <li>● Our procedures as mentioned above did not identify any costs that had been inappropriately capitalized.</li> </ul>

**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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> March, 2021.

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

PLACE : NEW DELHI  
DATED : 10<sup>th</sup> 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 31<sup>st</sup> 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 31<sup>st</sup> 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 : 10<sup>th</sup> May, 2021

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



CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

(₹ in Lacs)

Particulars	Note No.	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>Assets</b>			
<b>A Non-current assets</b>			
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
<b>Total non-current assets</b>	<b>A</b>	<b>49,061.94</b>	<b>46,893.18</b>
<b>B Current assets</b>			
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
<b>Total current assets</b>	<b>B</b>	<b>10,946.99</b>	<b>11,751.14</b>
<b>C Total Assets</b>	<b>C = A + B</b>	<b>60,008.93</b>	<b>58,644.32</b>
<b>Equity and liabilities</b>			
<b>D Equity</b>			
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
<b>Total equity</b>	<b>D</b>	<b>32,174.38</b>	<b>31,371.40</b>
<b>Liabilities</b>			
<b>E Non-current liabilities</b>			
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
<b>Total non-current liabilities</b>	<b>E</b>	<b>15,952.75</b>	<b>11,492.69</b>

(₹ in Lacs)

Particulars	Note No.	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>F Current liabilities</b>			
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
<b>Total current liabilities</b>	<b>F</b>	<b>11,881.80</b>	<b>15,780.23</b>
<b>G Total liabilities</b>	<b>G = E + F</b>	<b>27,834.55</b>	<b>27,272.92</b>
<b>H Total equity and liabilities</b>	<b>H = D + G</b>	<b>60,008.93</b>	<b>58,644.32</b>

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 : 10<sup>th</sup> May, 2021

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

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

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

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Income</b>			
Revenue from Operations	19	40,840.34	56,501.79
Other Income	20	353.83	459.64
<b>Total income</b>	<b>(I)</b>	<b>41,194.17</b>	<b>56,961.43</b>
<b>Expenses</b>			
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
<b>Total expenses</b>	<b>(II)</b>	<b>40,764.44</b>	<b>53,898.52</b>
<b>Profit before exceptional items &amp; Tax</b>	<b>III=(I-II)</b>	<b>429.73</b>	<b>3,062.91</b>
Exceptional Items (refer note 42)	IV	323.29	-
<b>Profit before Tax</b>	<b>V=(III+IV)</b>	<b>753.02</b>	<b>3,062.91</b>
<b>Tax Expense</b>	<b>26</b>		
Current Tax		670.51	1,139.63
Earlier year tax		94.14	(395.73)
Deferred Tax Charge / (Credit)		(627.63)	373.00
<b>Total Tax Expense</b>	<b>(VI)</b>	<b>137.02</b>	<b>1,116.90</b>
<b>Profit after tax for the year</b>	<b>VII=(V-VI)</b>	<b>616.00</b>	<b>1,946.01</b>
<b>Other comprehensive income</b>			
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
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>	<b>XI=(VIII+IX+X)</b>	<b>46.98</b>	<b>(1.68)</b>
<b>Total comprehensive income for the year</b>	<b>XII=(VII+XI)</b>	<b>662.98</b>	<b>1,944.33</b>
<b>Profit / (Loss) for the year attributable to :</b>			
Shareholders of the Company		648.58	1,979.26
Non-controlling interests		(32.58)	(33.25)
		<b>616.00</b>	<b>1,946.01</b>

(₹ in Lacs)

Particulars	Note No.	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Total comprehensive income / (loss) for the year attributable to :</b>			
Shareholders of the Company		695.33	1,977.58
Non-controlling interests		(32.35)	(33.25)
		<b>662.98</b>	<b>1,944.33</b>
Earning Per Equity Share (Face Value of ₹ 10/- each)			
- Basic (₹)	<b>33</b>	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 : 10<sup>th</sup> May, 2021

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

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

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

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

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

(₹ in Lacs)

Particulars		Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Cash flow from operating activities</b>			
Profit before tax		753.02	3,062.91
<b>Adjustments for:</b>			
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
<b>Operating cash flow before working capital changes</b>		<b>3,755.32</b>	<b>6,504.34</b>
<b>Adjustments for Changes in Working Capital</b>			
-(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
<b>Cash generated from operations</b>		<b>2,512.38</b>	<b>6,033.30</b>
Income tax refund / (paid)		213.68	(425.11)
<b>Net cash generated from operating activities</b>	<b>(A)</b>	<b>2,726.06</b>	<b>5,608.19</b>
<b>Cash flow from investing activity</b>			
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
<b>Net cash (used in) investing activities</b>	<b>(B)</b>	<b>(3,742.32)</b>	<b>(2,629.17)</b>

(₹ in Lacs)

Particulars		Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Cash flow from financing activity</b>			
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)
<b>Net cash generated from financing activities</b>	<b>(C)</b>	<b>1,771.64</b>	<b>(2,742.08)</b>
<b>Net increase in cash &amp; cash equivalents</b>	<b>(A+B+C)</b>	<b>755.38</b>	<b>236.94</b>
Cash & cash equivalents as the beginning of the year		1,160.82	923.88
<b>Cash &amp; cash equivalents as the end of the year</b>	<b>Total</b>	<b>1,916.20</b>	<b>1,160.82</b>
<b>Components of cash and cash equivalents</b>			
Cash on hand		135.60	80.15
<b>Balances with Banks:</b>			
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)
<b>Total Cash and Cash Equivalents ( Refer Note 8 )</b>	<b>Total</b>	<b>1,916.20</b>	<b>1,160.82</b>

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 Karwar  
[Chairman]  
[DIN : 00058921]  
Place : London  
Dated : 10<sup>th</sup> May, 2021

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

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

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

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

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(₹ in Lacs)

I		
<b>(A) Equity Share Capital</b>		
Particulars	Note No	Amount
Balance as at 1 <sup>st</sup> April, 2019	10	-
Add: Equity shares issued during the year # (Refer Note 27)		1,323.77
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>10</b>	<b>1,323.77</b>
Change in equity share capital during the year		-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>10</b>	<b>1,323.77</b>
<b>(B) Equity Share Suspense Account (Refer Note 27)</b>		
Balance as at 1 <sup>st</sup> April, 2019	10	1,323.77
Less : Equity shares issued during the year # (Refer Note 27)		1,323.77
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>10</b>	<b>-</b>
Change in equity share capital during the year		-
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>10</b>	<b>-</b>

## II Other Equity (₹ in Lacs)

Particulars	Note	Reserves and Surplus			Items of OCI Remeasurements of the net defined benefit plans	Other Equity attributable to shareholders of the Company	Non - controlling interests (NCI)	Total
		Capital Reserve	Revaluation Reserve	Retained Earnings				
Balance as at 1 <sup>st</sup> 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
<b>Balance as at 31<sup>st</sup> March, 2020</b>	<b>11</b>	<b>14,457.89</b>	<b>6,598.31</b>	<b>9,038.96</b>	<b>(94.87)</b>	<b>30,000.29</b>	<b>47.34</b>	<b>30,047.63</b>
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
<b>Balance as at 31<sup>st</sup> March, 2021</b>	<b>11</b>	<b>14,457.89</b>	<b>6,638.97</b>	<b>9,687.54</b>	<b>(88.78)</b>	<b>30,695.62</b>	<b>154.99</b>	<b>30,850.61</b>

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 : 10<sup>th</sup> May, 2021

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

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

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

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

## Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2021

### Note No.

#### 1.1 Nature of operations

Artemis Medicare Services Limited ("The Group") was incorporated on 18<sup>th</sup> 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 16<sup>th</sup> 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 10<sup>th</sup> 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 <sup>st</sup> March, 2021	31 <sup>st</sup> 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
<b>Buildings :</b>		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
<b>Plant &amp; Machinery :</b>		
- 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
<b>Office Equipments</b>	5 Years	
<b>Computers &amp; Data Processing Units</b>		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
<b>Vehicles</b>	8 Years	
<b>Furnitures &amp; Fittings</b>	10 Years	
<b>Electrical Installations &amp; Equipments</b>	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 Estimates**

##### Expected 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 31<sup>st</sup> 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
<b>COST OR DEEMED COST</b>									
As at 1 <sup>st</sup> 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 31 <sup>st</sup> 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 31 <sup>st</sup> March, 2021	13,262.44	9,516.02	136.60	1010.58	798.22	397.75	15,594.65	281.13	40,997.36
<b>DEPRECIATION</b>									
As at 1 <sup>st</sup> 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 31 <sup>st</sup> 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 31 <sup>st</sup> March, 2021	-	900.39	81.17	671.39	439.23	292.07	6330.99	121.61	8836.85
<b>NET BOOK VALUE</b>									
As at 31 <sup>st</sup> 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 31 <sup>st</sup> 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 31<sup>st</sup> March, 2021 was ₹ 142.37 Lacs (31<sup>st</sup> 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 31<sup>st</sup> 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
<b>As at 1<sup>st</sup> April, 2019</b>	4,943.22
Addition during the year	2,632.41
Deletion during the year	2,006.60
<b>As at 31<sup>st</sup> March, 2020</b>	<b>5,569.03</b>
Addition during the year	3,527.98
Deletion during the year	991.22
<b>As at 31<sup>st</sup> March, 2021</b>	<b>8,105.79</b>

## Note No. 2.3

## RIGHT-OF-USE ASSETS

(₹ in Lacs)

Particulars	Right-of-use assets
<b>As at 1<sup>st</sup> April, 2019</b>	1,535.71
Additions	-
Deletion	-
Depreciation	97.12
<b>As at 31<sup>st</sup> March, 2020</b>	<b>1,438.59</b>
Additions	484.37
Deletion	-
Depreciation	204.90
<b>As at 31<sup>st</sup> March, 2021</b>	<b>1,718.06</b>

## Note No. 2.4

## INTANGIBLE ASSETS

(₹ in Lacs)

Particulars	Computer Software
<b><u>COST OR DEEMED COST</u></b>	
<b>As at 1<sup>st</sup> April, 2019</b>	<b>609.13</b>
Additions	33.59
Disposals / Discarded during the year	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>642.72</b>
Additions	2.92
Disposals / Discarded during the year	(0.17)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>645.47</b>
<b><u>AMORTIZATION</u></b>	
<b>As at 1<sup>st</sup> April, 2019</b>	202.63
Charge for the year	94.61
Disposals / Discarded during the year	-
<b>As at 31<sup>st</sup> March, 2020</b>	<b>297.24</b>
Charge for the year	79.59
Disposals / Discarded during the year	(0.06)
<b>As at 31<sup>st</sup> March, 2021</b>	<b>376.77</b>
<b><u>NET BOOK VALUE</u></b>	
<b>As at 31<sup>st</sup> March, 2020</b>	<b>345.48</b>
<b>As at 31<sup>st</sup> March, 2021</b>	<b>268.70</b>

Notes to Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2021

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
3.1	<b>Loans</b>		
	<b><u>Non Current</u></b>		
	(Unsecured, Considered good)		
	<b>Security Deposits</b>	203.08	173.58
	<b>Others</b>		
	Loans & advances to Employees *	56.87	69.76
	<b>Total</b>	<b>259.95</b>	<b>243.34</b>
	<b><u>Current</u></b>		
	(Unsecured, Considered good)		
	<b>Security Deposits</b>	-	7.39
<b>Others</b>			
Loans & advances to Employees *	54.20	103.85	
	<b>54.20</b>	<b>111.24</b>	
	61.50	79.50	
* 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)			
3.2	<b>Other Financial Assets</b>		
	<b><u>Non Current</u></b>		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	18.67	29.05
		<b>18.67</b>	<b>29.05</b>
	<b><u>Current</u></b>		
	Interest accrued on fixed deposits	17.01	18.91
Unbilled Revenue (Accrued operating income)	446.21	341.43	
	<b>463.22</b>	<b>360.34</b>	

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
4	<b>Income tax assets</b>		
	<b>Non Current</b>		
	Income Tax Recoverable (Net of provision for taxation)	1,675.42	1,011.26
	<b>Total</b>	<b>1,675.42</b>	<b>1,011.26</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
5	<b>Other Assets</b>		
	<b>Non-Current</b> (Unsecured, Considered good)		
	Capital Advances	686.05	684.77
	Prepaid Expenses	6.72	30.01
	<b>Total</b>	<b>692.77</b>	<b>714.78</b>
	<b>Current</b> (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
	<b>883.47</b>	<b>979.21</b>	

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
6	<b>Inventories</b>		
	(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
	<b>Total</b>	<b>962.42</b>	<b>1,075.34</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
7	<b>Trade Receivables (Unsecured)</b>		
	<b>Current - at amortised cost</b>		
	Considered good	5,471.70	7,659.75
	Considered Doubtful	805.32	497.69
	Less: Allowance for credit losses	(805.32)	(497.69)
		<b>5,471.70</b>	<b>7,659.75</b>

**Trade Receivables Includes :**

(₹ in Lacs)

Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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 31<sup>st</sup> March, 2021 & 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
8	<b>Cash &amp; Cash Equivalents</b>		
	<b>Balance with Banks:</b>		
	- In Current Accounts	1,180.60	1,080.67
	- Bank deposit with original maturity of three months or less.	600.00	-
	<b>Cash on hand</b>	135.60	80.15
		<b>1,916.20</b>	<b>1,160.82</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>9</b>	<b>Other Bank Balances</b>		
	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)
	<b>Total</b>	<b>1,195.78</b>	<b>404.44</b>

\* 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
<b>10</b>	<b>Share Capital:</b>		
	<b>Authorised Shares (in nos.)</b>		
	6,95,50,000 Equity Shares of ₹ 10/- Each (6,95,50,000 as at 31 <sup>st</sup> 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 <sup>st</sup> March, 2020 Preference Shares of ₹ 100/- Each)	50.00	50.00
	<b>Issued, Subscribed &amp; Paid Up Shares (in nos.)</b>		
	1,32,37,700 Equity Shares of ₹ 10/- Each (1,32,37,700 as at 31 <sup>st</sup> March, 2020 Equity Shares of ₹ 10/- each fully paid up)	1,323.77	1,323.77
	<b>Total Issued, Subscribed &amp; Paid Up Capital *</b>	<b>1,323.77</b>	<b>1,323.77</b>
	*1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26 <sup>th</sup> October, 2019 pursuant to composite Scheme of Amalgamation ( Refer Note 27 )		
	<b>Equity Share Capital Suspense Account</b>		
	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)
	<b>Total equity share capital suspense account</b>	<b>-</b>	<b>-</b>



**a. Reconciliation of the equity shares at the beginning and at the end of the year**

Reconciliation	As At 31 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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
<b>Shares outstanding at the end of the year *</b>	<b>13,237,700</b>	<b>1,323.77</b>	<b>13,237,700</b>	<b>1,323.77</b>

\* 1,32,37,700 shares of ₹ 10 each (₹ 1323.77 lacs) issued and allotted on 26<sup>th</sup> 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 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> 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 31<sup>st</sup> March, 2021

(₹ in Lacs)

Note No.	Particulars		As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
11	<b>Other Equity :</b>			
	<b>Capital Reserve</b>			
	Balance as per last financial statements		14,457.89	14,457.89
	<b>Closing Balance</b>	(A)	<b>14,457.89</b>	<b>14,457.89</b>
	<b>Revaluation Reserve</b>			
	Balance as per last financial statements		6,598.31	6,567.81
	Add : Deferred tax adjustment on revaluation		40.66	30.50
	<b>Closing Balance</b>	(B)	<b>6,638.97</b>	<b>6,598.31</b>
	<b>Retained earnings</b>			
	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)	
<b>Balance at end of year</b>	(C)	<b>9,598.76</b>	<b>8,944.09</b>	
<b>Total Other Equity</b>	(A+B+C)	<b>30,695.62</b>	<b>30,000.29</b>	

**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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
12	<b>Borrowings</b>		
	<b>Non Current Borrowings</b>		
	<b>Term Loans</b>		
	<u>From Banks</u>		
	- Indian Rupee loans from Banks (secured at amortised cost)	10,773.34	6,557.85
	<b>Total</b>	<b>10,773.34</b>	<b>6,557.85</b>
	<b>Current Maturity</b>		
	<b>Term Loans</b>		
	<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)
	<b>Total</b>	<b>-</b>	<b>-</b>

**1. Indian Rupee Loans from Banks include :**

- a) Term loans\* of ₹ 11721.73 Lacs (As at 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> 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	-
<b>Total</b>	<b>11,721.73</b>	<b>8,088.16</b>

- b) Term loans of ₹ 966.87 Lacs (As at 31<sup>st</sup> 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 31<sup>st</sup> 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
<b>Secured Loan</b>					
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	-	-	-
<b>Total</b>	<b>1,964.60</b>	<b>2,328.14</b>	<b>1,566.18</b>	<b>1,076.58</b>	<b>6,039.58</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021		As At 31 <sup>st</sup> March, 2020	
		Non-Current	Current	Non-Current	Current
<b>13</b>	<b>Provisions</b>				
	<b>Provision for Employee Benefits</b>				
	Leave Benefits	193.28	99.02	193.75	93.09
	Gratuity (Refer Note 34)	471.68	200.74	437.66	145.00
	<b>Other Provisions</b>				
	Provision for Contingencies (Refer Note 38)	-	719.52	-	682.03
	<b>Total</b>	<b>664.96</b>	<b>1,019.28</b>	<b>631.41</b>	<b>920.12</b>

(₹ in Lacs)

<b>14</b>	<b>Deferred tax assets / (liabilities) in relation to :</b>	<b>As at 1<sup>st</sup> April, 2019</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Compre- hensive Income</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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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
	<b>(2,582.73)</b>	<b>(373.42)</b>	<b>47.78</b>	<b>(2,908.37)</b>

<b>14</b>	<b>Deferred tax assets / (liabilities) in relation to :</b>	<b>As at 1<sup>st</sup> April, 2020</b>	<b>Credit / (Charge) to Profit or loss</b>	<b>Credit / (Charge) to Other Compre- hensive Income</b>	<b>As at 31<sup>st</sup> March, 2021</b>
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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
	<b>(2,908.37)</b>	<b>(30.45)</b>	<b>37.36</b>	<b>(2,901.46)</b>

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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
15	<b>Borrowings</b>		
	Bank Overdraft (secured) *	-	1,088.63
	<b>Total</b>	-	<b>1,088.63</b>

\* 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 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
16	<b>Trade payables</b>		
	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
	<b>Total</b>	<b>5,726.94</b>	<b>7,461.26</b>

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
17	<b>Other Financial Liabilities (secured)</b>		
	<b>Current</b>		
	Term Loan (current maturity) (Refer Note 12)	1,964.60	2,132.72
		<b>1,964.60</b>	<b>2,132.72</b>
	Other Payable #	933.22	2,113.21
	Interest Accrued but not due on borrowings	48.85	48.11
	<b>Total</b>	<b>2,946.67</b>	<b>4,294.04</b>

# Other payable includes payments due on account of capital items, due to employees.

(₹ in Lacs)

Note No.	Particulars	As At 31 <sup>st</sup> March, 2021	As At 31 <sup>st</sup> March, 2020
18	<b>Other Liabilities</b>		
	<b>Current</b>		
	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
<b>Total</b>	<b>1,870.53</b>	<b>1,879.34</b>	

\* 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 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
19	<b>Revenue from Operations</b>				
	<b>Sale of Services</b>				
	Revenue from Healthcare & Other Services	39,670.09		54,161.92	
	<b>Sale of Goods</b>				
	Sale of Pharmacy Drugs & Medical Consumables	890.66		1,245.24	
	Sale of Stock in Trade (Pharmacy)	84.13		183.72	
	<b>Other Operating Income</b>				
	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		
<b>Total</b>	<b>40,840.34</b>		<b>56,501.79</b>		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
20	<b>Other Income</b>				
	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	
<b>Total</b>	<b>353.83</b>		<b>459.64</b>		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> March, 2020	
21	<b>(Increase) / Decrease in Inventories of Pharmacy Drugs &amp; Medical Consumables</b>				
	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)	
	<b>(Increase) / Decrease in Inventories of Stock in Trade</b>				
	Inventories at the beginning of the year	59.20		30.43	
	Inventories at the end of the year	13.56		59.20	
<b>Total</b>	<b>127.19</b>		<b>(383.69)</b>		

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>22</b>	<b>Employee Benefits Expense</b>		
	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
	<b>Total</b>	<b>8,399.01</b>	<b>10,342.49</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>23</b>	<b>Finance Costs</b>		
	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
	<b>Total</b>	<b>1,292.53</b>	<b>1,279.80</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>24</b>	<b>Depreciation and amortization expense</b>		
	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
	<b>Total</b>	<b>2,151.38</b>	<b>2,263.05</b>

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>25</b>	<b>Other expenses</b>		
	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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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
	<b>Total</b>	<b>17,275.92</b>	<b>26,124.09</b>



## INCOME TAX

(₹ in Lacs)

Note No.	Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
26	<b>Recognised in Statement of Profit and loss account</b>		
	<b>Current Tax</b>		
	(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
	<b>Deferred Tax</b>		
	(a) In respect of the current year	(627.63)	373.00
	<b>Tax expense recognised through statement of profit and loss account</b>	<b>137.02</b>	<b>1,116.90</b>
	<b>Recognised in Other Comprehensive Income (OCI)</b>		
	<b>Deferred tax</b>		
	In respect of the current year	(37.36)	(47.78)
	<b>Tax credit recognised through Other Comprehensive Income</b>	(37.36)	(47.78)
	<b>The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
	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
	<b>Income tax expense recognised in profit and loss</b>	<b>137.02</b>	<b>1,116.90</b>

## 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 30<sup>th</sup> September, 2019. The Holding Company has filed copy of the order with Registrar of Companies Delhi on 14<sup>th</sup> 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 26<sup>th</sup> October, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from 23<sup>rd</sup> 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 1<sup>st</sup> 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. 1<sup>st</sup> 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
<b>Assets</b>			
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
<b>Total Assets</b>	<b>29,630.21</b>	<b>(16.48)</b>	<b>29,613.73</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
<b>Total equity</b>	<b>29,259.44</b>	<b>(14.75)</b>	<b>29,244.69</b>
<b>Liabilities</b>			
Short term Borrowings	38.80	-	38.80
Trade Payables	1.95	(1.95)	-
Other current liabilities	330.02	0.22	330.24
<b>Total liabilities</b>	<b>370.77</b>	<b>(1.73)</b>	<b>369.04</b>
<b>Total equity and liabilities</b>	<b>29,630.21</b>	<b>(16.48)</b>	<b>29,613.73</b>

(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)
<b>Total</b>	<b>1,655.65</b>	<b>4,162.07</b>	<b>14,457.89</b>	<b>20,275.61</b>

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.



**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 21<sup>st</sup> Oct, 2020)  
 Ms. Shilpa Budhia (Company Secretary) (from 5<sup>th</sup> 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 14<sup>th</sup> 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 4<sup>th</sup> Aug, 2020)  
 Mr. Saurabh Srivastava (Independent Director) (upto 13<sup>th</sup> May, 2019)  
 Ms. Deepa Gopalan Wadhwa (from 22<sup>nd</sup> May, 2020)  
 Mr. Harish Bahadur (Director) - Athena Eduspark Limited  
 Mr. Sunil Tandon (Independent Director) (upto 9<sup>th</sup> Oct, 2020)  
 Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited  
 Mr. Sanjib Sen (Independent Director) (from 3<sup>rd</sup> Aug, 2020)  
 Mr. Ugar Sain Anand (Independent Director) (upto 9<sup>th</sup> Oct, 2020)  
 Dr. Gautam Chaudhuri (from 3<sup>rd</sup> Aug, 2020 till 8<sup>th</sup> 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 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Reimbursement of Expenses Received</b>						
Artemis Education & Research Foundation	-	-	-	-	-	12.46
Artemis Health Sciences Foundation	-	-	-	-	-	0.97
<b>CSR Expenses</b>						
Artemis Health Sciences Foundation	-	-	-	-	2.54	-
<b>Recovery of Loans &amp; Advances</b>						
Dr. Devlina Chakravarty	-	-	12.00	12.00	-	-
Mr. Sanjiv Kumar Kothari	-	-	6.00	6.00	-	-
<b>Lease Expenses *</b>						
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
<b>Transactions in excess of 10%</b>						
Apollo Tyres Ltd.	-	-	-	-	225.42	807.58
<b>Purchase of services / goods *</b>						
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
<b>Donation Paid</b>						
Artemis Education & Research Foundation	-	-	-	-	18.00	41.50
Artemis Health Sciences Foundation	-	-	-	-	3.49	5.00
<b>Directors' Sitting Fees paid</b>						
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 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> 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	-	-
<b>Key management personnel-Compensation</b>						
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	-	-
<b>Defined benefit obligation as at year end</b>						
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	-	-
<b>Total</b>	-	-	<b>107.35</b>	<b>98.50</b>	-	-

\* Transactions are reported including taxes.

(₹ in Lacs)

Balance Payable	Name of Entity	31 <sup>st</sup> March, 2021	31 <sup>st</sup> 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 <sup>st</sup> March, 2021	31 <sup>st</sup> 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 1<sup>st</sup> April, 2019, the Group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 1<sup>st</sup> 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 31<sup>st</sup> March, 2021

(₹ in Lacs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Depreciation expense	204.90	97.12
Rent expense (included in Other expenses)	(242.53)	(136.98)
Finance Cost	167.93	140.06
<b>Loss (profit) for the year</b>	<b>130.30</b>	<b>100.20</b>

- B The group incurred ₹ 30.55 Lacs for the year ended 31<sup>st</sup> March, 2021 and ₹ 35.07 Lacs for the year ended 31<sup>st</sup> 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)

<b>Details of dues to Micro and Small Enterprises as per MSMED Act, 2006</b>	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
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)

<b>Particulars</b>	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
<b>Net profit after Tax</b>		
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
<b>Earning Per Share (in ₹)</b>		
- 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 31<sup>st</sup> 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 <sup>st</sup> March, 2021 (₹ in Lacs)	Year Ended 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> 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:	<b>Year Ended 31<sup>st</sup> March, 2021</b>	<b>Year Ended 31<sup>st</sup> March, 2020</b>
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.

(₹ in Lacs)

Particulars	Year Ended 31 <sup>st</sup> March, 2021		Year Ended 31 <sup>st</sup> 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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> 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	<b>10,870.59</b>	<b>8,666.49</b>
Total Equity	<b>32,019.39</b>	<b>31,324.06</b>
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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortised cost</b>		
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
<b>Total</b>	<b>9,379.72</b>	<b>9,968.98</b>

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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>Measured at amortised cost</b>		
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
<b>Total</b>	<b>21,378.32</b>	<b>20,933.68</b>

### 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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021		As at 31 <sup>st</sup> 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)

<b>If decrease by 1%</b>	<b>Currency Impact (net USD Inflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1%</b>	<b>Currency Impact (net USD Inflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If decrease by 1%</b>	<b>Currency Impact (net AED inflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1%</b>	<b>Currency Impact (net AED inflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1%</b>	<b>Currency Impact (net EURO outflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If decrease by 1%</b>	<b>Currency Impact (net EURO outflow)</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If increase by 1% in interest rates</b>	<b>Interest Impact</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)

<b>If decrease by 1% in interest rates</b>	<b>Interest Impact</b>	
<b>Particulars</b>	<b>As at 31<sup>st</sup> March, 2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
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)
<b>As at 31<sup>st</sup> March, 2021</b>					
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
<b>Total</b>	<b>8,991.99</b>	<b>2,657.57</b>	<b>9,965.91</b>	<b>21,615.47</b>	<b>21,378.32</b>

(₹ in Lacs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
<b>As at 31<sup>st</sup> March, 2020</b>					
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
<b>Total</b>	<b>12,980.77</b>	<b>2,249.60</b>	<b>5,719.81</b>	<b>20,950.18</b>	<b>20,933.68</b>

## 36 Disclosure under Ind AS - 115 (Revenue from contracts with customers)

(₹ in Lacs)

a. Disaggregated revenue information	Year Ended 31 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
<b>Type of Services or goods</b>		
Revenue from Healthcare & Other Services	39,865.55	55,072.83
Revenue from Sale of Pharmacy Drugs & Medical Consumables	974.79	1,428.96
<b>Total</b>	<b>40,840.34</b>	<b>56,501.79</b>
<b>Revenue from Contracts with Customers</b>		
Revenue from Customers based in India	34,685.64	36,773.57
Revenue from Customers based outside India	6,154.70	19,728.22
<b>Total</b>	<b>40,840.34</b>	<b>56,501.79</b>
<b>Timing of Revenue Recognition</b>		
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
<b>Total</b>	<b>40,840.34</b>	<b>56,501.79</b>

(₹ in Lacs)

b. Trade receivables and Contract Customers	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
Trade Receivables	5,471.70	7,659.75
Unbilled revenue	446.21	341.43
<b>Total</b>	<b>5,917.91</b>	<b>8,001.18</b>

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 307.63 Lacs (₹ 286.95 Lacs as at 31<sup>st</sup> 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 31<sup>st</sup> 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 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>A Claims against the Company not acknowledged as debts</b>		
(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 <sup>th</sup> 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 <sup>th</sup> 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 <sup>st</sup> April, 2020	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31 <sup>st</sup> 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 <sup>st</sup> March, 2021	Year Ended 31 <sup>st</sup> March, 2020
Finance charges	142.37	121.00
Professional consultancy Fees	33.57	93.06
Other expenses directly attributable	22.62	60.13
<b>Total</b>	<b>198.56</b>	<b>274.19</b>

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 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	
1	Artemis Cardiac Care Private Limited	India	65%	65%	35%	35%	31 <sup>st</sup> 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
	<b>TOTAL</b>	<b>100%</b>	<b>32,174.38</b>	<b>100.00%</b>	<b>616.00</b>	<b>100%</b>	<b>46.98</b>	<b>100.00%</b>	<b>662.98</b>

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)
	<b>TOTAL</b>	<b>100%</b>	<b>31,371.40</b>	<b>100%</b>	<b>1,946.01</b>	<b>100%</b>	<b>(1.68)</b>	<b>100%</b>	<b>1,944.33</b>

**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 Karwar  
[Chairman]  
[DIN : 00058921]  
Place : London  
Dated : 10<sup>th</sup> May, 2021

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

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

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

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

Sd/-  
Devlina Chakravarty  
Managing Director  
DIN:07107875  
Place: Gurugram  
Date : 10<sup>th</sup> May, 2021

Sd/-  
Sanjiv Kumar Kothari  
Chief Financial Officer  
Place: Gurugram  
Date : 10<sup>th</sup> May, 2021

Sd/-  
Shilpa Budhia  
Company Secretary  
Place: Gurugram  
Date : 10<sup>th</sup> May, 2021