ONLINE FILING

Date: August 31, 2020

The Secretary **National Stock Exchange of India Ltd.** **Exchange Plaza,** **Bandra-Kurla Complex,** **Bandra (E),** **Mumbai-400 051**	**The Secretary,** **BSE Ltd** **Phiroze Jeejeebhoy Towers,** **Dalal Street,** **Mumbai-400 001**

Sub: Submission of Annual Report 2019-20 (including Notice of AGM)

Ref: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

Please find enclosed herewith the following documents being dispatched/sent to the shareholders in the permitted mode: -

a) Notice of 16th Annual General Meeting (AGM) of the Company scheduled to be held on September 23, 2020.

b) Annual Report 2019-20.

The above documents are also uploaded on the website of the Company viz. www.artemishospitals.com.

Submitted for your information & records.

Thanking you,

Yours Faithfully,

For Artemis Medicare Services Limited

Artemis Medicare Services Limited

Rakesh Kumar Kaushik
(Company Secretary & Compliance Officer)

Encl.: as above

ARTEMIS MEDICARE SERVICES LIMITED
16th Annual Report

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ARTEMIS MEDICARE SERVICES LIMITED

BOARD OF DIRECTORS

Mr. Onkar S. Kanwar	Chairman and Non-Executive Director
Mr. Neeraj Kanwar	Non-Executive Director
Ms. Shalini Kanwar Chand	Non-Executive Director
Dr. Nirmal Kumar Ganguly	Non-Executive Director
Dr. S. Narayan	Independent Director
Dr. Sanjaya Baru	Independent Director
Ms. Deepa Gopalan Wadhwa	Independent Director
Mr. Sunil Tandon	Independent Director
Mr. Ugar Sain Anand	Independent Director
Dr. Gautam Chaudhuri	Independent Director
Mr. Sanjib Sen	Independent Director
Dr. Devlina Chakravarty	Managing Director

KEY MANAGERIAL PERSONNEL

Dr. Devlina Chakravarty	Managing Director
Mr. Rakesh Kumar Kaushik	Company Secretary & Compliance Officer
Mr. Sanjiv Kumar Kothari	Chief Financial Officer

STATUTORY AUDITORS SCV & CO. LLP, Chartered Accountants

SECRETARIAL AUDITOR Chandrasekaran Associates, Company Secretaries

REGISTERED OFFICE

Plot No. 14, Sector – 20,
Dwarka, South West,
Delhi – 110075
TEL. NO (0124) 4511 111
FAX NO (0124) 4588 899

CORPORATE OFFICE

Artemis Hospitals, Sector-51
Gurugram – 122 001

BANKERS

HDFC Bank
Axis Bank
IDFC Bank
State Bank of India
IndusInd Bank
YES Bank

ARTEMIS MEDICARE SERVICES LIMITED

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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 16th Annual General Meeting (AGM) of the Members of **ARTEMIS MEDICARE SERVICES LIMITED** will be held on Wednesday, September 23, 2020, at 3:00 PM through Video Conferencing / Other Audio Visual Means ("VC/OAVM") for which purpose the Registered Office of the Company situated at Plot No. 14, Sector 20, Dwarka, South West Delhi – 110 075, shall be deemed as the venue for the Meeting and the proceedings of AGM shall be deemed to be made thereat, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   A. the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and of the Auditors thereon; and

   B. the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and report of the Auditors thereon.

2. To appoint a Director in place of Mr. Neeraj Kanwar (DIN: 00058951), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. To ratify the payment of remuneration to the Cost Auditor for the financial year 2020-21 and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditor, M/s. Chandra Wadhwa & Co., Cost Accountants, New Delhi (FRN:000239), appointed by the Board of Directors of the Company for carrying out Cost Audit for the financial year 2020-21 be paid out a remuneration of ₹ 1,35,000/- (Rupees One Lakh Thirty Five Thousand only) exclusive of applicable GST alongwith reimbursement of out of pocket expenses.

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

4. To appoint Mr. Sanjib Sen (DIN: 07088442) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the basis of recommendation of the Nomination & Remuneration Committee, Mr. Sanjib Sen (DIN: 07088442), who was appointed as an Additional Director pursuant to the provisions of Section 161 and other applicable provisions of the Act, who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 3 (three) consecutive years, from August 03, 2020 to August 02, 2023.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

5. To appoint Dr. Gautam Chaudhuri (DIN: 08801337) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") and Regulation 17(1A) and all other applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the basis of recommendation of the Nomination & Remuneration Committee, Dr. Gautam Chaudhuri (DIN: 08801337), who was appointed as an Additional Director pursuant to the provisions of Section 161 and other applicable provisions of the Act , who has submitted a declaration that he meets the criteria for independence as provided in the Act and Listing Regulations, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 3 (three) consecutive years, from August 03, 2020 to August 02, 2023.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

6. To appoint Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Rules") and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the basis of recommendation of the Nomination & Remuneration Committee, Ms. Deepa Gopalan Wadhwa (DIN: 07862942), who was appointed as an Additional Director pursuant to the provisions of Section 161 and other applicable provisions of the Act , who has submitted a declaration that she meets the criteria for independence as provided in the Act and Listing Regulations, who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, from May 22, 2020 to May 21, 2025.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and is hereby authorized to do all such things, deeds, matters and acts, as may be required to give effect to this resolution and to do all things incidental and ancillary thereto."

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

Sd/-
Rakesh Kumar Kaushik
(Company Secretary)
FCS No.: 9929

Place : Gurugram
Date : August 03, 2020

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 16th Annual General Meeting ("AGM") of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue.

2. Pursuant to the Circular No. 14/2020 dated April 8, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-Voting.

3. In compliance with MCA Circular No. 20/2020 dated May 5, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY20) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company / RTA / the Depository Participant(s).

4. The Members can join the AGM in the VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

5. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. The Register of Members and Share Transfer Books shall remain closed from September 17, 2020 to September 23, 2020 (both days inclusive).

7. Corporate Members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting.

8. The information required to be provided under the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015 and the Secretarial Standards-2 on General Meetings, regarding the Directors who are proposed to be appointed/re-appointed and the relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the business under items 2 and 3 to 6 set out above are annexed hereto.

9. All documents referred to in the notice can be obtained for inspection through secured mode by writing to the Company at its email ID investor@artemishospitals.com till the date of the meeting.

10. During the AGM, the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection upon login at NSDL e-Voting system at https://www.evoting.nsdl.com.

11. The shares of the Company are under compulsory demat list of Securities & Exchange Board of India. The trading in equity shares can now only be done in demat form. In case you do not hold shares in demat form, you may do so by opening an account with a depository participant and complete dematerialisation formalities.

12. Members holding shares in dematerialised mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. to their

depository participant. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.

13. Members holding shares in physical form are requested to intimate changes with respect to their bank account (viz. name and address of the branch of the bank, MICR code of branch, type of account and account number), mandate, nomination, power of attorney, change of address, e-mail address, change in name etc. immediately to the Company.

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

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

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

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

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

   In case of joint holders attending the meeting, only such joint holder who is higher in the order of names, will be entitled to vote at the Meeting.

   The instructions for members for remote e-Voting are as under:

   The remote e-voting period begins on September 20, 2020 at 10:00 A.M. and ends on September 22, 2020 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter.

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

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

   Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com.

   Step 2: Cast your vote electronically on NSDL e-Voting system.

   Details on Step 1 is mentioned below: -

3. **How to Log-in to NSDL e-Voting website?**

   1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com either on a Personal Computer or on a mobile.

   2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

   3. A new screen will open. You will have to enter your User ID, Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. **Your User ID details are given below:**

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

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password' ?

      I. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a evoting.pdf file. Open the evoting.pdf file. The password to open the evoting.pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The evoting.pdf file contains your 'User ID' and your 'initial password'.

      II. If your email ID is not registered with the depositories, for procuring user id and password and for registration of email ID for e-Voting, please follow the steps mentioned below:

         a) In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), self-attested copy of PAN Card, self-attested copy of Aadhar Card by email to investor@artemishospitals.com

         b) In case shares are held in demat mode, please provide DPID CLENT ID (16 digit DP ID +CLIENT ID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, self-attested copy of PAN Card, self-attested copy of Aadhar Card by email to investor@artemishospitals.com

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, PAN, name and your registered address.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is mentioned below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to deepak.kukreja@dmkassociates.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
2. Only those Members, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Only Members who hold shares as on cut-off date i.e. September 16, 2020, may cast their vote electronically in the AGM.
4. Members who have voted through remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
5. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for remote e-Voting.

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

1. Members will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access the same at www.evoting.nsdl.com under Members login by using the remote e-Voting credentials. The link for VC will be available in Members login where the Even of the Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further Members can also use the OTP based log in for logging into the e-Voting system of NSDL.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use internet with a good speed to avoid any disturbance during the meeting.
4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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

In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Mr. Pratik Bhatt/ Ms. Pallavi Mhatre, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400013. email id: evoting@nsdl.co.in; pratikB@nsdl.co.in or pallavid@nsdl.co.in, Toll free no.: 1800-222-990. Members may also write to the Company Secretary at the email id: investor@artemishospitals.com.

PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS OF MEMBERS AND GETTING COPY OF NOTICE OF AGM AND ANNUAL REPORT FY20

1. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of these documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report FY20 along with AGM Notice by email to investor@artemishospitals.com. Members holding shares in demat form can update their email address with their Depository Participants.
2. Please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the notice of 16th AGM and Annual Report for FY20 and thereafter shall be disabled from the records of the RTA immediately after the AGM. The Member(s) will therefore be required to send the email ID updation request along with hard copies of the aforesaid documents to RTA for actual registration in the records to receive all the future communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
3. A Member can also register his email address and contact details with us, by writing to us addressed to the Secretarial Department at our Corporate Office, or at our email ID: investor@artemishospitals.com. This will help us in prompt sending of notices, annual reports and other shareholder communications in electronic form.

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

1. As the AGM is being conducted through VC, members are encouraged to express their views/ send their queries in advance mentioning their name, DP Id and Client Id/Folio No., e-mail id, mobile number at investor@artemishospitals.com to enable smooth conduct of proceedings at the AGM. Questions/Queries received by the Company on or before September 16, 2020 on the aforementioned e-mail id shall only be considered and responded to during the AGM.

2. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID/ Folio Number, PAN, Mobile Number at investor@artemishospitals.com on or before September 16, 2020. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ask questions during the AGM.

3. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

   I. The e-voting period commences on September 20, 2020 (10:00 A.M.) and ends on September 22, 2020 (5:00 P.M.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 16, 2020, may cast their vote electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

   II. The voting rights of Members shall be as per the number of equity shares held by Members as on the cutoff date of September 16, 2020.

   III. Mr. Deepak Kukreja, Partner, DMK Associates, Practicing Company Secretary, has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner.

   IV. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting and e-Voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 (forty eight) hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall counter sign the same.

   V. The Results shall be declared by the Chairman or the person authorised by him in writing not later than 48 (forty-eight) hours of conclusion of the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website (www.artemishospitals.com) and on the website of NSDL (www.evoting.nsdl.com) immediately after the result is declared by the Chairman. Members may also note that the Notice of the 16th AGM and the Annual Report FY20 will be available on website of the Company and NSDL.

   VI. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the notice and holding shares as on the cut-off date i.e. September 16, 2020, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the Company. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing User ID and Password for casting the vote.

   VII. In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Pallavi Mhatre, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013. Email ID: evoting@nsdl.co.in or pallavid@nsdl.co.in, Toll free no.: 1800-222-990. Members may also write to the Company Secretary at the email ID: investor@artemishospitals.com.

15. The Notice of AGM and the copies of audited financial statements, board's report, auditor's report etc. will also be displayed on the website www.artemishospitals.com of the Company.

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Company.

17. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for a long period. The statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified periodically.

18. Information under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings, in respect of the Directors seeking appointment at the AGM, forms integral part of the notice. The concerned Directors have furnished the requisite declarations for their appointment and their brief profile forms part of the explanatory statement.

19. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

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

Item No. 3

The Board at its meeting held on May 22, 2020, on the recommendation of the Audit Committee, had reappointed M/s. Chandra Wadhwa & Co., Cost Auditors for carrying out Cost Audit of the Company for the financial year 2020-21 on a remuneration of 1,35,000/- (Rupees One Lakh Thirty-Five Thousand only) per annum exclusive of applicable GST along with reimbursement of out of pocket expenses. In accordance with provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of the Cost Auditors which is recommended by the Audit Committee has been considered and approved by the Board of Directors and subsequently, submitted for ratification by the Members.

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

The Board of Directors recommends resolution set out at item no.3 for your consideration and ratification.

Item No. 4

The Members of the Company may please note that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 03, 2020 had appointed Mr. Sanjib Sen (DIN: 07088442) as an Additional Director (Independent) subject to approval of the shareholders for a term of 3 (three) consecutive years from August 3, 2020 to August 2, 2023.

The Members may also note that the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 (the Act), proposing candidature of Mr. Sanjib Sen (DIN: 07088442) for the office of Director in the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and the Company has also received declarations from Mr. Sanjib Sen (DIN: 07088442) that he meets the criteria of independence as stipulated under Section 149(6) and Schedule IV of the Act read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and his consent to act as Director(s) in Form DIR-2.

Mr. Sanjib Sen (DIN: 07088442) is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

Mr. Sanjib Sen is a designated Senior Advocate at Supreme Court of India and has expertise in Constitutional Law, Corporate and taxation laws, Criminal and Civil laws and has hundreds of reported judgements in all leading law journals. He has taken part in a wide range of arbitrations and has been Arbitrator in several high profile matters. Presently he is in the panel of Arbitrators of Indian Council of Arbitration at FICCI. He has represented top commercial entities in India.

The Board of Directors of the Company believe that the Company would be benefitted by way of strategic guidance, leadership and wider perspective by the appointment of Mr. Sanjib Sen (DIN: 07088442) as an Independent Director on the Board of Directors of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment of Mr. Sanjib Sen (DIN: 07088442) as a "Non-Executive Independent Director" of the Company considering his rich experience and expertise.

The Members are therefore requested to grant their approval by way of passing an Ordinary Resolution for the purpose of appointment of Mr. Sanjib Sen (DIN: 07088442), as a Non-Executive Independent Director of the Company with effect from August 03, 2020, not liable to retire by rotation.

The terms and conditions of appointment of Mr. Sanjib Sen (DIN: 07088442) as an Independent Director would be made available for inspection, upto the date of the meeting, through electronic mode.

The said terms and conditions are also available at the Company's website www.artemishospitals.com. Relevant details relating to appointment of Mr. Sanjib Sen (DIN: 07088442) as required by the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in Annexure - 1 to this Notice.

The Board of Directors recommend the Ordinary Resolution set forth in Item No. 4 for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives other than Mr. Sanjib Sen (DIN: 07088442) are in any way concerned or interested, financially or otherwise, in the proposed Resolution, set out at Item No. 4 of the Notice.

Item No. 5

The Members of the Company may please note that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 03, 2020 had appointed Dr. Gautam Chaudhuri (DIN:: 08801337) as an Additional Director (Independent) subject to approval of the shareholders for a term of 3 (three) consecutive years from August 3, 2020 to August 2, 2023.

The Members may also note that the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 (the Act), proposing candidature of Dr. Gautam Chaudhuri for the office of Director in the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and the Company has also received declarations from Dr. Gautam Chaudhuri that he meets the criteria of independence as stipulated under Section 149(6) and Schedule IV of the Act read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and his consent to act as Director(s) in Form DIR-2.

Dr. Gautam Chaudhuri is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

Dr. Gautam Chaudhuri is a Distinguished Professor and Ex-Executive Chair of the Department of Obstetrics and Gynecology and Distinguished Professor of the Department of Molecular and Medical Pharmacology at UCLA. He completed MBBS from Calcutta University in 1965 and M.D. from All-India Institute of Medical Sciences in 1967. He then obtained a Ph.D. in Pharmacology from London University under the mentorship of a Nobel Laureate.

Dr. Gautam Chaudhuri has already attained the age of 78 years and as per Regulation 17(1A) in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, no listed entity shall appoint a person or continue the Directorship of any person as a Non-Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect.

The Board of Directors of the Company believe that the Company would be benefitted by way of strategic guidance, leadership and wider perspective by the appointment of Dr. Gautam Chaudhuri as an Independent Director on the Board of Directors of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment of Dr. Gautam Chaudhuri as a "Non-Executive Independent Director" of the Company considering his rich experience and expertise.

The Members are, therefore, requested to grant their approval by way of passing of Special Resolution for the purpose of appointment of Dr. Gautam Chaudhuri, as a Non-Executive Independent Director of the Company with effect from August 03, 2020, not liable to retire by rotation.

The terms and conditions of appointment of Dr. Gautam Chaudhuri as an Independent Director would be made available for inspection, upto the date of the meeting, through electronic mode.

The said terms and conditions are also available at the Company's website www.artemishospitals.com. Relevant details relating to appointment of Dr. Gautam Chaudhuri as required by the Companies Act, 2013, the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in Annexure - 1 to this Notice.

The Board of Directors recommend the Special Resolution set forth in Item No. 5 for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives other than Dr. Gautam Chaudhuri is in any way concerned or interested, financially or otherwise, in the proposed Resolution, set out at Item No. 5 of the Notice.

Item No. 6

The Members of the Company may please note that based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on May 22, 2020 had appointed Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as an Additional Director (Independent) subject to approval of the shareholders for a term of 5 (five) consecutive years from May 22, 2020 to May 21, 2025.

The Members may also note that the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 (the Act), proposing candidature of Ms. Deepa Gopalan Wadhwa (DIN: 07862942) for the office of Director in the Company. She is not disqualified from being appointed as Director in terms of Section 164 of the Companies Act, 2013 and the Company has also received declarations from Ms. Deepa Gopalan Wadhwa (DIN: 07862942) that she meets the criteria of independence as stipulated under Section 149(6) and Schedule IV of the Act read with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and her consent to act as Director(s) in Form DIR-2.

Ms. Deepa Gopalan Wadhwa (DIN: 07862942) is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

Ms. Deepa Gopalan Wadhwa has been a distinguished career as a diplomat, who joined the Indian Foreign Service (IFS) in 1979 and retired in December 2015. A graduate from Madras University, she has an undergraduate degree in Chemistry and a post graduate degree in English Literature. Ms. Deepa Gopalan is Chairperson of the India-Japan Friendship Forum, Member Governing Council of the Institute of Chinese Studies and is on the Governing Council of the Asian Confluence based in Shillong.

The Board of Directors of the Company believe that the Company would be benefitted by way of strategic guidance, leadership and wider perspective by the appointment of Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as an Independent Director on the Board of Directors of the Company.

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the appointment of Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as a "Non-Executive Independent Director" of the Company considering her rich experience and expertise.

The Members are therefore requested to grant their approval by way of passing an Ordinary Resolution for the purpose of appointment of Ms. Deepa Gopalan Wadhwa (DIN: 07862942), as a Non-Executive Independent Director of the Company with effect from May 22, 2020, not liable to retire by rotation.

The terms and conditions of appointment of Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as an Independent Director would be made available for inspection, upto the date of the meeting, through electronic mode.

The said terms and conditions are also available at the Company's website www.artemishospitals.com. Relevant details relating to appointment of Ms. Deepa Gopalan Wadhwa (DIN: 07862942) as required by the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are provided in Annexure - 1 to this Notice.

The Board of Directors recommend the Ordinary Resolution set forth in Item No. 6 for approval of the Members.

None of the Directors, Key Managerial Personnel of the Company or their relatives other than Ms. Deepa Gopalan Wadhwa (DIN: 07862942) are in any way concerned or interested, financially or otherwise, in the proposed Resolution, set out at Item No. 6 of the Notice.

Annexure 1

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS & SECRETARIAL STANDARD-2 ON GENERAL MEETINGS

Name of the Directors	Mr. Neeraj Kanwar (DIN: 00058951)	Dr. Gautam Chaudhuri (DIN: 08801337)	Mr. Sanjib Sen (DIN: 07088442)	Ms. Deepa Gopalan Wadhwa (DIN: 07862942)
Date of Birth	06.09.1971	24.04.1942	21.12.1967	28.11.1955
Date of first appointment on the Board	January 17, 2008	August 03, 2020	August 03, 2020	May 22, 2020
Qualifications	An engineering graduate form Lehigh University in Pennsylvania, USA.	MBBS, M.D. and P.HD	L.L.B	Post Graduate
Expertise	He is a Director of Artemis Medicare Services Limited and the Vice Chairman & Managing Director of Apollo Tyres Ltd. Mr. Neeraj Kanwar is a people-centric leader and believes in empowering employees to enable them to undertake effective and efficient decisions at all times. An engineering graduate from Lehigh University in Pennsylvania, USA, Mr. Neeraj Kanwar is an avid sportsperson. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling. As a business leader, Mr. Neeraj Kanwar is associated with leading industry associations and was recently the Chairman of the Automotive Tyre Manufacturer's Association of India.	Dr. Gautam Chaudhuri completed MBBS from Calcutta University in 1965 and M.D. from All-India Institute of Medical Sciences in 1967. He then obtained a Ph.D. in Pharmacology from London University under the mentorship of a Nobel Laureate. He is a Distinguished Professor and Executive Chair of the Department of Obstetrics and Gynecology and Distinguished Professor of the Department of Molecular and Medical Pharmacology at University of California, Los Angeles. He has over 150 Research Publications to his credit. He is also a member of a large number of International & National Doctoral Committees across the world.	Mr. Sanjib Sen is a designated Senior Advocate at Supreme Court of India and has expertise in Constitutional Law, Corporate and taxation laws, Criminal and Civil laws and has hundreds of reported judgements in all leading law journals. He has taken part in a wide range of arbitrations and has been Arbitrator in several high profile matters. Presently he is in the panel of Arbitrators of Indian Council of Arbitration at FICCI. He has represented top commercial entities in India.	Ms. Deepa Gopalan Wadhwa, has been a distinguished career as a diplomat, who joined the Indian Foreign Service (IFS) in 1979 and retired in December 2015. A graduate from Madras University, she has an undergraduate degree in Chemistry and a post graduate degree in English Literature. She has served as Ambassador of India to Japan (2012-2015), Qatar (2009-2012) and Sweden (2005-2009). She was concurrently accredited as Ambassador to Latvia (from Stockholm}, and Republic of the Marshall Islands (from Tokyo). During her career, she has also held other significant assignments in Geneva, Hong Kong, China, The Netherlands, the International Labour Organization (!LO) and the Ministry of External Affairs.
Directorships held in other public companies including private companies which are subsidiaries of public companies (excluding foreign companies)	1. Apollo Tyres Limited 2. PTL Enterprises Limited 3. Sunlife Trade Links Private Limited	NIL	NIL	1. J.K. Cement Limited 2. JK Paper Limited 3. Bengal & Assam Company Limited 4. Mindtree Limited 5. Mukand Sumi Special Steel Limited 6. Corporate Catalyst India Private Limited

Memberships/ Chairmanships of committees across all companies	Member in Audit Committee, Nomination and Remuneration Committee and Stakeholder Relation Committee of PTL Enterprises Limited Member in Business Responsibility Committee of Apollo Tyres Limited	NIL	NIL	Member in stakeholder relationship Committee and Risk Management Committee of J. K. Cement Limited Member in Nomination and remuneration committee of Mindtree Limited
Number of Meetings attended during the year	3 out of 5	NA	NA	NA
Shareholding of Non-Executive Directors	NIL	NIL	NIL	NIL
Key terms and conditions of appointment / reappointment	Non-Executive Director, liable to retire by rotation.	Appointed as an Additional Director (Independent Director) on the Board of Directors of the Company w.e.f. August 03, 2020 for a term upto 3 year subject to the approval of shareholders of the Company.	Appointed as an Additional Director (Independent Director) on the Board of Directors of the Company w.e.f. August 03, 2020 for a term upto 3 year subject to the approval of shareholders of the Company.	Appointed as an Additional Director (Independent Director) on the Board of Directors of the Company w.e.f. May 22, 2020 for a term upto 5 year subject to the approval of shareholders of the Company.
Remuneration sought to be paid	Only Sitting Fees	Only Sitting Fees	Only Sitting Fees	Only Sitting Fees
Remuneration last drawn	Only Sitting Fees paid	NIL	NIL	NIL
Numbers of Shares held in the Company	NIL	NIL	NIL	NIL
Relationships between directors inter-se	Mr. Onkar S. Kanwar, Chairman of the Company is father of Mr. Neeraj Kanwar and Ms. Shalini Kanwar Chand, Director of the company is sister of Mr. Neeraj Kanwar	N.A	N.A	N.A

BOARD'S REPORT

Dear Member,

Your Directors have pleasure in presenting the 16th Annual Report on the business and operations of Artemis Medicare Services Limited ("the Company"), together with the audited financial statements for the financial year ended March 31, 2020.

FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2020 is summarised below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2020	Year ended 31.03.2019	Year ended 31.03.2020	Year ended 31.03.2019
Total Revenue	56,766	55,052	56,961	55,052
Profit Before Depreciation	5,430	5,712	5,326	5,682
Depreciation	2,233	2,007	2,263	2,007
Profit Before Tax	3,197	3,705	3,063	3,675
Provision for Tax	1,154	1,636	1,117	1,636
Net Profit after Tax	2,043	2,069	1,946	2,039

OPERATIONS AND FUTURE OUTLOOK

The Standalone Revenue of the Company for the year ended March 31, 2020 amounted to ₹ 56,766 lakhs as against ₹55,052 lakhs in the previous year. After providing for depreciation and tax, net profit amounted to ₹ 2,043 lakhs as against ₹ 2,069 lakhs in the previous year.

The Consolidated Revenue of the Group for the year ended March 31, 2020 amounted to ₹ 56,961 lakhs as against ₹55,052 lakhs in the previous year. After providing for depreciation and tax, net profit amounted to ₹ 1,946 lakhs as against ₹2,039 lakhs in the previous year. There is no amount proposed to be transferred to reserves.

Incremental wise in manpower and consumable cost with capacity constraint in the hospital lead to a near stagnant growth. To Keep the growth momentum, it was decided to increase capacity by at least 40 to 50% by constructing the new tower in FY 20-21 when covid-19 pandemic was not anticipated.

It is also pertinent to highlight that COVID 19 pandemic has resulted in disruption in regular business operation due to lockdown and travel bans (both domestic and international) since March 2020. However, the company has adopted measures to ensure business continuity with minimal disruption and the company believes that the COVID 19 pandemic will only have a short-term impact on its operations and after complete easing of lockdown and travel restrictions, the business is expected to return to normal.

DIVIDEND

The Board of Directors of your Company have not recommended any dividend for the year under review.

BOARD OF DIRECTORS

a) **Directors and Key Managerial Personnel**

Mr. Onkar S. Kanwar, Non-Executive Chairman, Dr. Nirmal Kumar Ganguly, Non-Executive Director and Dr. S. Narayan, Non-Executive Independent Director on the Board had attained the age of 75 years. Accordingly, as per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, continuation of their directorship were approved by the Shareholders of the Company at its meeting held on August 7, 2019.

Dr. S. Narayan was re-appointed as Independent Director w.e.f. September 12, 2019 for another term of five years i.e. upto September 11, 2024. The same was approved by the Board of Directors and Shareholders at its meeting held on July 29, 2019 and August 7, 2019, respectively.

Dr. Sanjaya Baru was re-appointed as Independent Director w.e.f. September 12, 2019 for another term of five years i.e. upto September 11, 2024. The same was approved by the Board of Directors and Shareholders at its meeting held on July 29, 2019 and August 7, 2019, respectively.

The members approved the appointment of Mr. Ugar Sain Anand (DIN: 02055913) and Mr. Sunil Tandon (DIN: 08342585) as Independent Directors w.e.f. October 10, 2019 on March 24, 2020.

Ms. Deepa Gopalan Wadhwa was appointed as Additional Director (Independent) on the Board of the Company w.e.f. May 22, 2020.

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

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mr. Neeraj Kanwar (DIN: 00058951) Director of the Company, will retire by rotation at the ensuing Annual General Meeting, and being eligible offers himself for re-appointment. The Board recommends his re-appointment.

None of the aforesaid Directors are disqualified under Section 164(2) of the Companies Act, 2013. Further, they are not debarred from holding the office of Director pursuant to order of SEBI or any other authority. The Board hereby confirms that all the independent Directors of the Company have given declaration and have confirmed that they met the criteria of Independence as prescribed under the Act and the Listing Regulation.

Mr. Saurabh Srivastava had resigned from the position of Independent Director of the Company with effect from May 13, 2019 due to personal reasons. The Board places on record its appreciation towards valuable contribution made by Mr. Saurabh Srivastava during his tenure as Director of the Company.

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

Dr. Devlina Chakravarty was appointed as Managing Director (Key Managerial Personnel) with effect from April 1, 2020. The Board approved the same at its meeting held on February 4, 2020 subject to shareholders' approval through postal ballot, which was duly accorded by Shareholders of the Company on March 24, 2020.

There are no other changes in the Key Managerial Personnel of the Company.

b) **Declaration by Independent Directors**

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

c) **Annual Performance Evaluation**

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

The Company has formulated a questionnaire to assist in evaluation of annual performance of the Board as a whole, it's Committee(s) and individual Directors including the Chairman of the Board. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself by rating the performance on each question on the scale of 1 to 5, 1 being Unacceptable and 5 being Exceptionally Good. On the basis of the response to the questionnaire, a matrix reflecting the ratings was formulated and placed before the Board for formal annual evaluation by the Board of its own performance and that of its Committees and Individual Directors. The Board was satisfied with the evaluation results.

d) **Separate Meeting of Independent Directors**

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 11, 2020.

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

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

e) **Remuneration Policy**

A Nomination & Remuneration Policy was laid down by the Board, on the recommendation of the Nomination & Remuneration Committee, for selection and appointment of the Directors, Key Managerial Personnel and Senior Management and their remuneration.

The Nomination & Remuneration Policy of the Company is available on the website of the Company and the web link is: https://www.artemishospitals.com/investors.

f) **Code of Conduct for Directors and Senior Management**

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

COMPOSITE SCHEME OF AMALGAMATION

The members may please note that the Board at its meeting held on May 9, 2018, approved Composite Scheme of Amalgamation between Artemis Medicare Services Limited (Company), Artemis Global Life Sciences Ltd.(AGLSL), Artemis Health Sciences Limited (AHSL) and Athena Eduspark Limited (AEL) and their respective shareholders and creditors, a copy of the draft Composite Scheme of Amalgamation had been filed with the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) for their approval.

The Bombay Stock Exchange and National Stock Exchange vide their letters dated September 5, 2018 & September 14, 2018, respectively had communicated to the company that they have no adverse observation on the Composite Scheme of Amalgamation.

Subsequent to the Stock Exchange approval, the Composite Scheme of Amalgamation was filed with the National Company Law Tribunal, New Delhi (NCLT) and NCLT vide its order dated September 30, 2019 approved the Composite Scheme of Amalgamation. Certified copy of the order was received on October 1, 2019.

Subsequently, the Company has got in-principle approvals from NSE & BSE vide letters dated December 9, 2019 and December 19, 2019, respectively.

Further, the Company has received the Listing and Trading approvals from NSE & BSE vide letters dated January 21, 2020. The trading of equity shares of the Company has also started with effect from January 23, 2020. The approval letters dated January 21, 2020 were received from NSE & BSE.

MATERIAL CHANGES AND COMMITMENTS

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

SIGNIFICANT MATERIAL ORDERS PASSED BY REGULATORS

No significant material orders have been passed during the year under review by the regulators or courts or tribunals impacting the going concern status and Company's operations in future, except the approval of Composite Scheme of Amalgamation by the National Company Law Tribunal, New Delhi (NCLT) vide its final order dated September 30, 2019.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

INTERNAL FINANCIAL CONTROLS

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

There are adequate internal Financial Controls with reference to Financial Statement in place.

The policies and procedures adopted by the Company ensures orderly and efficient conduct of the business, including adherence to company's policies, safeguarding the assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

SUBSIDIARY/ HOLDING/ASSOCIATE COMPANIES

Your company is the holding Company of Artemis Cardiac Care Private Limited. Your Company is the Subsidiary Company of Constructive Finance Private Limited.

In accordance with the provisions of Companies Act, 2013 ("the Act") and Ind AS 110 - Consolidated Financial Statement read with the other applicable standards, the audited consolidated financial statement is provided in the Annual Report. As per the provisions of Section 129 of the Companies Act, 2013, the consolidated financial statements of the Company are attached in the Annual Report.

A statement containing brief financial details of Subsidiary Company for the year ended March 31, 2020, forms part of the Annual Report.

A statement in Form AOC-1 containing the salient features of the financial statements of the Company's Subsidiaries, Associates and Joint Venture is also attached with financial statements.

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

MATERIAL SUBSIDIARIES

Your Company has no material subsidiaries

DEPOSITS

During the year under review, your Company did not accept deposits covered under Chapter V of the Companies Act, 2013.

AUDITORS

M/s. SCV & Co. LLP, Chartered Accountants (Firm Registration No.000235N/ N500089), were appointed as Statutory Auditors of your Company, for a period of three years from 2018-19 to 2020-2021 at the Annual General Meeting held on August 3, 2018.

AUDITOR'S REPORT

The report given by M/s. SCV & Co. LLP, Chartered Accountants, Statutory Auditors on financial statements of the Company for FY 2019-20 is part of the Annual Report. The comments on statement of accounts referred to in the report of the Auditors are self-explanatory. The Auditors' Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors had not reported any matter under Section 143(12) of the Companies Act, 2013. Therefore no detail is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

COST AUDIT

The Board at its meeting held on April 26, 2019 had approved the re-appointment of M/s. Chandra Wadhwa & Co., Cost Accountants as Cost Auditors of the Company for FY 2019- 20 at a remuneration of ₹ 1,35,000/- besides applicable taxes and reimbursement of out of pocket expenses.

Based on the recommendation of Audit Committee at its meeting held on May 22, 2020, M/s. Chandra Wadhwa & Co, the present Cost Auditors were re-appointed for carrying out cost audit for FY2021, subject to ratification by the shareholders at the ensuing Annual General Meeting.

A letter dated May 14, 2020 has been received from M/s. Chandra Wadhwa & Co, confirming that their appointment would be within the limits specified under the provisions of Companies Act, 2013 and they are free from any disqualifications specified under Section 141(3) read with Section 139 and 148(5) of the Companies Act, 2013.

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

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s Chandrasekaran Associates, Practicing Company Secretaries as Secretarial Auditors of the Company for the financial year 2019-20 The Secretarial Audit Report and Secretarial Compliance Report under Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 submitted by them for the Financial Year 2019-20 in the prescribed form MR- 3 is attached as Annexure – I and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2019-20 which call for any explanation from the Board of Directors.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2019-20, 5 (five) Board meetings were held. Please refer to the section 'Board of Directors- Number of Board Meetings, in Corporate Governance Report which forms integral part of this report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of all Board/ Committee meetings held are given in the Corporate Governance Report.

AUDIT COMMITTEE

The details of the Audit Committee including its composition and terms of reference mentioned in the Corporate Governance Report forming part of Board's Report. The Board, during the year under review had accepted all recommendations made to it by the Audit Committee.

VIGIL MECHANISM

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

COMMITTEES OF BOARD

As per the requirements under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various Committees of the Board such as Audit Committee,

Nomination & Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. The details of composition and terms of reference of these Committees are mentioned in the Corporate Governance Report.

SHARE CAPITAL

The Company has allotted on October 26, 2019 an aggregate of 1,32,37,700 Equity Shares of ₹ 10/- each to shareholders of Artemis Global Life Sciences Limited pursuant to the Scheme approved by NCLT Delhi, vide its order dated September 30, 2019.

During the year under review, on October 14, 2019, the Authorised Share Capital of the Company was increased from ₹ 25,00,00,000/- (Rupees Twenty Five Crore only) to ₹ 70,05,00,000/- (Rupees Seventy Crore and Five Lakhs Only) pursuant to the Scheme approved by NCLT Delhi, vide its order dated September 30, 2019.

As on March 31, 2020, the Authorized Share Capital of the Company is ₹ 70,05,00,000/- (Rupees Seventy Crore and Five Lakhs Only) consisting of 6,95,50,000 Equity Shares of ₹ 10/- each and 50,000 11% Non-Cumulative Preference Shares of ₹ 100/- each and the Paid up Share Capital of the Company is ₹ 13,23,77,000/- (Rupees Thirteen Crore Twenty Three Lakhs and Seventy Seven Thousand Only) consisting of 1,32,37,700 Equity Shares of ₹ 10/- each.

a. **Issue of equity shares with differential rights**

Your Company has not issued any equity shares with differential rights during the year under review.

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to the requirements under Section 134(3) (g) of the Companies Act, 2013 the particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013 as at end of the Financial Year 2019-20 are attached as Annexure - II which forms part of this report.

RELATED PARTY TRANSACTIONS

All arrangements/ transactions/ contracts entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

During the year under review, the Company had not entered into any arrangement/ transaction/ contract with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Suitable disclosures as required by the Indian Accounting Standards have been made in the notes to the financial statements. The policy on related party transactions as approved by the Board is uploaded on the Company's website.

MANAGERIAL REMUNERATION

The details required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Corporate Governance Report.

PARTICULARS OF EMPLOYEES

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

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

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

During the year under review, no case was reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AWARDS AND RECOGNITIONS

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

Name of the Award	Awarding Year	Rewarding organization
First position in CII National HR Circle Competition (Stream: Innovative Leadership during Crisis)	2020	Confederation of Indian Industry (CII)
Kayakalp Award for Excellence in promoting cleanliness, hygiene and infection control	2019	Quality Council of India in association with Ministry of Health and Family Welfare, Government Of India
Healthcare HR Excellence Award	2019	Rxcruit
Indian Healthcare Excellence Award	2019	Brands Win
Excellence in Healthcare Award at "India's Most Trusted Healthcare Awards 2019" (Best Bone Marrow Transplant Centre in North India)	2019	My Brand Better
One of India's Top 50 Companies with GPMS (Great People Managers Study)	2019	Great Manager Institute in association with Forbes India
D.L. Shah Quality Silver Award– For the case study End to End Care Delivery	2019	Quality Council of India

RISK MANAGEMENT POLICY

A Risk Management Committee (RMC) of the Board is constituted by the Company comprising of Directors and Senior Executives of the Company. The RMC has a Risk Management Charter and Policy that is intended to ensure that an effective Risk Management framework is established and implemented within the organisation.

Further, it has established procedures to periodically place before the Audit Committee, the risk management and assessment measures.

CORPORATE SOCIAL RESPONSIBILITY

The Company has a well-defined Policy on CSR as per the requirement of Section 135 of the Companies Act, 2013 which covers the activities as prescribed under Schedule VII of the Companies Act, 2013. The Company has an in-house department which is exclusively working towards that objective. The Company is carrying out its CSR Activities through Registered Trusts.

Corporate Social Responsibility Report, pursuant to clause (o) of Sub-Section (3) of Section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 forms part of this Report as Annexure IV.

The CSR Policy of the Company is available on the website of the Company and the web link is: - https://www.artemishospitals.com/investor

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

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

ANNUAL RETURN

The extract of Annual Return as on March 31, 2020 in the prescribed form MGT-9, pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure -VI.

As per Section 134(3)(a) of the Companies Act, 2013 the annual return referred to in Section 92(3) has been placed on the website of the Company www.artemishospitals.com under the investor section.

CORPORATE GOVERNANCE

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

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

The compliance report on Corporate Governance and the Certificate on Corporate Governance dated May 22, 2020 received from M/s. SCV & Co. LLP, Chartered Accountants (Firm Registration No.000235N/ N500089), Statutory Auditor, of the Company, regarding compliance of the conditions of Corporate Governance, as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached herewith as part of Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Director's Responsibility Statement, the Directors confirm:

a) That in the preparation of the annual accounts, for the year ended March 31, 2020 the applicable accounting standards have been followed and no material departures have been made from the same;

b) That they had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit and loss of the Company for that period;

c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That they had prepared the annual accounts on a going concern basis; and

e) That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

All applicable Secretarial Standards had been complied with by your Company during the year under review.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

Annexure-I

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') effective on Company from January 23, 2020:

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 to the extent applicable;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable

(vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

1. Atomic Energy Act, 1962 & Atomic Energy (Safe Disposal of Radioactive Wastes) Rules, 1987
2. Bio Medical Waste (Management and Handling) Rules, 1998
3. Legal Metrology Act, 2009 & Rules
4. Food Safety & Standard Act, 2006 and allied acts/rules/regulations
5. Drugs & Cosmetics Act, 1940 read with the Drugs & Cosmetics Rules
6. The Narcotics Drugs and Psychotropic Substances Act, 1985
7. Registrations of Births & Deaths Act, 1969 read with Haryana Registration of Births and Death Rules 2002 and Delhi Registration of Births and Death Act, 1969
8. The Medical Termination of Pregnancy Act, 1971 read with 2002 Amendments and The Medical Termination of Pregnancy Rules, 2003
9. Pre-Conception and Pre-Natal Diagnostic Techniques Act, 1994 read with The Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuses) Rules, 1996
10. The Indian Medical Council Act, 1956 and the Indian Medical Council (Amendment) Act, 2001 and Indian Medical Council (Professional conduct, Etiquette and Ethics) Regulations, 2002
11. The Indian Nursing Council Act, 1947 read with The Punjab Nurses Registration Act, 1932
12. Delhi Nursing Council Act, 1997
13. Delhi Nursing Home Registration Act, 1953 read with Rules/Regulations and similar Acts as applicable in States other than Delhi including Clinical Establishments (Registration and Regulation) Act, 2010 read with Rules
14. Transplantation of Human Organs Act, 1994 read with Transplantation of Human Organs Rules, 1995
15. The Epidemic Diseases Act, 1897
16. The Drugs Control Act, 1950
17. Pharmacy Act, 1948
18. Clinical Thermometers Quality Control Order, 2001
19. Dentist Act, 1948 and Dentist (Code of Ethics) Regulations, 1976
20. The Municipal Corporation Act, 1976 read with allied Rules/ Regulations
21. Haryana Municipal Corporation Act, 1994 read with Rules/Regulations
22. Delhi Municipal Corporation Act, 2011 read with Rules/ Regulations
23. Motor Vehicles Act, 1988, Central Motor Vehicles Rules, 1989 and Motor Vehicles Rules, 1993
24. Maintenance of Medico Legal cases and Medical Consents
25. Ethical Guidelines for Bio-Medical Research on Human Participants, ICMR
26. ICH Harmonized tripartite Guideline for Good Clinical Practice.
27. Guidelines for laboratory practices by National Accreditation Board for Testing and Calibration Laboratories
28. National guidelines for Ethical Conduct
29. Essential Commodities Act, 1955

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India:

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective on Company from January 23, 2020.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except delayed filing of forms in few cases.

The Company has complied with the applicable provisions of the CSR during the financial year under review. However, the Company has proposed to carry forward the unspent amount, out of the total amount allocated for CSR activities, for the period under review to the coming financial years.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

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

1. The National Company Law Tribunal, New Delhi Bench vide its order dated September 30, 2019 approved the Amalgamation of Artemis Health Sciences Limited, Athena Eduspark Limited and Artemis Global Life Sciences Limited with Artemis Medicare Services Limited through a composite Scheme of Amalgamation.

2. NSE and BSE vide letter dated January 21, 2020 has allowed listing of 1,32,06,240 Equity Shares of ₹ 10/- of Artemis Medicare Services Limited on their respective Stock Exchange with effect from January 23, 2020.

3. The Company has altered its Articles of Association of the Company in its Annual General Meeting held on August 26, 2019.

For Chandrasekaran Associates
Company Secretaries

Sd/-
Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715

Place : New Delhi
Date : May 22, 2020

Note:

1. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

2. Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., provided by way of electronic mode by the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct.

3. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2019-2020. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

Annexure A

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflect1ed in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries

Sd/-
Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS 1644
Certificate of Practice No. 715

Place : New Delhi
Date : May 22, 2020

Annexure-II

Particulars of Loans, Guarantees or investments under section 186 of the Companies Act, 2013 as on 31.03.2020

(₹ in Lakhs)

Name of the Body Corporate	Loans given	Investments	Guarantees given	Aggregate as on 31.03.2020
In Wholly Owned subsidiaries	--	--	--	--
In subsidiaries/JV	--	169	1500	1669
In Associates	--	--	--	--
In Others	--	--	--	--
TOTAL	**--**	**169**	**1500**	**1669**

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

Annexure-III

Details under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014		
Rule	Particulars	Details of Remuneration
5.1	The Ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year.	Dr Devlina Chakravarty – 157
5.2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY-2019-20	Dr. Devlina Chakravarty - 10% Mr. Sanjiv Kumar Kothari – 5% Mr. Rakesh Kumar Kaushik – NA (as joined on February 4, 2019)
5.3	The percentage increase in the median remuneration of employees in the financial year.	8.3%
5.4	The number of permanent employees on the rolls of the company	1745
5.5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof.	Salaries of employees – 8.5% Managerial remuneration – 10%
5.6	The key parameters for any variable component of remuneration availed by the directors;	NIL
5.7	Affirmation that the remuneration is as per the remuneration policy of the company.	Affirmed

Point	Name	Designation	Qualification	D.O.J.	Age	Exp.	Remune-ration (₹ in Lacs)	Previous Employment	Last Designation	Remarks
i)	**Employed throughout the year**									
	Dr. Devlina Chakravarty	Managing Director	MBBS; MD (Radio Diagnosis); PG in Hospital Management	4-Jan-07	53	22.8	515.46	Max Healthcare Institute Limited	HOD - Radiology	*Employed through out the year and Gross Total Income is > 1.20 Cr.
	Dr. Manjinder Singh Sandhu	Director Cardiology & Artemis Cardiac Care	MBBS; DNB; DM;	11-Jul-11	56	19.3	307.83	Batra Hospital	Sr. Consultant	*Employed through out the year and Gross Total Income is > 1.20 Cr.
ii)	**Employed part of the year**									
	Mr. Partha Dey	Chief Operating Officer	MSc. DHM	2-May-19	49		97.02	IMB India Pvt. Ltd.	Project Manager	Employed part of the year and Gross Total Income >8.50 Lakhs per month

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

Annexure-IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

S. No.	Particulars	Amount
1	Total amount to be spent for the FY 2019-20	**72.66 Lakhs,** plus **49.13 Lakhs** carry forwarded from previous financial year
2	Amount unspent, if any:	**6.52 Lakhs**

3. Manner in which the amount spent during the financial year:

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise (₹)	Amount spent on the projects or programs (i) Direct Expenditure on Projects or Programs (ii) Overheads (₹)	Cumulative expenditure up to the reporting period i.e. March 31, 2020 (₹)	Amount spent Directly or through implementing agency
1.	Boondh	Water Conservation	District Gurugram, Haryana	52.65 Lakhs (for FY19-20 only)	55.26 Lakhs	55.26 Lakhs	Forum for Organized Resource Conservation and Enhancement (FORCE)
2.	Wild life conservation	Divisional Wildlife Office, Gurugram	Gurugram	60 Lakhs	60 Lakhs	Divisional Wildlife Office, Gurugram	Wild life conservation

*Amount spent in FY 19-20 for BOONDH includes the carry forward amount for the year 18-19 as well. Also please note that the unspent amount of ₹ 6.52 is only for FY-19-20. Since the current projects under CSR is going on, hence the unspent amount ₹ 6.52 lakhs is carried forward for the next FY.

For and on behalf of the Board of Directors

Sd/-
Shalini Kanwar Chand
Chairperson

Sd/-
Dr. Devlina Chakravarty
Managing Director

Place : Gurugram
Date : May 22, 2020

Annexure-V

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

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

(A) Conservation of energy

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

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

- To interpret, plan and manage energy conservation programs in hospital Complex
- To reduce carbon emission and maximize savings by maximizing State Electricity Utilization and reducing DG set running.
- Establish systems and procedures to verify, measure and monitor Energy Efficiency (EE) improvements
- To maintain / upgrade equipment up to best energy efficient standards
- To create awareness among all users about energy conservation
- Energy consumption monitoring & controlling
- Light, Lift & AC switching is being controlled during the non-business hours. There is schedule available to control the lighting/Lift/HVAC system during the non-business hours.
- Installed VFD on not stop air handing units in HVAC system
- Replaced the old UPS system with new technology & energy efficient system (120KVA x3 and 80 KVA x 2)
- Replaced the 350Tr old cooling tower of chiller machine with CTI approved cooling tower.
- Installed the solenoid coil system in the overhead tanks in Nurse hostel building for water conservation .

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

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

(iii) The capital investment on energy conservation equipment:

As, energy costs comprises a very small part of Company's total expenses, the financial implications of these measures are not material.

(B) Technology Absorption

(i) The efforts made towards technology absorption:

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

(ii) Benefits derived as a result of the above efforts, e.g, product improvement, cost reduction, product development, import substitution etc.:

- Better and efficient patient safety and care.
- Cost Reduction

(iii) In case of imported technology (imported during last 3 years reckoned from the beginning of the financial year)- The Company is indulged in the business of providing healthcare services and it continues to use the latest technology in medical equipment's to serve the patients better.

(i) the expenditure incurred on Research and Development:

Particulars	Year ended 31.03.2020 (₹ in Lakhs)
Capital Expenditure	Nil
Recurring Expenditure	191.13
Total R & D expenditure as a % of sale (as per P & L account)	0.34%

(C) FOREIGN EXCHANGE EARNING AND OUTGO

Particulars	Amount (₹ in Lakhs)
Foreign Exchange Earnings	10531.84
Foreign Exchange Expenditure	262.07
Value of Imports on CIF Basis	340.72

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
(Chairman)

Place : Gurugram
Date : May 22, 2020

Annexure-VI

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I REGISTRATION & OTHER DETAILS:

i.	CIN	**L85110DL2004PLC126414**
ii.	Registration Date	**18/05/2004**
iii.	Name of the Company	**Artemis Medicare Services Limited**
iv.	Category/Sub-Category of the Company	**Public Company, Limited by Shares**
v.	Address of the Registered Office and contact details	**Plot No. 14, Sector 20, Dwarka New Delhi-110075, India Ph:-0124-6767999 Website: www.artemishospitals.com Email: rakesh.kaushik@artemishospitals.com**
vi.	Whether listed company	**Yes**
vii.	Name, Address and Contact details of Registrar and Transfer Agent ,if any	**Alankit Assignments Limited, 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi - 110055. Fax No. - 011-23552001 Phone No. - 011 - 42541234/011 - 23541234 Website - www.alankit.com e-mail - info@alankit.com**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Healthcare Services	86100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl No	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable section
1.	Constructive Finance Private Limited	U67120DL1988PTC250410	Holding	69.82%	Section 2(46)
2.	Artemis Cardiac Care Private Limited	U85110DL2019PTC344351	Subsidiary Company	65%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual	-	-	-	-	500	0	500	0	NIL
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Body Corp.	21035000	-	21035000	100	9242579	0	9242579	69.82	-
e) Banks/ FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	**21035000**	**-**	**21035000**	**100**	**9243079**	**0**	**9243079**	**69.82**	**NIL**
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other….	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**21035000**	**-**	**21035000**	**100**	**9243079**	**0**	**9243079**	**69.82**	NIL
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds/UTI/ Alternate Investment Fund	-	-	-	-	41433	-	41433	0.31	-
b) Banks / FI					119700	520	120220	0.91	
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	--	-	-	-	974960	-	974960	7.37	-
KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION					300000		300000	2.27	
GOVERNOR OF KERALA					674960		674960	5.10	
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	**-**	**-**	**-**	**-**	**1136093**	**520**	**1136613**	**8.59**	**-**
2. Non-Institutions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
A) i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	-	-	-	-	777781	152613	930394	7.03	-
A) ii) shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	287276	28200	315476	2.38	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B) Other Specify	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	3475	-	3475	0.03	-
Non Resident Indians					3,00,986	2250	303236	2.29	
Unclaimed Suspense A/c					187920	-	187920	1.42	
Bodies Corporate					1035396	-	1035396	7.82	
Non Resident Non Repartriates					11225	-	11225	0.08	
Trust					270		270	0	
HUF	-	-	-	-	70616	-	70616	0.53	-
Sub-total (B)(2):-	**-**	**-**	**-**	**-**	**2674945**	**183063**	**2858008**	**21.59**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**-**	**-**	**-**	**-**	**3811038**	**183583**	**3994621**	**30.18**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**21035000**	**-**	**21035000**	**100**	**13054117**	**183583**	**13237700**	**100.00**	

(ii) SHAREHOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Artemis Health Sciences Limited	21035000	100%	NIL	NIL	NIL	NIL	
2.	Mr. Onkar S Kanwar				500	0	NIL	
3.	Constructive Finance (P) Ltd	NIL	NIL	NIL	9242579	69.82%	NIL	
	Total	**21035000**	**100%**	**NIL**	**9243079**	**69.82%**	**NIL**	

Note: Pursuant to the Scheme of Amalgamation passed the NCLT, Delhi on September 30, 2019, the Promoters of the Company has changed.

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):

Sl No.	Folio / DP-ID & Client ID	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
		At the beginning of the year	21035000	100%	21035000	100%
1.		Artemis Health Sciences Limited	21035000	100%	21035000	100%
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):				
		At the End of the year	9243079	69.82%	9243079	69.82%
1.		**Mr. Onkar S. Kanwar**	500	0%	500	0%
2.		**Constructive Finance Pvt Ltd.**	9242579	69.82%	9242579	69.82%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): As on 31.03.2020

Sl No.	DPID / CLIENTID / FOLIO	Name of Shareholder	Shareholding at the beginning of the year		Date of Change in share-holding	Increase/ Decrease in Share-holding	Reason for Increase/ Decrease	Commulative Shareholding	
			No. of Shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	IN300239 10664696	GOVERNOR OF KERALA	--	--	--	--	--	674960	5%
2.	IN300239 10150207	KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION	--	--	--	--	--	300000	2.20%
3.	IN303028 68749775	RAFIQUE DAWOOD	--	--	--	--	--	283153	2.14%
4.	1201910103655800	EXPERT GLOBAL VENTURES PRIVATE LIMITED	--	--	--	--	--	225519	1.70%
5.	1201910103655903	TTJ VENTURES PRIVATE LIMITED	--	--	--	--	--	224827	1.70%
6.	IN300118 11699295	ARTEMIS MEDICARE SERVICES LIMITED-UNCLAIMED SUSPENSE ACCOUNT	--	--	--	--	--	187920	1.42%
7.	IN303639 10003060	NISHTHA INVESTMENT & CONSULTANCY SERVICES PVT. LTD.	--	--	--	--	--	155360	1.17%
8.	IN300966 10536678	S S TEXOFAB PRIVATE LIMITED	--	--	--	--	--	148372	1.12%
9.	1302080000000019	BANK OF INDIA	--	--	--	--	--	119700	0.90%
10.	IN302679 32700732	ALOK AGARWAL	--	--	--	--	--	76106	0.57%

(v) Shareholding of Directors & Key Managerial Personnel

Sl No.	Name of the Director/KMP	Shareholding at the beginning/end of the year		Cumulative Shareholding at the beginning/during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mr. Onkar S. Kanwar - Chairman & Non-Executive Director				
	At the beginning of the year (April 01, 2019)	500	0	500	0
	Transaction (Purchase/Sale) from April 01, 2019 upto March 31, 2020)	-	-	-	-
	At the end of the year (March 31, 2020)	500	0	500	0

The following Directors /Key Managerial Personnel (KMP) did not hold any shares during FY20:

(i) Mr. Akshay Chudasama, Director (ii) Ms. Shalini Kanwar Chand, Director (iii) Mr. Neeraj Kanwar, Director (vi) Dr. S. Narayan, Director (v) Mr. Ugar Sain Anand, Director (vi) Dr. Nirmal Kumar Ganguly, Director (vii) Dr. Sanjaya Baru, Director (viii) Dr. Devlina Chakravarty, Director (ix) Mr. Sunil Tandon, Director (x) Mr. Sanjiv Kumar Kothari, CFO-KMP and (xi) Mr. Rakesh Kumar Kaushik, Company Secretary-KMP

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	11,255.13	31.03	-	11,286.16
ii) Interest due but not paid	51.47	0.77	-	52.24
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**11,306.60**	**31.80**	**-**	**11,338.40**
Change in Indebtedness during the financial year				
Addition	2,850.85	-	-	2,850.85
Reduction	4,827.43	31.03	-	4,858.46
Net Change	**(1,976.58)**	**(31.03)**	**-**	**(2,007.61)**
Indebtedness at the				
end of the financial year				
i) Principal Amount	9,278.55	-	-	9,278.55
ii) Interest due but not paid	44.10	-	-	44.10
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**9,322.65**	**-**	**-**	**9,322.65**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager	Total Amount
1	Gross salary	Dr. Devlina Chakravarty-Managing Director	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	483.66	483.66
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5.57	5.57
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission		
	- as % of profit		
	- others, specify…	--	--
5	Others-Retirals	26.22	26.22
	Total (A)	515.46	515.46

B. Remuneration to other directors:

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Name of the Directors						Total
	1. Independent Directors	Mr. Akshay Chudasama	Dr. S. Narayan	Dr. Sanjaya Baru	Mr. U.S. Anand	Mr. Sunil Tandon	Mr. Saurabh Srivastava (Resigned on May 13, 2019)	
	Fee for attending board / committee meetings	4.80	5.25	3.65	2.90	1.20	0.50	18.30
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	**4.80**	**5.25**	**3.65**	**2.90**	**1.20**	**0.50**	**18.30**
	2. Other Non-Executive Directors	Mr. Onkar S. Kanwar	Mr. Neeraj Kanwar	Ms. Shalini Kanwar Chand	Dr. Nirmal Kumar Ganguly			
	Fee for attending board / committee meetings	3.95	2.30	4.00	2.60	-	-	12.85

	Commission	-	-	-	-	-	-	
	Others, please specify (Professional Fees)	-	-	-	19.61	-	-	19.61
	Total (2)	**3.95**	**2.30**	**4**	**22.21**	**-**	**-**	**32.46**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Company Secretary (Mr. Rakesh Kumar Kaushik)	**CFO (Mr. Sanjiv Kumar Kothari)**
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	65.92	65.56
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.58	1.25
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--
2	Stock Option	--	--
3	Sweat Equity	--	--
4	Commission		
	- as % of profit		
	- others, specify…	--	--
5	Others-Retirals	5.04	5.09
	Total	**71.54**	**71.90**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

There were no penalties/ punishment/ compounding of offences under Companies Act for the year ended March 31, 2020

For and on the behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

REPORT ON CORPORATE GOVERNANCE

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

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

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

1. CORPORATE GOVERNANCE PHILOSOPHY

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

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

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

a. Transparency by classifying and explaining the Company's policies and actions to those towards whom it has responsibilities, including its employees. This implies the maximum possible disclosures without hampering the interests of the Company and those of its stakeholders. The Company believes in promotion of ethical values and setting up exemplary standards of ethical behaviour in our conduct towards our business partners, colleagues, shareholders and general public;

b. Accountability is a key pillar, where there cannot be a compromise in any aspect of accountability and full responsibility, even as the management pursues profitable growth for the Company;

c. Professionalism ensures that management teams at all levels are qualified for their positions, have a clear understanding of their roles and are capable of exercising their own judgment, keeping in view the Company's interests, without being subject to undue influence from any external or internal pressures;

d. Trusteeship brings into focus the fiduciary role of the management to align and direct the actions of the organisation towards creating wealth and shareholder's value in the Company's quest to establish a global network, while abiding with global norms and cultures;

e. As part of Corporate Responsibility, the Company believes in working towards sustainable development - environmental and social. Though the journey on sustainability is recent, it is already a key pillar in its next five-year growth journey;

f. Safeguarding integrity ensures independent verification and truthful presentation of the Company's financial position. For this purpose, the Company has also constituted an Audit Committee which pays particular attention to the financial management process;

g. Continuous focus on training and development of employees and workers to achieve the overall corporate objectives while ensuring employee integration across national boundaries.

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

2. BOARD OF DIRECTORS

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

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

a) Composition of Board: The size and composition of the Board meet the requirements of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company's Board of Directors consists of 10 Directors including, Executive and Non-Executive Directors and leading professionals in their respective fields. The following is the percentage of Executive and Non-Executive Directors of the Company as on March 31, 2020:

Category of Directors	No. of Directors	% of total no. of Directors
Executive	1	10
Non-Executive (including Independent Directors)	9	90
Total	**10**	**100**

The constitution of the Board and attendance record of Directors for FY20 are given below:

Name/ Designation of Director	Executive/ Non-Executive/ Independent	No. of positions held in Other Companies		Directorship in listed Company(s)		No. of Board Meetings Attended(3)	Attendance at last AGM
		Board(1)	Committee(2)	Name of the Company	Position Held		
Mr. Onkar S. Kanwar, Chairman	Promoter, Non-Executive	4	2	Apollo Tyres Limited PTL Enterprises Ltd.	Chairman Chairman	5	No
Mr. Neeraj Kanwar	Non-Executive	2	3	Apollo Tyres Limited	Executive	3	No

Name/ Designation of Director	Executive/ Non-Executive/ Independent	No. of positions held in Other Companies		Directorship in listed Company(s)		No. of Board Meetings Attended(3)	Attendance at last AGM
		Board(1)	Committee(2)	Name of the Company	Position Held		
				PTL Enterprises Ltd.	NED		
Ms. Shalini Kanwar Chand	Non-Executive	0	0	NIL	N.A.	4	No
Dr. S. Narayan	Independent	7	3	Apollo Tyres Limited Dabur India Ltd. IIFL Finance Ltd. Seshasayee Paper & Boards Ltd.	ID ID ID ID	5	Yes
Mr. Akshay Chudasama	Independent	2	2	Apollo Tyres Limited Bata India Ltd.	ID ID	4	No
Mr. Ugar Sain Anand[4]	Independent	2	2	PTL Enterprises Limited	ID	3	N.A.
Dr. Sanjaya Baru	Independent	1	2	Wockhardt Limited	ID	4	No
Mr. Nirmal Kumar Ganguly	Non-Executive	1	0	NIL	N.A.	4	Yes
Dr. Devlina Chakravarty	Executive	2	0	NIL	N.A.	4	Yes
Mr. Sunil Tandon[5]	Independent	1	0	NIL	N.A.	2	N.A.
Mr. Saurabh Srivasvata[6]	Independent	-	-	-	-	1	N.A.

(1) This includes Directorships held in Public Ltd. Companies and Subsidiaries of Public Ltd. Companies and excludes Directorships in Section 8 Companies and Private Ltd. Companies and Overseas Companies.

(2) For the purpose of Committees of Board of Directors, only Audit and Stakeholders' Relationship Committees in other Public Ltd. Companies and Subsidiaries of Public Ltd. Companies are considered.

(3) During FY20, five Board Meetings were held.

(4) Pursuant to the Companies Act, 2013, Mr. Ugar Sain Anand was appointed as an Independent Director with effect from October 10, 2019.

(5) Pursuant to the Companies Act, 2013, Mr. Sunil Tandon was appointed as an Independent Director with effect from October 10, 2019.

(6) As on March 31, 2020, Mr. Saurabh Srivasvata shall not be treated as an Independent Director. He ceases to be a Director w.e.f. May 13, 2019.

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

Mr. Nirmal Kumar Ganguly, Non-Executive Director of the Company, to whom the Company has paid fee of ₹ 19,61,000/- during FY20 for professional advice rendered by him. The Board has determined that such payment in the context of overall expenditure by the Company is not significant.

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

Pursuant to Regulation 17(1A) of SEBI Listing Regulations, approval of Members by way of a Special Resolution was sought in relation to continuation of the directorship of Mr. Onkar S. Kanwar, Dr. S. Narayan and Dr. N.K. Ganguly as all of them have already attained the age of Seventy-Five years.

As required under Regulation 25(3) of the Listing Regulations, a separate meeting of the Independent Directors was held on March 11, 2020. The Independent Directors at the meeting, inter alia, reviewed the following: -

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

b) Performance evaluation of Independent Directors:

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

c) Board Functioning & Procedure:

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

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

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

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

d) Information placed before the Board of Directors:

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

- Quarterly/Half yearly/Yearly financial results (consolidated & standalone) and items arising out of Annual Accounts.
- Proceedings of various Committees of the Board (on quarterly basis)
- Minutes of the Subsidiary (on quarterly basis)
- Internal/External Audit findings & recommendations (on quarterly basis)
- Report on Share Capital Audit (on quarterly basis).
- Secretarial Audit Report (on Annual basis).
- Related Parties Transactions (on quarterly basis).
- Information on Cost Audit (on Annual basis).
- Compliance Reports: Share Capital Audit, Investors Complaints, Corporate Governance, Transfer/ Transmission/ Demat of shares (on quarterly basis).
- Investment/deployment of funds & borrowings (on quarterly basis).
- Annual Report (on Annual basis)
- Capital and Revenue Budgets (on Annual basis).
- Overall business scenario, operations of the company (on quarterly basis).
- Banking facilities and its utilization (on quarterly basis).
- Growth plans (as and when required).
- Codes and Policies (as and when required).
- Update on statutory compliance requirements and implementation process (as and when required).

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

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

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified/ available with the Board for the effective functioning of the Company.

- Leadership / Operational experience.
- Legal Expertise.
- Expertise in Strategy, Human Resource Development and Administration.
- Building effective Marketing strategies.
- Expertise in Technical Operations.
- Expertise in Auditing, Banking, Finance and Corporate Governance.

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

Sl. No.	Name of Directors	Expertise/Skill
1	Mr. Onkar S. Kanwar	Leadership/ Operational experience, expert in Strategy, Business and Management.
2	Mr. Neeraj Kanwar	Leadership/ Operational experience, expert in Strategy, Business and Management.
3	Mr. Akshay Chudasama	A lawyer, specialized in Mergers and Acquisitions, Joint Ventures, Cross Border Investments, Private Equity etc.
4	Ms. Shalini Kanwar Chand	Business-Negotiation, Business Planning, Entrepreneurship, Strategic Planning, Business Development and Team Building.
5	Dr. S. Narayan	Retired IAS officer having expertise in Business Management, Finance and Economics.
6	Mr. Ugar Sain Anand	Chartered Accountant, with over 38 years of experience. Having experience in the areas of Accounts, Finance, Taxation and Business development.
7	Dr. Nirmal Kumar Ganguly	A Doctor and distinguished biotechnology research professor at the National Institute of Immunology, New Delhi and also the President of Jawaharlal Institute of Post Graduate Medical Education and Research, Pondicherry.
8	Dr. Sanjaya Baru	Ph.D and a Master's degree in Economics and Distinguished Fellow, United Service Institution of India and recently named as Distinguished Fellow of the Institute for Defense Studies and Analysis, New Delhi.
9	Dr. Devlina Chakravarty	Started her career in 1993 as a Radiologist trained from Mumbai University. She did her fellowships/ preceptorship programmes from University of Berlin (Germany), UCLA (Los Angeles) and Brigham & Women (Boston) in Head and Neck & Body Imaging. She worked as senior faculty and Programme Director in Radiology in different reputed hospitals in Delhi before joining Artemis Medicare Services Limited (AMSL).
10	Mr. Sunil Tandon	A engineer and management graduate having more than 25 years' experience in the commercial matter and international business.

f) Relationship amongst Directors:

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

1. Profile of Mr. Onkar S. Kanwar:

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

Modernisation, excellence and quality are his guiding principles. Registered in 1972, Apollo Tyres under his guidance transformed itself from an Indian manufacturer of commercial vehicle tyres, to a global entity with a full-fledged product portfolio. Mr. Onkar S. Kanwar is highly regarded for his constant emphasis on bettering the lives of people – be it employees, customers, business partners, shareholders or any other stakeholder – and responsiveness to change and continuous learning.

He is the Past President of the Federation of Indian Chambers of Commerce and Industry (FICCI) and a former Chairman of the Automotive Tyre Manufacturers' Association. Currently, he is the Chairman of BRICS Business Council, India.

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

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

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

2. Profile of Mr. Neeraj Kanwar:

As the Director of Artemis Medicare Services Limited and the Vice Chairman & Managing Director of Apollo Tyres. Mr. Neeraj Kanwar plays a pivotal role in Apollo's journey towards becoming one of the most admired automotive tyre brands.

Mr. Neeraj Kanwar is a people-centric leader and believes in empowering employees to enable them to undertake effective and efficient decisions at all times. He is known for his affable management style, and combine work with liberal doses of fun.

An engineering graduate from Lehigh University in Pennsylvania, USA, Mr. Neeraj Kanwar is an avid sportsperson. He prefers to spend his leisure time with his family or playing tennis, swimming and travelling.

As a business leader, Mr. Neeraj Kanwar is associated with leading industry associations and was recently the Chairman of the Automotive Tyre Manufacturer's Association of India.

g) **No. & Dates of Board Meetings held:** 5 (five) Board Meetings were held during the FY20 viz. April 26, 2019, July 29, 2019, October 10, 2019, November 4, 2019 and February 04, 2020. The gap between any two meetings never exceeded 120 days as per the requirements of Regulation 17(2) of the Listing Regulations.

h) **Statutory Compliance of Laws:** The Board periodically reviews the compliance report of the laws applicable to the Company as well as steps taken by the Company to rectify the instances of non-compliance, if any.

i) **Recommendation of Committees:** During the FY20, the Board has accepted all the recommendations of the Committees, which were mandatorily required.

j) **Compliance by Independent Directors:** In the opinion of the Board, the Independent Directors fulfill the conditions specified in regulations and are independent of the management.

k) **Independent Director Databank Registration:** Pursuant to a notification dated October 22, 2019, issued by the Ministry of Corporate Affairs (MCA), all the Independent Directors, subject to the guidelines prescribed by the MCA, were required to register online with the Indian Institute of Corporate Affairs (IICA) within the stipulated time for inclusion of their names in the Independent Directors Databank. Accordingly, all our Independent Directors have completed the registration with the Independent Directors Databank.

l) **Resignation by Independent Director:** During the year, Mr. Saurabh Srivasvata Independent Director had resigned on May 13, 2019 due to personal reasons.

m) **Total fee paid to Statutory Auditors:** An amount of ₹ 22,84,000/- was paid/ payable to Statutory Auditors (excluding out of pocket expenses) for all services provided to the Company and its Subsidiary during FY20, on a consolidated basis.

3. AUDIT COMMITTEE

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with a view to ensuring accurate and timely disclosures, with the highest levels of

transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditors and the independent auditor, and notes the processes and safeguards employed by each. All possible measures are taken by the Committee to ensure the objectivity and independence of the independent auditor.

a) Composition & Terms of Reference of Committee

The Board of Directors constituted an Audit Committee in the year 2007. The powers, role and terms of reference of the Audit Committee cover the areas as contemplated under Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee comprises of 6 Members as follows:

- Dr. S. Narayan (Chairman of the Committee and Independent Director)
- Dr. Sanjaya Baru (Independent Director)
- Mr. Akshay Chudasama (Independent Director)
- Ms. Shalini Kanwar Chand (Non-Executive Director)
- Mr. Neeraj Kanwar (Non-Executive Director)
- Mr. Ugar Sain Anand (Independent Director)

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

As per Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013, the Audit Committee has been entrusted with the following responsibilities: -

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board the appointment, re-appointment, terms of appointment/ reappointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees/remuneration.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:

   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub section (5) of section 134 of the Companies Act, 2013.

   ii. Changes, if any, in accounting policies and practices and reasons for the same.

   iii. Major accounting entries involving estimates based on the exercise of judgment by the Management.

   iv. Significant adjustments made in the financial statements arising out of audit Findings.

   v. Compliance with listing and other legal requirements relating to financial statements.

   vi. Disclosure of any related party transactions.

   vii. Qualifications in the draft audit report.

5. Review/examine, with the Management, the quarterly/year to date financial statements and auditor's report thereon, before submission to the Board for approval.

6. Reviewing with the Management, the financial statement of subsidiary and in particular the investments made by them.

7. Reviewing/Monitoring, with the Management, the statement of uses/application/end use of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matters, the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

8. Reviewing/evaluating, with the Management, performance of statutory and internal auditors, internal financial controls, risk management system and adequacy of the internal control systems.

9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

10. Discussion with internal auditors any significant findings and follow-ups there on.

11. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

13. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

14. To review the functioning of the Whistle- Blower mechanism.

15. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.

16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

17. Review and monitor the Auditor's independence, performance and effectiveness of Audit process.

18. Approval or any subsequent Modification of transactions of the company with related parties.

19. Scrutiny of inter- corporate loans and investments.

20. Valuation of undertakings or assets of the Company, wherever it is necessary.

21. The Audit committee is empowered, pursuant to its terms of reference to:

    - Investigate any activity within its terms of reference and to seek any information it requires from any employee.
    - Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, wherever considered necessary.
    - Management discussion and analysis of financial conditions and results of operations.
    - Statement of significant related party transactions (as defined by the Audit committee), submitted by management.
    - Management letters/ letters of internal control weaknesses issued by the statutory auditors.
    - Internal audit reports relating to internal control weaknesses.
    - Appointment, removal and terms of remuneration of the internal auditor.
    - On an annual basis, statement certified by the statutory auditors, detailing the use of funds raised through public issues, rights issues, preferential issues for purposes other than those stated in the offer document/prospectus/notice (whenever applicable).

The Chairman of the Audit Committee has confirmed to the Board that the Audit Committee during the year under review has complied with all the roles assigned to it pursuant to the Companies Act, 2013 and Listing Regulations.

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

During the financial year 2019-20, the Audit Committee met 4 times on April 26,2019, July 29, 2019, November 04, 2019 and February 04, 2020. The time gap between any two meetings was less than four months.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. S. Narayan	Independent Director	Chairman	4	4
Dr. Sanjaya Baru	Independent Director	Member	4	4
Mr. Akshay Chudasama	Independent Director	Member	4	4
Ms. Shalini Kanwar Chand	Non - Independent Director	Member	4	4
Mr. Neeraj Kanwar	Non - Independent Director	Member	4	3
Mr. Ugar Sain Anand (appointed member w.e.f. Oct. 10, 2019)	Independent Director	Member	4	2

The Committee was reconstituted on October 10, 2019 and comprise of Mr. Ugar Sain Anand. (Member).

The Company Secretary acts as Secretary of the Committee. The Chairman of the Audit Committee, Dr. S. Narayan, was present at the Annual General Meeting of the Company held on August 26, 2019. The Committee invites the Directors who are not the members of the Committee, to attend the meeting as an invitee.

c) Role of Internal Auditor

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

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

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

Mr. Praveen Moon, the Internal Auditor prepares a rolling annual internal audit plan, comprising of operational, financial, compliance and information systems audits.

d) Subsidiary Company

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

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

4. NOMINATION AND REMUNERATION COMMITTEE

a) Constitution and Composition of the Committee

The Board of Directors had constituted a Remuneration Committee in the year 2007. The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of four members as follows:

- Dr. S. Narayan (Chairman of the Committee and Independent Director)
- Mr. Akshay Chudasama (Independent Director)
- Mr. Onkar S. Kanwar (Non-Executive Director)
- Ms. Shalini Kanwar Chand (Non-Executive Director)

The Nomination and Remuneration Committee has devised a policy on Board diversity in terms with the requirement under Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company Secretary acts as the Secretary of the Committee.

b) Brief description of the Terms of Reference

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

The terms of reference pursuant to Section 178 of the Companies Act, 2013 & Regulation 19(4) read with Part D Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows: -

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- Formulate the criteria for evaluation of director's and Board's performance and to carry out the evaluation of every director's performance.
- Devising a policy on Board diversity.
- To decide the remuneration of consultants engaged by the Committee.
- Framing, recommending to the Board and implementing, on behalf of the Board and on behalf of the Shareholders, policy on remuneration of Directors, Key Managerial Persons (KMP) including ESOP, pension rights and any other compensation payment.
- Considering, approving and recommending to the Board changes in designation and increase in salary of the Directors, KMP and other employees.

c) Policy for appointment and remuneration

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management and other employees of the Company has been formulated by the Nomination and Remuneration Committee of the Company and approved by the Board of Directors.

d) Non-Executive Directors (including Independent Directors)

Except Dr. Nirmal Kumar Ganguly, all the non-executive directors including the Independent Directors only received the sitting fees during the F.Y. 2019-20

In accordance with the relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Policies/ Framework have been adopted by the Board upon recommendation of the Nomination and Remuneration Committee:

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

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

e) Performance evaluation of Independent Directors

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

In compliance with Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement, the performance evaluations of all the Independent Directors have been done by the entire Board, excluding the director being evaluated.

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

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

During FY20, 4 (four) Nomination and Remuneration Committee Meetings were held on April 26, 2019, July 29, 2019, October 10, 2019 and February 04, 2020.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Dr. S. Narayan	Independent Director	Chairman	4	4
Mr. Akshay Chudasama	Independent Director	Member	4	4
Mr. Onkar S. Kanwar	Non Independent Director	Member	4	4
Ms. Shalini Kanwar Chand	Non Independent Director	Member	4	3

g) Payment of sitting fee to the Non-Executive Directors of the Company.

The details of remuneration paid to Non-Executive Directors during FY20 are given below.

(₹ in Lakhs)

Name of the Director	Sitting Fees Perquisites	Salary & Fund	Superannuation	Commission	Others
Mr. Onkar S. Kanwar	3.95	0	0	0	0
Mr. Neeraj Kanwar	2.30	0	0	0	0
Ms. Shalini Kanwar Chand	4.00	0	0	0	0
Mr. Akshay Chudasama	4.80	0	0	0	0
Dr. Nirmal Kr. Ganguly	2.60	0	0	0	19.61
Dr. S. Narayan	5.25	0	0	0	0
Dr. Sanjaya Baru	3.65	0	0	0	0
Mr. U.S. Anand	2.90	0	0	0	0
Mr. Sunil Tandon	1.20	0	0	0	0
Mr. Saurabh Srivasvata	0.50	0	0	0	0
Total	**30.65**	**489.23**	**0**	**0**	**19.61**

h) Payment of Remuneration to Directors and Key Managerial Personnel.

Details of remuneration paid to the Executive Director, Chief Financial Officer and Company Secretary for the financial year 2019-20 is as under:

(₹ in Lakhs)

Particulars	Dr. Devlina Chakravarty Executive Director	Mr. Sanjiv Kumar Kothari, CFO	Mr. Rakesh Kumar Kaushik, CS
Salary	483.66	65.56	65.92
Contribution to PF	18.72	3.63	3.60
Contribution to Gratuity	7.50	1.46	1.44
Commission	-	-	-
Perquisites	5.57	1.25	0.58
Total Remuneration	515.46	71.90	71.54
Stock Option	-	-	-
Service contracts, notice period, severance fees	-	-	-

Apart from payment of sitting fee for attending the meetings of the Board/Committee of Directors and apart from receiving Directors Remuneration, none of the Non-Executive Directors has any pecuniary relationships or transactions vis-a-vis the Company.

During 2019-20, the Company did not advance any loan to any of its Directors.

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

As per the provisions of the Companies Act, 2013, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors, Officers and Managers for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee oversees, interalia, redressal of shareholder and Investor grievances, transfer/ transmission of Shares, non-receipt of dividend declared, dematerialization/rematerialization of shares and other related matters. The roles and responsibilities of the Stakeholders Relationship Committee as prescribed under Companies Act, 2013 and (Listing Obligations and Disclosure Requirements) Regulations, 2015 are mentioned under the terms of reference of the Committee.

a) Constitution and Composition of the Committee

As on March 31, 2020, the Stakeholders Relationship Committee consists of the following members:

- Mr. U.S. Anand (Chairman)
- Dr. Devlina Chakravarty
- Dr. Nirmal Kumar Ganguly

Pursuant to Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company Secretary acts as the Secretary to the Committee.

b) Terms of reference

- Transfer/transmission of shares.
- Split up/sub-division and consolidation of shares.
- Dematerialization/ rematerialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, Probate, Letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.

- To look into redressal of shareholders' and investors' complaints like transfer of shares, non- receipt of annual report, non- receipt of declared dividends, etc.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

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

Since the Company got listed on January 23, 2020, no Meeting of Stakeholders' Relationship Committee was conducted during the financial year 2019-20.

d) No. of shareholders' complaints received

During FY20, the Company has not received any complaint from any shareholder of the company.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

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

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

b) Composition of CSR Committee

The Corporate Social Responsibility Committee was originally constituted by the Board of Directors at a meeting held on May 2, 2014. As on March 31, 2020, Corporate Social Responsibility Committee consists of the following Directors:

Name of Director	Designation in the Committee	Nature of Directorship
Ms. Shalini Kanwar Chand	Chairperson	Non-Executive Director
Dr. Nirmal Kumar Ganguly	Member	Non-Executive Director
Dr. S. Narayan	Member	Independent Director
Dr. Devlina Chakravarty	Member	Executive Director

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

During the year the CSR Committee met three times i.e. April 26, 2019, July 29, 2019 & February 4, 2020:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Ms. Shalini Kanwar Chand	Non Independent Director	Chairman	3	3
Dr. Devlina Chakravarty	Whole Time Director	Member	3	3
Dr. S. Narayan	Independent Director	Member	3	3
Dr. Nirmal Kumar Ganguly	Non Independent Director	Member	3	3

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

The Company Secretary acts as the Secretary to the Committee.

8. CFO / CEO CERTIFICATION

The Managing Director & CFO have submitted certificate, in terms of Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.The Certificate is attached at the end of this report.

9. GENERAL BODY MEETINGS:

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

Financial Year	Category	Location of the Meeting	Date	Special Resolution passed	Time
2018-2019	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, New Delhi-110075	August 26, 2019	Amendment in the Articles of Association	11:00 A.M.
2017-2018	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, New Delhi-110075	August 3, 2018	NIL	11.00 A.M
2016-2017	Annual General Meeting	Plot No. 14 Sector 20 Dwarka, New Delhi-110075	August 4, 2017	NIL	9.30 A.M

b) Resolutions passed last year through Postal Ballot:

Resolution passed during FY20, pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, the Company had conducted the following voting through Postal Ballot (Including Electronic Voting) and sent the Postal Ballot form to members. The following resolutions were passed through Postal Ballot: -

Resolutions passed on March 24, 2020

Last Date of Dispatch of Postal Ballot Forms	Item approved by the shareholders	Ordinary/ Special Resolution
February 21, 2020	1. Appointment of Dr. Devlina Chakravarty (DIN: 07107875) as Managing Director.	Special Resolution
	2. Appointment/Continuation of Mr. Ugar Sain Anand (DIN: 02055913) as an Independent Director of the Company.	Special Resolution
	3. Appointment of Mr. Sunil Tandon (DIN: 08342585) as an Independent Director of the Company.	Ordinary Resolution
	4. Grant of loan to subsidiary Company.	Special Resolution

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

Appointment of Dr. Devlina Chakravarty (DIN: 07107875) as Managing Director.

Particulars	Physical & E Voting
Total number of votes	**31**
Total number of valid votes	**31**
Votes cast in favour of the Resolution	**29**
Votes cast against the Resolution	**02**
Number of invalid votes	**0**

Appointment/Continuation of Mr. Ugar Sain Anand (DIN: 02055913) as an Independent Director of the Company.

Particulars	Physical & E Voting
Total number of votes	**32**
Total number of valid votes	**32**
Votes cast in favour of the Resolution	**28**
Votes cast against the Resolution	**04**
Number of invalid votes	**0**

Appointment of Mr. Sunil Tandon (DIN: 08342585) as an Independent Director of the Company.

Particulars	Physical & E Voting
Total number of votes	**31**
Total number of valid votes	**31**
Votes cast in favour of the Resolution	**29**
Votes cast against the Resolution	**02**
Number of invalid votes	**0**

Granting loan to subsidiary of the Company.

Particulars	Physical & E Voting
Total number of votes	**30**
Total number of valid votes	**29**
Votes cast in favour of the Resolution	**26**
Votes cast against the Resolution	**03**
Number of invalid votes	**01**

I. Mr. Deepak Kukreja and Ms. Monika Kohli Partners DMK Associates, (Practicing Company Secretary), were appointed as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

II. Procedure for Postal Ballot: - Where a Company is required or decides to pass any resolution by way of Postal Ballot, it shall send a notice to all the shareholders, along with a draft resolution explaining the reasons thereof and requesting them to send their assent or dissent in writing on a Postal Ballot because Postal Ballot means voting by post or through electronic means within a period of thirty days from the date of dispatch of the notice. Your Company has followed the aforesaid procedure stipulated in the Companies Act, 2013 and has carried out Postal Ballot for the items mentioned above. As on the date of this report, your company does not propose to pass any special resolution for the time being by way of postal ballot.

c) Resolutions passed in the Extraordinary General Meeting:

Financial Year	Date	Time	Venue	Resolution Passed
2019-20	August 7, 2019	11:00 AM	Plot No. 14, Sector-20, Dwarka, New Delhi -110075	The following resolutions were passed:- Ratification of appointment of Mr. Onkar S. Kanwar Ratification of appointment of Dr. Nirmal Kumar Ganguly Ratification of appointment of Dr. S.Narayan Re-appointment of Dr. Sanjaya Baru as an Independent Director for another term of five years Re-appointment of Dr. S. Narayan as an Independent Director for another term of Five years

10. DISCLOSURES

a) Related Party Transactions

The Company has formulated a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy has been disclosed on the website of the Company at www.artemishospitals.com.

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

A confirmation as to material Related Party Transactions as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

Disclosures by Senior management & KMPs

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

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

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

b) Disclosure of accounting treatment

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

c) Compliance by the Company

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

d) Transfer of Unclaimed/ Undelivered Shares

In terms with the provisions of Regulation 39(4) read with Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unclaimed/undelivered shares lying in the possession of the Company are in dematerialised form and transferred into a “Unclaimed Suspense Account” held by the Company.

e) Disclosure in terms of Regulation 34(3) read with Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

There are no inter-se relationships between the Board members except Mr. Onkar S. Kanwar, Mr. Neeraj Kanwar and Ms. Shalini Kanwar Chand being father, son and daughter.

11. MEANS OF COMMUNICATION

- As per Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, an extract of the detailed format of Quarterly/Annual Financial Results is filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The results in prescribed format are published in the Newspapers viz. Financial Express (National Daily) and Jansatta (Regional Daily). The Quarterly/Annual Financial Results are also available on the Company's website and Stock Exchange websites www.nseindia.com and www.bseindia.com.
- All material information about the Company is promptly sent to the stock exchanges and the Company regularly updates the media and investor community about its financial as well as other organisational developments.
- This year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 5, 2020, directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY20 and Notice of the AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars. The Annual Report containing, interalia, Notice of Annual General Meeting, Audited Financial Statement, Consolidated Financial Statement, Board's Report, Management Discussion and Analysis, Corporate Governance Report, Auditors' Report and other important information are also displayed on the Company's website (www.artemishospitals.com).
- Investor Relations (IR) at AMSL aims at providing accurate, transparent and timely information to the investors and serves as a bridge for two-way communication. All efforts are made to provide efficient services to the shareholders. Every important information is displayed at the company's website, www.artemishospitals.com.
- NSE Electronic Application Processing System (NEAPS)- is a web-based application designed by NSE for Corporates. All periodical and other compliance filings are filed electronically on NEAPS.
- BSE Listing Centre (Listing Centre)- BSE's Listing Centre is a web-based application designed for corporates. All periodical and other compliance related filings are filed electronically on the listing centre.
- SEBI Complaints Redress System (SCORES): The investors' complaints are also being processed through the centralised web-based complaint redressal system. The salient features of SCORES are availability of centralised database of the complaints and uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints. In its efforts to improve ease of doing business, SEBI has launched a mobile app "SEBI SCORES", making it easier for investors to lodge their grievances with SEBI, as they can now access SCORES at their convenience of a smart phone.
- Exclusive email ID for investors: The Company has designated the email investor@artemishospitals.com exclusively for investor servicing, and the same is prominently displayed on the Company's website www.artemishospitals.com.

12. GENERAL SHAREHOLDER INFORMATION

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

b) Annual General Meeting (AGM):

The ensuing AGM of the Company will be held on or before September 30, 2020. Pursuant to MCA circular with respect to conducting of AGM through VC, the necessary details for the AGM will be provided in the notice of AGM.

c) Board Meeting for Financial Calendar - FY21

Quarter	Period ending	Date / Period
First quarter	June 30, 2020	On or before August 14, 2020
Second quarter/ half yearly	September 30, 2020	On or before November 14, 2020
Third quarter	December 31, 2020	On or before February 14, 2021
Fourth quarter/year	March 31, 2021	On or before May 30, 2021

d) Trading window closure

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

e) Listing at Stock Exchanges

National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400 051
T: +91 22 26598100-14 F: +91 22 26598237-38
E: cmlist@nse.co.in

BSE Ltd
Phiroje Jeejeebhoy Towers,
1st Floor, Dalal Street Mumbai 400 001
T: +91 22 22721233/34 F: +91 22 22721919/3027
E: corp.relations@bseindia.com

The annual listing fee for FY20 has been paid to all the aforesaid stock exchanges.

f) Stock Code

BSE Ltd. 542919

National Stock Exchange of India Ltd. ARTEMISMED

g) Stock Market Price Data for FY20: The Company got listed on January 23, 2020:

The company share price on NSE Index

Month	High	Low	Traded Volume (in Lakhs)
January	288.00	215.00	0.08
February	300.95	186.80	0.26
March	220.00	106.70	0.37

The company share price on BSE Index

Month	High	Low	Number of Trades
January	288.00	225.75	88
February	302.25	191.20	253
March	238.95	120.00	339

h) Elimination of Duplicate Mailing

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

i) Share Transfer System

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

As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained the half yearly certificates from the Company Secretary in practice for due compliance of share transfer formalities.

j) Distribution of Shareholding

The following is the distribution of shareholding of equity shares of the Company as on March 31, 2020:-

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of shareholding
UPTO 5000	5538	99.07	837932	6.33
5001 – 10000	16	0.29	120017	0.91
10001 – 20000	10	0.18	139122	1.05
20001 – 30000	7	0.13	166040	1.25
30001 – 40000	5	0.09	169695	1.28
40001 – 50000	1	0.02	41433	0.31
50001 – 100000	3	0.05	201071	1.52
100001 AND ABOVE	10	0.18	11562390	87.35
Grand Total			**132,37,700**	**100.00**

The Promoter hold 9243079 shares constituting 69.82% of the share capital of the Company as on March 31, 2020.

k) Category of Shareholders as on March 31, 2020

The following is the distribution of shareholding of equity shares of the Company as on March 31, 2020: -

Categories of Shareholders as on March 31, 2020		
Category of shareholder	**Number of equity shares**	**Shareholding as a% of equity**
Promoter	92,43,079	69.82
Public	39,94,621	30.18
Total	**132,37,700**	**100.00**

l) Reconciliation of Share Capital Audit

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

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

m) Dematerialization of Shares and Liquidity

The equity shares of the Company are being traded under compulsorily demat form as per SEBI notification. The Company's shares are tradable compulsorily in electronic form and are available for trading in the depository systems of both National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The International Securities Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL, is INE025R01013.

n) Share Transfer/Demat Registry work

All share transfers/demat are being processed by RTA. The RTA has established direct connectivity with NSDL/ CDSL for carrying out demat completely.

o) Share Transfer Department

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

Alankit Assignments Limited

Alankit Heights,

1/13, Jhandewalan Extension, New Delhi - 110055

Tel: 011-42541234/23541234, Fax: 011 -23552001

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

p) Participation & Voting at AGM

Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020 issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by SEBI, the 16th AGM of the Company will be held through video-conferencing and the detailed instructions for participation and voting at the meeting is available in the notice of the 16th Annual General Meeting.

Register e-mail address

To contribute towards greener environment, the Company proposes to send documents like shareholders meeting notice/other notices, audited financial statements board's report, auditors' report or any other document, to members in electronic form at the e-mail address provided by them and/ or available to the Company by the Depositories.

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

q) Adoption of mandatory and discretionary requirements of Corporate Governance as specified in Regulations 17 to 27 and Regulation 34(3) read with Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements of corporate governance with respect to Regulations 17 to 27 and clauses (b) to (i) of Sub- Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CG Compliances

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No)	If status is "No" details of non-compliance
1	Independent directors have been appointed in terms of specified criteria of independence and or eligibility	16(1)(b) & 25(6)	Yes	-
2	Board composition	17(1)	Yes	-
3	Meeting of board of directors	17(2)	Yes	-
4	Review of compliance reports	17(3)	Yes	-
5	Plans for orderly succession for appointments	17(4)	Yes	-
6	Code of conduct	17(5)	Yes	-
7	Fees or compensation	17(6)	Yes	-
8	Minimum information	17(7)	Yes	-
9	Compliance certificate	17(8)	Yes	-

Sr. No.	Particulars	Regulation Number	Compliance status (Yes/No)	If status is "No" details of non-compliance
10	Risk assessment and management	17(9)	Yes	-
11	Performance evaluation of independent directors	17(10)	Yes	-
12	Composition of audit committee	18(1)	Yes	-
13	Meeting of audit committee	18(2)	Yes	-
14	Composition of nomination and remuneration committee	19(1) & (2)	Yes	-
15	Composition of stakeholder relationship committee	20(1) & (2)	Yes	-
16	Composition and role of risk management committee	21(1),(2),(3),(4)	NA	-
17	Vigil mechanism	22	Yes	-
18	Disclosure of shareholding by non-executive directors	-	Yes	-
19	Policy for related party transaction	23(1),(5),(6),(7) & (8)	Yes	-
20	Prior or omnibus approval of audit committee for all related party transactions	23(2), (3)	Yes	-
21	Approval for material related party transactions	23(4)	Yes	-
22	Composition of board of directors of unlisted material subsidiary	24(1)	Yes	-
23	Other corporate governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes	-
24	Maximum directorship and tenure	25(1) & (2)	Yes	-
25	Meeting of independent directors	25(3) & (4)	Yes	-
26	Familiarization of independent directors	25(7)	Yes	-
27	Memberships in committees	26(1)	Yes	-
28	Affirmation with compliance to code of conduct from members of board of directors and senior management personnel	26(3)	Yes	-
29	Disclosure of shareholding by non-executive directors	26(4)	Yes	-
30	Policy with respect to obligations of directors and senior management	26(2) & 26(5)	Yes	-
31	Annual Secretarial Compliance Report	24(A)	Yes	-
32	Declaration from Independent Director	25(8) & (9)	Yes	-

r) As on March 31, 2020, our shares were not suspended from trading.

13. ADDITIONAL INFORMATION

a) Investor Relations Section

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

Contact person: Mr. Rakesh Kumar Kaushik,
Compliance Officer
Time: 10:00 AM to 6:00 PM on all working days of the Company (except Saturdays and Sundays)
Tel No.: +91 124 4807180,
E-mail: investors@artemishospitals.com

b) Credit Rating

During the year, CARE has reaffirmed its CARE A-; Stable' ratings on the Long Term Bank Facilities of the Company.

c) Auditors

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

d) Cost Auditors

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

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

Particulars of the Cost Auditor	Details of Cost Audit Report filed for the period ended March 31, 2019
Mr. Chandra Wadhwa (Mem. No. 6797) Address: 1305 & 1306,Vijaya Building, 17, Barakhamba Road, New Delhi – 110 001 E-mail: wadhwafin@gmail.com	Filing date: August 19, 2019

e) Code of Conduct for Prevention of Insider Trading

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

The Board at its meeting held on February 04, 2019, has approved the Code of Conduct for Prevention of Insider Trading, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

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

f) Whistle Blower Policy/Vigil Mechanism

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

Your Company has approved a Whistle Blower Policy which will enable all employees, Directors and other stakeholders to raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to

report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's Code of Conduct or Ethics Policy.

The Audit Committee of the Company periodically reviews the functioning of whistle blower mechanism. No personnel of the Company has been denied access to the Audit Committee. No complaint under whistle blower policy has been received during FY20.

g) Code of Practices and Procedures for Fair Disclosure

The Board at its meeting held on February 4, 2019, has approved the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in terms with the SEBI (Prohibition of Insider Trading) Regulations, 2015, effective from May 15, 2015.

The Code lays down broad standards of compliance and ethics, as required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations. The Code is required to be complied in respect of all corporate disclosures in respect of the Company and/or its Subsidiary Company.

The Company Secretary of the Company is the Compliance Officer.

h) Policy to prevent and deal with sexual harassment

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

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

Status of the Complaint received relating to Sexual harassment during FY20: -

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

i) Declaration by Independent Directors under sub-section (6) of Section 149 & Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During FY20, the Company received declaration in terms of the provisions of Section 149(6) & 149(7) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from the Independent Directors.

j) Certificate from Practicing Company Secretary

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

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

k) Declaration Affirming Compliance of Whistle Blower Policy

To the best of my knowledge and belief, I hereby affirm that no personnel of the Company has been denied access to the Audit Committee during FY 20

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in the Company
1.	Mr. Onkar S. Kanwar	00058921	14/09/2006
2.	Mr. Neeraj Kanwar	00058951	17/01/2008
3.	Ms. Shalini Kanwar Chand	00015511	24/01/2007
4.	Dr. Nirmal Kumar Ganguly	02316154	10/02/2014
5.	Dr. S. Narayan	00094081	19/10/2006
6.	Mr. Akshay Chudasama	00010630	06/11/2015
7.	Dr. Sanjaya Baru	05344208	06/02/2013
8.	Mr. Ugar Sain Anand	02055913	10/10/2019
9.	Mr. Sunil Tandon	08342585	10/10/2019
10.	Dr. Devlina Chakravarty	07107875	02/04/2015

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

For Sweeny Gulati
Practicing Company Secretaries

Sd/-
Sweeny Gulati
Company Secretary
FCS : 10048
CP : 12127

Place : New Delhi
Date : May 22, 2020

Annexure B

CEO AND CFO CERTIFICATE

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

To

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

We hereby certify that: -

(a) We have reviewed the financial statements including the cash flow statement of the Company for the year ended as on March 31, 2020 and that to the best of our knowledge and belief:

i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii. these statements including cash flow statement present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors. Further, no deficiencies have been observed in design or operation of such internal controls for the period covered by this report.

(d) During the period under review, no significant changes were observed in the internal controls over financial reporting and accounting policies of the Company. Furthermore, no instance of fraud found by management or employees having a significant role in the Company's internal control system over financial reporting.

For Artemis Medicare Services Limited

Sd/-
Devlina Chakravarty
(Managing Director)

Sd/-
Mr. Sanjiv Kumar Kothari
Chief Financial Officer

Place : Gurugram
Date : May 22, 2020

Annexure C

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

The Members,

Artemis Medicare Services Limited
Plot No. 14, Sector 20 Dwarka,
New Delhi – 110075

1. The accompanying Corporate Governance Report prepared by Artemis Medicare Services Limited (hereinafter the "Company"), contains details as required by the provisions of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the members of the Company.

Management Responsibility

2. The preparation of the corporate governance report is the responsibility of management of the Company including preparation and maintenance of all the relevant supporting records and documents. The responsibility also includes the design implementation and maintenance of internal control relevant to the preparation and presentation of the corporate governance report.

3. The Management along with Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by Securities and Exchange Board of India.

Auditors Responsibility

4. Pursuant to the requirements of Listing regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the company has complied with the specific requirements of the Listing regulations referred to in the paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

iii. Obtained and read the Directors Register as on March 31, 2020 and verified that at least one women director was on the Board during the year;

iv. Obtained and read the minutes of the following meetings held from April 1, 2019 to March 31, 2020:

a) Board of Directors
b) Audit Committee
c) Nomination and Remuneration Committee
d) Stakeholders Relationship Committee
e) Corporate Social Responsibility (CSR) Committee
f) Independent Directors meeting

v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and

vi. Performed necessary inquiries with the management and obtained necessary specific representations from management.

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

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 1 above.

Without modifying our opinion, we report that the Company which got listed from January 23, 2020 onwards has complied with all the requirements of Listing Regulations except sub-regulation 2(b), 2(j), 2(k) of Regulation 46 of the Listing Regulations related to disclosure of the information on its Website during the year ended March 31, 2020.

Other Matter and Restriction on Use

9. The Company's equity shares were listed in National Stock Exchange of India Limited and BSE Limited on January 23, 2020 during the year ended March 31, 2020.

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

FOR SCV & CO. LLP
CHARTERED ACCOUNTANTS
ICAI FIRM REGISTRATION No.: 000235N/N500089

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No.:084318
ICAI UDIN:0084318AAAABI7161

Place : New Delhi
Date : May 22, 2020

MANAGEMENT DISCUSSION AND ANALYSIS

(A) INDUSTRY STRUCTURE & DEVELOPMENTS

Overview

Global

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

Health care spending by a Country varies widely. Unfortunately, higher spending levels do not always produce better health outcomes and value. For example, the United States at 17.8 percent of GDP in 2019 continues to spend considerably more on healthcare than comparable countries but it is in the lower half of the Organization for Economic Cooperation and Development (OECD) countries' life expectancy rankings.

On March 11, 2020, the World Health Organization announced that the new COVID-19 (corona virus) was officially a pandemic after barreling through 114 countries in three months and infecting over 118,000 people. And the spread had been unabated ever since infecting over 24 Mn all over the world.

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

India

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

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

The health sector in India, one of the major contributors to India's economy, is experiencing the wrath of corona virus. Private players describe a sharp decline in the business post lock-down. Elective surgeries and medical tourism were the two biggest revenue generators for the private healthcare business in India both of which have suffered a great deal as a result of lockdown, say leading private health professionals.

Government of India is taking all necessary steps to ensure that we are prepared well to face the challenge and threat posed by the growing COVID-19 pandemic. With active support of the people of India, the country has been able to contain the spread of the virus. The most important factor in preventing the spread of the virus locally is to empower the citizens with the right information and taking precautions as per the advisories issued by Ministry of Health & Family Welfare.

The Union Budget 2020-21 allocated ₹ 671120 million for the Ministry of Health & Welfare which is up by 3.9% from last year. Government has approval Niti Ayog proposal on Jan 9, 2020 to link district hospital with Private Hospitals under Public Private Partnerships mode.

Market Size

The hospital industry in India stood at Rs 4 trillion (US$ 61.79 billion) in FY17 and is expected to reach Rs 8.6 trillion (US$ 132.84 billion) by FY22. India is experiencing 22-25 per cent growth in medical tourism and the industry is expected to reach US$ 9 billion by 2020.

There is a significant scope for enhancing healthcare services considering that healthcare spending as a percentage of Gross Domestic Product (GDP) is rising. Rural India, which accounts for over 65 per cent of the population, is set to emerge as a potential demand source.

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

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

(B) OPPORTUNITIES AND THREATS:

Opportunities

Deeper Value of offerings:

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

Increase in NCDs:

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

Increase in Virus:

The health sector in India, one of the major contributors to India's economy, is experiencing the wrath of corona virus. Private players describe a sharp decline in the business post lock-down. Elective surgeries and medical tourism were the two biggest revenue generators for the private healthcare business in India which has suffered the most as a result of lockdown as per leading private health professionals.

Approximately, 70 per cent of the healthcare services in India is provided by private healthcare players. In these hard times, the private healthcare sector is looking towards the government's support for survival.

Disparities between Urban and Non- Urban Areas:

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

Increase in Demand for Elective Surgeries:

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

Growing Population:

As the population of the elderly crosses the 100 million mark and is expected to rise to around 143 million by 2020, this changing demographics will also contribute to the increasing demand for healthcare services.

Great potential for Medical Tourism:

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

Threats

Increasing competitive intensity in the healthcare sector:

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

Increasing cost of resources:

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

Technology obsolescence:

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

Shortage of Skilled Manpower

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

Price Regulation

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

High Capital Investment Requirements:

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

Potential loss on the Medical Tourism Opportunity:

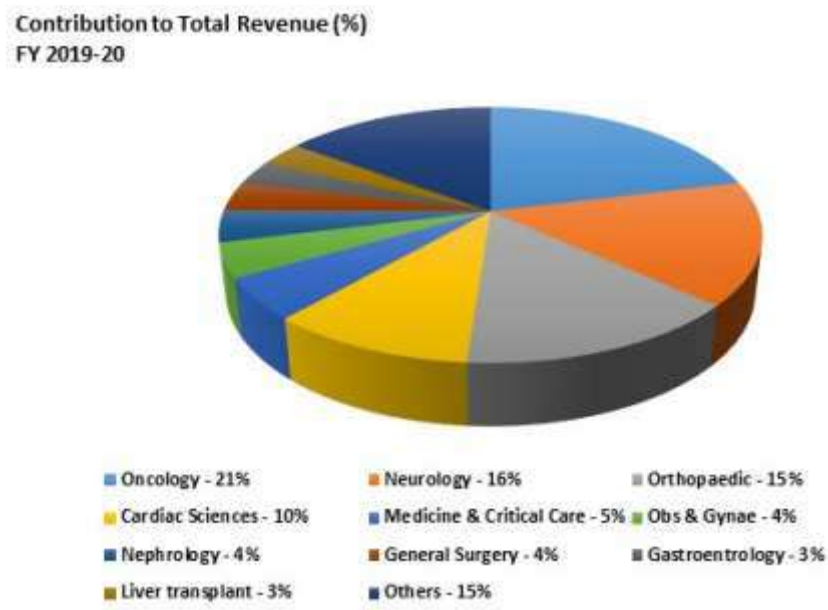
The Covid-19 pandemic is proving fatal for the medical tourism industry. More than 70 governments have responded by banning entry to travellers who have been to affected regions, barring flights to certain countries and changing visa requirements, and others have recommended that no citizens travel to another country. The restrictions and virus

fears have hit tourism hard, and medical tourism is expected to be hit the hardest. While many hospitals and clinics will have more income and more customers locally, those heavily dependent on medical tourism may struggle or even close as the finances are already tight. Small medical tourism agencies will lose business and may not reopen. Many hospitals may now not have spare capacity for medical tourists.

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

(C) SEGMENT-WISE PERFORMANCE

The Company has reviewed its business oversight mechanism and has realigned all its operations under single business unit located at Artemis Hospital, Sector- 51, Gurugram- 122001 based on the assessment of overall risks and rewards. Accordingly, the figures appearing in these financial statements relate to sales and services of abovementioned unit.



Company's Overview

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

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

Clinical Excellence

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

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

Training & Continuing Medical Education

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

Accreditations

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

(D) INDUSTRY OUTLOOK

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

(E) RISKS AND CONCERNS

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

(F) INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

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

(G) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE The financial performance of the Company is given separately in Directors report.

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

The Human Resource strategy of Artemis is based on the firm belief that our people are our Core strength and is focused on shaping our talent for tomorrow. We aspire to provide excellent opportunities for professional and personal growth of our employees and encourage collaboration, creativity continuous learning and fun based work environment. As on March 31, 2020, Artemis comprises total employee strength of 1745.

(I) KEY FINANCIAL RATIO

There is no significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios except Inventory Turnover Ratio which stood at 27.81 in FY2020 vis a vis 19.39 in FY2019 as incremental stock was maintained in March 2020 due to Covid -19 pandemic and Debt Equity Ratio which stood at 0.25 in FY2020 vis a vis 0.34 in FY2019 due to reduction in Borrowing. These ratios are calculated on Standalone basis.

(J) DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR

PARTICULARS	2019-20	2018-19
Return on Net Worth	9.89%	11.05%

CAUTIONARY STATEM ENT:

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

For and on behalf of the Board of Directors

Sd/-
Onkar S. Kanwar
Chairman

Place : Gurugram
Date : May 22, 2020

FINANCIAL

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Chartered Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

ARTEMIS MEDICARE SERVICES LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **ARTEMIS MEDICARE SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (together referred to as "Standalone Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, 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.

Accounting for Business Combination **See Note 27 to the Standalone Ind AS financial statements**	
Key Audit Matter Description	**How the matter was addressed**
During the year, the Hon'ble National Company Law Tribunal, New Delhi ('NCLT') approved the amalgamation of "Company's Holding Company i.e. Artemis Health Sciences Limited, its ultimate Holding Company i.e. Artemis Global Life Sciences Limited and its fellow Subsidiary Company i.e. Athena Eduspark Limited with the Company as per the NCLT order dated 30th September, 2019. The scheme was made effective with effect from 01st April, 2018. Hence application of Ind AS 103 along with the terms of Scheme of amalgamation and its effect on the figures	With respect to the accounting treatment for Business Combination, we have performed the following procedures: • Obtained and examined the Scheme of Amalgamation and assessed whether the accounting has been carried out as per the provisions of para 9 of Appendix C of Ind AS 103, "Business Combinations"; • Obtained accounting analysis of the Business Combination from management and reviewed the same in light of the Company's accounting policies and applicable accounting standards;

presented in the financial statements is considered as key audit matter.	• Performed audit procedures on accounting entries of the transactions; and • Assessed the appropriateness and adequacy of the related disclosures in the Standalone Ind AS financial statements including impact on the comparative Standalone Ind AS financial statements presented.
Adoption of Ind AS-116 'Leases' effective from 01st April, 2019 **See Note 31 to the Standalone Ind AS financial statements**	
Key Audit Matter Description	**How the matter was addressed**
The Company applied Ind AS-116 'Leases', which replaced Ind AS-17 'Leases' and the measurement, presentation and disclosure from the date of its initial application of 01st April, 2019, that resulted in change in accounting policy. The Company has adopted Ind AS-116 with modified retrospective approach from 01st April, 2019 and has not restated comparative figures in accordance with the transitional provisions contain within Ind AS -116. We have considered this as a key audit matter because the adoption and implementation of Ind AS-116 resulted in significant changes to the Standalone Ind AS financial statements of the Company, along with changes to processes, systems and controls, degree of judgements, which have been applied, and the estimates made in determining the impact of Ind AS-116.	Our audit procedures in this area included the following: • Obtained an understanding and evaluated the Company's implementation process, including the review of the updated accounting policy in accordance with Ind AS- 116. • We evaluated management assumptions, specifically the assumptions used to determine the discount rate, lease terms and measurement principals with the assistance of our internal experts. • Tested the factual inputs and calculation of the right-of-use asset and lease liability calculated by the management for each material lease contract. • Obtained an understanding and evaluated the key controls associated with the relevant process for leases and performed substantive procedures on the statement of profit and loss and balances of assets and liabilities that were subject to the effect of Ind AS-116. • Assessed the modified retrospective application and adequacy of the Company's disclosures of the impact of the new standard in the Standalone Ind AS financial statements.

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.

Other Matter

We draw attention to Note 27 of the Standalone Ind AS financial statements which describes in detail that the Scheme of Arrangement ('Scheme') for merger of Company's Holding Company i.e. Artemis Health Sciences Limited (AHSL), its ultimate Holding Company i.e. Artemis Global Life Sciences Limited (AGLSL) and its fellow Subsidiary Company i.e. Athena Eduspark Limited (AEL) with the Company has been approved by the New Delhi Bench of Hon'ble National Company Law Tribunal ('NCLT') vide its order dated 30th September, 2019. The scheme is effective from the appointed date of 01st April, 2018, and the merger being a common control business combination, the comparative have been restated. Accordingly figures of AHSL, AGLSL and AEL has been included in all the periods presented in the Standalone Ind AS Financial Statements for the year ended 31st March, 2019 and AGLSL and AEL were audited by the predecessor statutory auditors who had expressed an unmodified opinion in their audit reports dated 08th May, 2019 and 26th April, 2019 respectively on those Ind AS financial statements. Our opinion is not modified in respect of this matter.

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 Statement of Cash Flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer Note 38 to the Standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 29b(ii) to the Standalone Ind AS financial statements.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended 31st March, 2020 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

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 20084318AAAABG1924

PLACE: NEW DELHI
DATED: MAY 22, 2020

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. Accordingly, the paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.

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 and guarantee given to the subsidiary company during the year. The Company has not given any loans or security during the year which are 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 service 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 service tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues were outstanding, as on 31st March, 2020 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 service 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 any 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

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 20084318AAAABG1924

PLACE: NEW DELHI
DATED: MAY 22, 2020

Annexure "B" To the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **ARTEMIS MEDICARE SERVICES LIMITED** ("the Company") as of 31st March, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
ICAI UDIN: 20084318AAAABG1924

PLACE: NEW DELHI
DATED: MAY 22, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

(₹ in Lakhs)

	Particulars	Note	As At 31st March 2020	As At 31st March 2019
	Assets			
A	**Non-current assets**			
	Property, plant and equipment	2.1	32,766.98	33,499.61
	Right-of-use assets	2.2	1,438.59	-
	Capital work-in-progress		5,569.03	4,943.22
	Goodwill		4,162.07	4,162.07
	Other Intangible assets	2.3	345.48	406.50
	Financial assets			
	i. Investments	3.1	169.00	6.50
	ii. Loans	3.2	243.34	255.86
	iii. Other financial assets	3.3	29.05	32.42
	Non-current tax assets (Net)	4	1,003.04	676.29
	Other non-current assets	5	714.70	203.75
	Total non-current assets	**A**	**46,441.28**	**44,186.22**
B	**Current assets**			
	Inventories	6	1,053.32	693.70
	Financial assets			
	i. Trade receivables	7	7,650.71	7,861.32
	ii. Cash and cash equivalents	8	1,119.50	923.88
	iii. Bank balances other than (ii) above	9	404.44	314.39
	iv. Loans	3.2	110.47	197.24
	v. Other financial assets	3.3	359.26	514.70
	Other current assets	5	977.44	762.53
	Total current assets	**B**	**11,675.14**	**11,267.76**
C	**Total Assets**	**C=A + B**	**58,116.42**	**55,453.98**
	Equity and liabilities			
D	**Equity**			
	Equity share capital	10	1,323.77	-
	Equity share capital suspense account	10	-	1,323.77
	Other equity	11	30,083.21	28,042.06
	Total equity	**D**	**31,406.98**	**29,365.83**
	Liabilties			
E	**Non-current liabilities**			
	Financial liabilities			
	i. Borrowings	12	6,057.19	5,345.88
	ii. Lease Liabilities		1,395.06	-
	Provisions	13	626.87	496.96
	Deferred tax liabilities (Net)	14	2,945.18	2,582.73
	Total non-current liabilities	**E**	**11,024.30**	**8,425.57**

(₹ in Lakhs)

	Particulars	Note	As At 31st March 2020	As At 31st March 2019
F	**Current liabilities**			
	Financial liabilities			
	i. Borrowings	15	1,088.63	3,787.60
	ii. Lease Liabilties		136.84	-
	iii. Trade payables			
	(a) Total Outstanding dues of Micro Enterprises and Small Enterprises	16	995.49	62.81
	(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16	6,407.71	7,304.31
	iv. Other financial liabilities	17	2,176.82	2,337.10
	Other current liabilities	18	3,959.83	3,314.91
	Provisions	13	919.82	855.85
	Total current liabilities	**F**	**15,685.14**	**17,662.58**
G	**Total liabilities**	**G = E+F**	**26,709.44**	**26,088.15**
H	**Total equity and liabilities**	**H = D+G**	**58,116.42**	**55,453.98**
	Significant accounting policies	**1**		
	See accompanying Notes to Financial Statements	**2 to 42**		

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 S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: New Delhi
Date : May 22, 2020

Place: Gurgaon
Date : May 22, 2020

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	Note	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Income			
Revenue from Operations	19	56,309.09	54,651.59
Other Income	20	456.95	400.21
Total income	**(I)**	**56,766.04**	**55,051.80**
Expenses			
Purchases of Pharmacy Drugs & Medical Consumables	-	14,035.65	12,940.94
Purchases of Stock in Trade	-	149.00	145.16
Changes in inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade	21	(361.67)	(27.72)
Employee benefits expense	22	10,239.59	9,715.95
Finance costs	23	1,250.92	1,099.71
Depreciation and other amortization expense	24	2,233.09	2,007.39
Other expenses	25	26,022.92	25,466.14
Total expenses	**(II)**	**53,569.50**	**51,347.57**
Profit before Tax	**III=(I-II)**	**3,196.54**	**3,704.23**
Tax Expense	26		
Current Tax		1,139.63	1,377.75
Earlier year tax		395.73)	-
Deferred tax		409.81	257.86
Total Tax Expense	**(IV)**	**1,153.71**	**1,635.61**
Profit after tax for the year	**V=(III-IV)**	**2,042.83**	**2,068.62**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans (refer note 34)	(VI)	(49.46)	(56.65)
Deferred tax adjustment on revaluation	(VII)	30.50	27.11
Income tax relating to items that will not be reclassified to profit or loss	(VIII)	17.28	19.79
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:	IX = (VI+VII-VIII)	(1.68)	(9.75)
Total comprehensive income for the year	**X=(V+IX)**	**2,041.15**	**2,058.87**
Earning Per Equity Share (Face Value of ₹ 10/- each)			
- Basic (₹)	33	15.43	15.63
- Diluted (₹)		15.43	15.63

Significant accounting policies 1

See accompanying Notes to Financial Statements 2 to 42

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: Gurgaon
Date : May 22, 2020

Statement of Cash Flows for the year ended 31st March 2020

(₹ in Lakhs)

Particulars		Year Ended 31st March 2020	Year Ended 31st March 2019
Cash flow from operating activities			
Profit before tax		3,196.54	3,704.23
Adjustments:			
Depreciation and amortization expense		2,233.09	2,007.39
Interest Income		(45.99)	(132.72)
Finance Cost		1,024.19	890.00
Unclaimed Credit balances / provisions no longer required written back		(61.42)	(320.30)
Remeasurment through OCI		(49.46)	(56.65)
Allowance for Doubtful debts		286.95	39.42
Unrealised foreign exchange gain (net)		(64.12)	1.21
Deferred government grant		-	(18.08)
Loss on Sale / Scrap of Property, Plant and Equipment (Net)		11.47	210.51
Operating cash flow before working capital changes		**6,531.25**	**6,325.01**
Movements in working capital :			
Changes in trade receivables		(12.22)	(2,315.87)
Changes in inventories		(359.62)	(48.91)
Changes in loans		99.29	(166.76)
Changes in other financial assets		158.81	(23.67)
Changes in other assets & other current assets		(1,379.20)	412.41
Changes in trade payables		97.50	943.77
Changes in Provisions		193.87	(323.99)
Changes in Other current liabilities / Other financial liabilities		735.79	236.91
Cash generated from operations		**6,065.47**	**5,038.90**
Income tax refund / (paid)		(416.89)	(985.07)
Net cash generated from operating activites	**(A)**	**5,648.58**	**4,053.83**
Cash flow from investing activity			
Purchase of Property, Plant & Equipment / CWIP		(1,956.57)	(5,725.70)
Proceeds from sale of Property, Plant & Equipment		11.14	5.12
Maturity / (investments) of / in fixed deposits having original maturity of more than 3 months		(90.06)	633.77
Investment made in subsidiary		(162.50)	(6.50)
Interest received		45.99	132.72
Net cash (used in) investing activities	**(B)**	**(2,152.00)**	**(4,960.59)**
Cash flow from financing activity			
Proceeds from non current borrowings		2,850.85	2,655.80
Repayment of non current borrowings		(2,291.68)	(4,116.76)
Proceeds from current borrowings (net)		-	3,787.60

(₹ in Lakhs)

Particulars		Year Ended 31st March 2020	Year Ended 31st March 2019
Repayment of current borrowings (net)		(2,698.96)	-
Payment of lease liabilities		(136.98)	-
Interest paid		(1,024.19)	(890.00)
Net cash generated from financing activites	**(C)**	**(3,300.96)**	**1,436.64**
Net increase in cash & cash equivalents	**(A+B+C)**	**195.62**	**529.88**
Cash & cash equivalents as the beginning of the year		923.88	394.00
Cash & cash equivalents as the end of the year	**Total**	**1,119.50**	**923.88**
Components of cash and cash equivalents			
Cash on hand		79.69	67.59
Balances with Banks:			
On current accounts		1,039.81	856.29
On deposit accounts		404.44	314.39
Less: Fixed deposits not considered as cash equivalents		(404.44)	(314.39)
Total Cash and Cash Equivalents (Refer Note 8)	**Total**	**1,119.50**	**923.88**

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: Gurugram
Date : May 22, 2020

Notes to Financial Statements for the year ended 31st March 2020

Note No.

1.1 Nature of operations

Artemis Medicare Services Limited ("The Company") was incorporated on 18th May, 2004. The Company is engaged in the business of managing and operating of multi specialty hospitals and commenced its commercial operation by setting up Artemis Hospital (formerly Artemis Health Institute) at Gurugram on July 16, 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 authenticated by the Company's Board of Directors on 22nd May, 2020. 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 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.

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 fixed assets are ready for their intended use. Depreciation on all PPE except land are provided on a straight line based on the estimated useful life of PPE, which is as follows:

Assets	Useful Life of property, plant and equipment as per Schedule II	Useful Life of property, plant and equipment as per Management supported by Technical Valuer's Estimate
Buildings :		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
Plant & Machinery :		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	
- Loose Tools & Instruments		5 Years
Office Equipments	5 Years	
Computers & Data Processing Units		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
Vehicles	8 Years	
Furnitures & Fittings	10 Years	
Electrical Installations & Equipments	10 Years	

Leasehold Improvements including renovation done on shared facilities have been depreciated as per the useful life ascertained or over the primary period of lease / contract, whichever is shorter.

e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Indian Accounting Standards.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Software

Cost of software is amortized over a period of 8 years, being the estimated useful life as per the management estimates.

f) Borrowing Cost

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

g) Impairment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication based on internal/ external factors that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of assets those are cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss.

h) 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 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 currecy 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 beneifts

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 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. Since the employee has unconditional right to avail the leave, the benefit is classified as a short term employee benefit. 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 and tax laws prevailing in the respective tax jurisdictions where the Company operates.

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 & 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 fair value through other comprehensive income (FVTOCI) financial assets. 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 creditimpaired 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 & 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 AS115.

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 & 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 consolidated financial statements. Company 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 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 & loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

u) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement are comprise of cash at bank and cash in hand and short-term investments with an original maturity of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet and forms part of financing activities in the cash flow statement. Book overdraft are shown within other financial liabilities in the balance sheet and forms part of operating activities in the cash flow statement.

v) Critical Accounting Estimates

Expected Credit Loss

The impairment provisions for trade receivables is based on assumptions about risk of default and expected loss rates. The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

Notes to Financial Statements for the year ended 31st March 2020

(₹ in Lakhs)

Particulars	Freehold Land *	Building * *	Leasehold Improvement	Computers	Furniture & Fixtures	Office Equipments	Plant and Equipments	Vehicles	Total
COST OR DEEMED COST									
As at 1st April, 2018	9,558.90	9,402.90	251.69	659.58	698.84	276.53	12,958.14	135.74	33,942.32
Additions	3,703.54	55.63	59.57	255.10	53.64	70.92	629.82	75.78	4,904.00
Disposals / Discarded during the year	-	(26.63)	(189.27)	-	(18.77)	(1.26)	(26.78)	-	(262.71)
Adjustment during the year #	-	-	-	-	-	-	7.52	-	7.52
As at 31st March 2019	13,262.44	9,431.90	121.99	914.68	733.71	346.18	13,568.70	211.52	38,591.13
Additions	-	9.37	-	78.83	25.54	31.01	1,109.96	76.64	1,331.35
Disposals / Discarded during the year	-	-	-	(1.65)	(3.34)	(0.09)	(166.49)	-	(171.58)
As at 31st March 2020	13,262.44	9,441.27	121.99	991.86	755.91	377.10	14,512.17	288.16	39,750.90
DEPRECIATION									
As at 1st April, 2018	-	364.71	28.31	196.90	261.25	107.48	2,224.45	22.89	3,205.99
Charge for the year	-	189.89	15.70	148.40	71.91	67.99	1,411.21	27.72	1,932.82
Disposals / Discarded during the year	-	(1.25)	(35.60)	-	(2.87)	(1.17)	(6.40)	-	(47.29)
As at 31st March 2019	-	553.35	8.41	345.30	330.29	174.30	3,629.26	50.61	5,091.52
Charge for the year	-	173.17	36.05	164.60	55.07	67.80	1,509.82	34.85	2,041.36
Disposals / Discarded during the year	-	-	-	(0.33)	(2.29)	(0.08)	(146.26)	-	(148.96)
As at 31st March 2020	-	726.52	44.46	509.57	383.07	242.02	4,992.82	85.46	6,983.92
NET BOOK VALUE									
As at 31st March 2019	13,262.44	8,878.55	113.58	569.37	403.42	171.88	9,939.44	160.91	33,499.61
As at 31st March 2020	13,262.44	8,714.75	77.53	482.29	372.84	135.08	9,519.35	202.70	32,766.98

* Under the Previous GAAP (Indian GAAP), freehold land was carried in the balance sheet on the basis of revaluation performed as on 31.03.2016. 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.

\# Comprises of borrowing cost of ₹ Nil (31 March 2019 : ₹ 7.52 Lakhs). The borrowing cost capitalised during the year ended 31 March 2020 was ₹ 121.00 Lakhs (31 March 2019 : ₹ 65.92 Lakhs). The Company capitalised this borrowing cost in the capital work-in-progress (CWIP). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from CWIP.

Note No. 2.2

RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Right-of-use assets
As at 1st April, 2019 (Refer Note 31)	1,535.71
Additions	-
Deletion	-
Depreciation	97.12
As at 31st March 2020	**1,438.59**

Note No. 2.3

INTANGIBLES ASSETS

(₹ in Lakhs)

Particulars	Computer Software
COST OR DEEMED COST	
As at 1st April, 2018	421.17
Additions	188.42
Disposals / Discarded during the year	(0.46)
As at 31st March 2019	**609.13**
Additions	33.59
Disposals / Discarded during the year	-
As at 31st March 2020	**642.72**
AMORTIZATION	
As at 1st April, 2018	128.32
Charge for the year	74.57
Disposals / Discarded during the year	(0.26)
As at 31st March 2019	**202.63**
Charge for the year	94.61
Disposals / Discarded during the year	-
As at 31st March 2020	**297.24**
NET BOOK VALUE	
As at 31st March 2019	**406.50**
As at 31st March 2020	**345.48**

Notes to Financial Statements for the year ended 31st March 2020

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Financial Assets		
3.1	**Investments (Non-Current)**		
	Unquoted Investments		
	Investment in Equity Instruments (at cost)		
	Investment in Subsidiary Company		
	i) Artemis Cardiac Care Private Limited	169.00	6.50
	169,00,000 Equity Shares of ₹ 10/- each (65,000 as at March 31, 2019 Equity Shares of ₹10/- each) (all fully paid)		
	Total	**169.00**	**6.50**
	Aggregate amount of unquoted investments and market value thereof		
	Aggregate value of unquoted investment	169.00	6.50
3.2	**Loans**		
	Non Current		
	(Unsecured, Considered good)		
	Security Deposits	173.58	163.99
	Others		
	Loans & advances to Employees*	69.76	91.87
	Total	**243.34**	**255.86**
	Current		
	(Unsecured, Considered good)		
	Security Deposits	7.17	91.18
	Others		
	Loans & advances to Employees *	103.30	68.78
	Loans & advances to Others	-	37.28
		110.47	**197.24**
	* Loans & advances to Employees includes dues from Executive Director, officers etc. (Refer Note 30) (As a part of service condition extended to all its eligible employees)	79.50	97.50
3.3	**Other Financial Assets**		
	Non Current		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	29.05	32.42
		29.05	**32.42**
	Current		
	Interest accrued on fixed deposits	18.91	16.15
	Unbilled Revenue (Accrued operating income)	340.35	498.55
		359.26	**514.70**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
4	**Income tax assets**		
	Non Current		
	Income Tax Recoverable (Net of provision for taxation)	1,003.04	676.29
	Total	**1,003.04**	**676.29**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
5	**Other Assets**		
	Non-Current (Unsecured, Considered good)		
	Capital Advances	684.77	93.43
	Deposit with Service Tax Authorities	-	73.26
	Prepaid Expenses	29.93	37.06
	Total	**714.70**	**203.75**
	Current (Unsecured, Considered good)		
	Advances recoverable *	98.66	55.69
	Balances with statutory / government authorities	34.36	32.01
	Prepaid Expenses	191.52	140.42
	Export Incentive receivable	652.90	534.41
		977.44	**762.53**

* Includes of ₹ Nil Lakhs (As at 31st March 2019 ₹ 20.77 Lakhs) due from the private limited company, in which director of the company is director.

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
6	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Stock of Pharmacy Drugs & Medical Cosumables	937.93	605.03
	Stock in Trade (Pharmacy and Other Items)	59.20	30.43
	Stores & Spares	56.19	58.24
	Total	**1,053.32**	**693.70**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
7	**Trade Receivables (Unsecured)**		
	Current - at amortised cost		
	Considered good	7650.71	7861.32
	Considered Doubtful	497.69	210.74
	Less: Allowance for credit losses	(497.69)	(210.74)
		7,650.71	**7,861.32**

Trade Receivables Includes :

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
- Dues from Directors	19.95	0.48

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

No single customer accounted for more than 10% of the revenue as of 31st March 2020 & 31st March 2019. 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 ₹ 497.69 Lakhs (Previous year ₹ 210.74 Lakhs) 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 Lakhs)

Allowance for expected credit loss	As at 31st March, 2020	As at 31st March, 2019
Opening balance	210.74	171.32
Credit loss created /(reversed)	286.95	39.42
Closing balance	497.69	210.74

The Company's exposure to currency risks related to trade receivables are disclosed in note (Refer Note 35).

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
8	**Cash & Cash Equivalents**		
	Balance with Banks:		
	- In Current Accounts	1,039.81	856.29
	Cash on hand	79.69	67.59
		1,119.50	**923.88**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
9	**Other Bank Balances**		
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of less than 12 months*	404.44	314.39
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of more than 12 months *	29.05	32.42
	Amount disclosed under Other Non-Current Assets	(29.05)	(32.42)
	Total	**404.44**	**314.39**

* Given as security of ₹ 112.97 Lakhs (Previous Year ₹ 91.86 Lakhs) to secure bank guarantee issued to Customers.

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
10	**Share Capital:**		
	Authorised Shares (in nos.)		
	6,95,50,000 Equity Shares of ₹10/- Each (6,95,50,000 as at March 31, 2019 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 March 31, 2019 Preference Shares of ₹ 100/- Each)	50.00	50.00
	Issued, Subscribed & Paid Up Shares (in nos.)		
	1,32,37,700 Equity Shares of 10/- Each (Nil as at March 31, 2019 Equity Shares of ₹10/- each fully paid up)	1,323.77	2,103.50
	Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	(2,103.50)
	Total Issued, Subscribed & Paid Up Capital *	**1,323.77**	**-**
	* 1,32,37,700 shares of ₹ 10 each (₹1323.77 Lakhs) issued and alloted on October 26, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)		
	Equity Share Capital Suspense Account		
	Equity Shares of ₹10/- par value per share fully paid-up, pending allotment (to be issued and allotted to the shareholders of Artemis Global Life Sciences Limited, pursuant to the Scheme of Amalgamation) (Refer Note 27)	1,323.77	1323.77
	Less : Share issued, during the year	(1,323.77)	-
	Total equity share capital suspense account	**-**	**1,323.77**

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

Reconciliation	As at 31st March, 2020		As at 31st March, 2019	
	Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
Shares outstanding at the beginning of the year	-	-	210,350,000	2,103.50
Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	-	(210,350,000)	(2,103.50)
Shares issued during the year	13,237,700	1,323.77	-	-
Shares outstanding at the end of the year *	**13,237,700**	**1,323.77**	**-**	**-**

* 1,32,37,700 shares of ₹ 10 each (₹1323.77 Lakhs) issued and alloted on October 26, 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 Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	₹ in Lakhs	Nos.	₹ in Lakhs
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 Shareholders	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares	% of Holding	Nos.	% of Holding
Constructive Finance Private Limited - holding company	9,242,579	69.82%	9,242,579	69.82%
Governor of Kerala	674,950	5.10%	674,950	5.10%

(Refer Note 27)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Note No.	Particulars		As At 31st March 2020	As At 31st March 2019
11	**Other Equity :**			
	Capital Reserve			
	Balance as per last financial statements		14,457.89	14,457.89
	Closing Balance	**(A)**	**14,457.89**	**14,457.89**
	Revaluation Reserve			
	Balance as per last financial statements		6,567.81	6,540.70
	Add : Deferred tax adjustment on revaluation		30.50	27.11
	Closing Balance	**(B)**	**6,598.31**	**6,567.81**
	Retained earnings			
	Balance as per last financial statements		7,016.36	4,984.60
	Add : Profit / (Loss) for the year		2,042.83	2,068.62
	Add : Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax		(32.18)	(36.86)
	Balance at end of year	**(C)**	**9,027.01**	**7,016.36**
	Total Other Equity	**(A + B + C)**	**30,083.21**	**28,042.06**

A. Capital Reserve

Capital reserve represents excess of assets over liabilities and share issued consequent to scheme of arrangement of transferor companies in earlier years.

B. Revaluation Reserve

Revaluation Reserve represents freehold land revalued as on 31st March, 2016 as per independent valuer report.

C. Retained Earnings

Retained earnings represents the profits that the Company has earned till date, less any transfer of general reserve, dividends or other distributions to shareholders etc.

STATEMENT OF CHANGES IN EQUITY

I)

(A) Equity Share Capital

(₹ in Lakhs)

Particulars	Note No.	Amounts
Balance as at April 1, 2018		**2,103.50**
Less: Equity Share capital Cancelled pursuant to Composite Scheme of Amalgamation (Refer Note 27)	10	(2,103.50)
Balance as at March 31, 2019	**10**	**-**
Add: Equity shares issued during the year	10	1,323.77
Balance as at March 31, 2020	**10**	**1,323.77**

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

(₹ in Lakhs)

Particulars	Note No.	Amounts
Balance as at April 1, 2018		-
Add: Pursuant to Composite Scheme of Amalgamation	10	1,323.77
Balance as at March 31, 2019	**10**	**1,323.77**
Less : shares issued during the year	10	(1,323.77)
Balance as at March 31, 2020	**10**	**-**

II) Other equity

(₹ in Lakhs)

	Note	Reserves and surplus			Items of OCI Remeasurements of the net defined benefit plans	Total
		Capital Reserve	Revaluation Reserve	Retained Earnings		
Balance as at April 1, 2018	**11**	**14,457.89**	**6,540.70**	**5,010.43**	**(25.83)**	**25,983.19**
Profit / (Loss) for the year	11	-	-	2,068.62	-	2,068.62
Deferred tax adjustment on revlauation	11	-	27.11	-	-	27.11
Other comprehensive income (OCI) (net of tax)	11		-		(36.86)	(36.86)
Balance as at March 31, 2019	**11**	**14,457.89**	**6,567.81**	**7,079.05**	**(62.69)**	**28,042.06**
Profit / (Loss) for the year	11	-	-	2,042.83	-	2,042.83
Deferred tax adjustment on revlauation	11	-	30.50	-	-	30.50
Other comprehensive income (OCI) (net of tax)	11	-	-	-	(32.18)	(32.18)
Balance as at March 31, 2020	**11**	**14,457.89**	**6,598.31**	**9,121.88**	**(94.87)**	**30,083.21**

See accompanying Notes to Financial Statements 2 to 42

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place : Gurugram
Date : May 22, 2020

(₹ in Lakhs)

Note No.	Particulars	As At 31st March 2020	As At 31st March 2019
12	**Borrowings**		
	Non Current Borrowings		
	Term Loans		
	From Banks		
	- Indian Rupee loans from Banks (secured at amortised cost)	6,057.19	5,345.88
	Total	**6,057.19**	**5,345.88**
	Current Maturity		
	Term Loans		
	From Banks		
	- Indian Rupee loans from Banks (secured) (at amortised cost)	2,132.72	2,121.65
	From Others		
	- Indian Rupee loan from NBFC (unsecured)	-	31.03
		2,132.72	2,152.68
	Deferred Payment Liabilities	-	132.18
		2,132.72	2,284.86
	Transferred to Other Financial Liability (Note 17)	(2,132.72)	(2,284.86)
	Total	**-**	**-**

1. Indian Rupee Loans from Banks include :

a) Term loans of ₹8088.16 Lakhs (As at 31st March, 2019 ₹7422.91 Lakhs) 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, Gurgaon, Haryana and charge over all movable fixed assets, both present & future and second pari passu charge on current assets.

b) Vehicle Loans of ₹ 101.75 Lakhs (As at 31st March, 2019 ₹ 44.62 Lakhs) from Scheduled Bank carries interest as exclusive charge on the vehicles financed out of the said term loan. The rate of interest on aforesaid loan is linked to Bank's Prime Lending Rate (PLR).

2. Indian Rupee loan from NBFC include :

Unsecured loan of ₹ Nil Lakhs (As at 31st March, 2019 ₹ 31.03 Lakhs) from NBFC carries effective interest rate of 10.49% per annum, payable in instalments, as per repayment schedule below.

3. Deferred Payment Liability :

Deferred payment liability of ₹ Nil Lakhs (As at 31st March, 2019 ₹132.18 Lakhs) is on account of purchase of medical equipments and secured against letter of credit issued by HDFC Bank Limited, as per non fund based facility with charge on entire movable fixed assets on pari passu basis with existing lender, and Second charge on current assets of the company.

(₹ in Lakhs)

Repayment Schedule	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	after FY 2023-24
Secured Loan					
Term Loan - HDFC Bank Limited	2,090.75	2,090.74	1,203.18	80.00	240.00
Term Loan - IDFC First Bank Limited	-	72.00	144.00	216.00	1,968.00
Vehicle Loan - HDFC Bank Limited	41.98	43.41	16.36	-	-
Total	**2,132.72**	**2,206.15**	**1,363.54**	**296.00**	**2,208.00**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Non-Current	Current	Non-Current	Current
13	**Provisions**				
	Provision for Employee Benefits				
	Leave Benefits	190.45	92.79	166.18	83.15
	Gratuity (Refer Note 34)	436.42	145.00	330.78	101.92
	Other Provisions				
	Provision for Contingencies (Refer Note 39)	-	682.03	-	670.78
	Total	**626.87**	**919.82**	**496.96**	**855.85**

Note No.	Deferred tax assets / (liabilities) in relation to :	As at 1st, April 2018	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at March 31, 2019
14	**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)	(3,907.09)	(116.43)	27.11	(3,996.41)
	Other provisions	328.98	(94.55)	-	234.43
	Allowance for Doubtful Debts (Expected credit loss)	59.87	13.77	-	73.64
	Employee Benefits	173.57	44.97	19.79	238.33
	MAT Credit Entitlement	1,555.35	(776.13)*	-	779.22
	Fair Value Adjustments	(0.70)	(4.36)	-	(5.06)
	Others	29.90	63.23	-	93.12
		(1,760.13)	**(869.50)**	**46.90**	**(2,582.73)**

14	Deferred tax assets / (liabilities) in relation to :	As at 1st, April 2019	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at March 31, 2020
	Deferred Tax Assets / (Liabilities) (Net)				
	The following is the analysis of deferred tax assets / liabilities Recognised in profit and loss account and other comprehensive income				
	Property, plant and equipment (including intangible assets)	(3,996.41)	(1,171.34)	30.50	(5,137.26)
	Other provisions	234.43	3.93	-	238.36
	Allowance for Doubtful Debts (Expected credit loss)	73.64	100.28	-	173.92
	Employee Benefits	238.33	46.54	17.28	302.15
	Lease Liability	-	535.31	-	535.31
	MAT Credit Entitlement	779.22	(0.42)*	-	778.80
	Fair Value Adjustments	(5.06)	4.45	-	(0.61)
	Others	93.12	71.03	-	164.15
		(2,582.73)	**(410.23)**	**47.78**	**(2,945.18)**

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 ₹0.42 Lakhs (Previous Year ₹ 611.67 Lakhs).

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
15	**Borrowings**		
	Bank Overdraft (secured)*	1,088.63	3,787.60
	Total	**1,088.63**	**3,787.60**

* 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 Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
16	**Trade payables**		
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 32)	995.49	62.81
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	6,407.71	7,304.31
	Total	**7,403.20**	**7,367.12**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
17	**Other Financial Liabilities (secured)**		
	Current		
	Term Loan (current maturity)	2,132.72	2,152.68
	Deferred payment liability (current maturity)	-	132.18
	(Refer Note 12)	2,132.72	2,284.86
	Interest Accrued but not due on borrowings	44.10	52.24
		44.10	52.24
	Total	**2,176.82**	**2,337.10**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
18	**Other Liabilities**		
	Current		
	Advance from Patients / Others	968.28	1,217.99
	Taxes payable *	371.46	307.94
	Security Deposits	538.66	538.08
	Deferred Government Grant * *	113.13	78.96
	Other Payable * * *	1,968.30	1,171.94
	Total	**3,959.83**	**3,314.91**

*Taxes payable includes Withholding Tax,Goods & Services Tax.

**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).

*** Other payable includes payments due on account of capital items, due to employees, contribution of PF, ESI etc.

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
19	**Revenue from Operations**		
	Sale of Services		
	Revenue from Healthcare & Other Services	54,008.99	52,494.98
	Sale of Goods		
	Sale of Pharmacy Drugs & Medical Consumables	1,205.47	914.88
	Sale of Stock in Trade (Pharmacy)	183.72	199.82
	Other Operating Income		
	Income from Nursing Hostel	35.39	34.62
	Income from Education & Training	89.55	60.73
	Income from Export Incentive	714.79	612.60
	Unclaimed credit balances / provisions no longer required written back	61.42	320.30
	Sale of Scrap	9.76	13.66
	Total	**56,309.09**	**54,651.59**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
20	**Other Income**				
	Interest Income		45.99		135.78
	- From Bank deposits	36.53		74.28	
	- From Financial Assets carried at amortised cost	7.76		57.62	
	- From Others	1.70		3.88	
	Income from outsource activities (Cafeteria, Parking etc.)		99.25		105.37
	Other Non-Operating Income (net of reimbursements)		177.91		115.05
	Foreign Exchange Gain (Net)		133.80		44.01
	Total		**456.95**		**400.21**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
21	**(Increase) / Decrease in Inventories of Pharmacy Drugs & Medical Consumables**				
	Inventories at the beginning of the year	605.03		574.13	
	Inventories at the end of the year	937.93	(332.90)	605.03	(30.90)
	(Increase) / Decrease in Inventories of Stock in Trade				
	Inventories at the beginning of the year	30.43		33.61	
	Inventories at the end of the year	59.20	(28.77)	30.43	3.18
	Total		**(361.67)**		**(27.72)**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
22	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	9,367.02	8,990.29
	Contribution to Provident and Other Funds	473.62	355.38
	Gratuity Expenses (Refer note 34)	126.41	101.58
	Employee Welfare Expenses	272.54	268.70
	Total	**10,239.59**	**9,715.95**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
23	**Finance Costs**		
	Interest expense on financial liabilities measured at amortised cost		
	- On term Loans	883.05	817.97
	- Deferred Payment	0.54	68.39
	- On lease liability	140.06	-
	Other Interest Expense	0.54	3.65
	Other Borrowing Costs	0.40	0.73
	Bank Charges	226.33	208.97
	Total	**1,250.92**	**1,099.71**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
24	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	2,041.36	1,932.82
	Amortization of intangible assets	94.61	74.57
	Depreciation of Right-of-use assets	97.12	-
	Total	**2,233.09**	**2,007.39**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
25	**Other expenses**		
	Consumption of stores & spares	129.44	133.23
	Power & Fuel	1,034.38	1,102.35
	Rent - Lease Rent	33.85	202.43
	Equipment Hire Charges	145.50	147.59
	Repairs and Maintenance - Machinery	1,238.85	906.38
	Repairs and Maintenance - Buildings	41.42	147.97
	Repairs and Maintenance - Others	177.50	198.02
	Rates & Taxes	54.18	51.77
	Legal & Professional Consultation Fees	479.18	457.41

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
	Merger Expenses	15.15	112.19
	AGM & Annual Listing Expenses	62.65	9.78
	Fee paid to Doctors	12,734.83	11,940.61
	Printing & Stationery	150.01	157.44
	Patient Facility Maintenance	759.98	732.91
	Patient Food & Beverages Expenses	506.02	548.28
	Outsource Lab Test Charges	371.76	387.55
	Security Charges	242.73	253.61
	Professional Medical Consultancy	5,929.19	6,140.54
	Provision for Contingencies	11.25	-
	Travelling & Conveyance	544.66	614.72
	Advertisement & Business Promotion	321.87	355.37
	Patients Amenities	70.80	221.98
	Communication Expenses	67.35	73.69
	Charity & Donation	46.50	42.74
	Insurance	54.24	48.92
	Clinical Research Expenses	191.13	53.00
	Auditors Remuneration		
	- Audit Fee	11.51	11.51
	- Limited Review	1.30	-
	- Tax Audit Fee	2.89	2.89
	- Others Services & Certification	7.14	5.20
	Directors Sitting Fees	37.33	24.12
	CSR Expenses	115.26	60.64
	Newspaper & Periodicals	29.45	22.74
	Bad Debts Written Off	22.61	17.81
	Amount Written Off	52.57	-
	Allowance for Doubtful Receivables	286.95	39.42
	Loss on Sale / Scrap of Property, Plant and Equipment (Net)	11.47	210.51
	Miscellaneous Expenses	30.02	30.82
	Total	**26,022.92**	**25,466.14**

INCOME TAX

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
26	**Recognised in Statement of Profit and loss account**		
	Current Tax		
	(a) In respect of the current year	1,139.63	1,377.75
	(b) Earlier years tax	(395.73)	-
	Total	**743.90**	**1,377.75**
	Deferred Tax		
	(a) In respect of the current year	409.81	257.86
	Tax expense recognised through statement of profit and loss account	**1,153.71**	**1,635.61**
	Recognised in Other Comprehensive Income (OCI)		
	Deferred tax		
	In respect of the current year	(47.78)	(46.90)
	Tax credit recognised through Other Comprehensive Income	(47.78)	(46.90)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	3,196.54	3,704.23
	Enacted income tax rate in India	34.944%	34.944%
	Income tax calculated	1,117.00	1,294.40
	Earlier years Tax	(395.73)	-
	Effect of expenses not deductible in determing taxable profit	63.73	-
	Effect of Other Adjustments	368.71	365.51
	Income tax expense recognised in profit or loss	**1,153.71**	**1,635.61**

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 September 30, 2019. The Company has filed copy of the order with Registrar of Companies Delhi on October 14, 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 October 26, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from January 23, 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 Lakhs , AHSL of ₹ 2,500 Lakhs and AEL of ₹ 5 Lakhs 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 Lakhs which comprises of 6,95,50,000 (Six crore ninety five Lakhs 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 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. April 1, 2018. The 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 Lakhs)

Particulars	Transferor Companies	Eliminations / Inter Company Adjustments	Total
Assets			
Property, plant and equipment	162.27	-	162.27
Non Current Investments	29,267.12	-	29,267.12
Non-current tax assets (Net)	4.74	2.75	7.49
Other non-current assets	0.02	-	0.02
Defferred tax assets	14.75	(14.75)	-
Trade receivables	15.29	4.38	19.67
Cash and cash equivalents	112.88	-	112.88
Short term loans	37.28	-	37.28
Other current financial assets	6.35	(6.35)	-
Current tax assets (Net)	2.74	(2.74)	-
Other current assets	6.77	0.23	7.00
Total Assets	**29,630.21**	**(16.48)**	**29,613.73**
Equity and Liabilities			
Equity			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
Total equity	**29,259.44**	**(14.75)**	**29,244.69**
Liabilities			
Short term Borrowings	38.80	-	38.80
Trade Payables	1.95	(1.95)	0.00
Other current liabilities	330.02	0.22	330.24
Total liabilities	**370.77**	**(1.73)**	**369.04**
Total equity and liabilities	**29,630.21**	**(16.48)**	**29,613.73**

(B) Details of other equity on Amalgamation of Transferor Companies

(₹ in Lakhs)

Particulars	Retained Earnings	Amalgamation Adjustment Account	Capital Reserve	Total
Reserve of Transferor Companies	1,655.65	-	14,457.89	16,113.54
Investment of Transferor Companies	-	29,267.12	-	29,267.12
Share Capital of transferor companies including share capital cancelled and share capital issued by transferee company pursuant to Composite Scheme of Amalgamation	-	(25,105.05)	-	(25,105.05)
Total	**1,655.65**	**4,162.07**	**14,457.89**	**20,275.61**

On amalgamation, the effect of cancellation of investment of Transferor Companies of ₹ 29,267.12 Lakhs and difference between share capital of transferor company including shares cancelled and issued by transferee company of ₹ 25,105.05 Lakhs have resulted an amount of ₹ 4,162.07 Lakhs, 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 Lakhs)	Previous Year (₹ in Lakhs)	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
Revenue by geographical markets	36,580.88	33,342.29	19,728.21	21,309.30	56,309.09	54,651.59
Non current assets	45,999.89	43,891.44	-	-	45,999.89	43,891.44

29 Capital and Other Commitments

(₹ in Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)	5,527.55	4,177.80

b) Other Commitments

i) For commitments relating to lease arrangement, please refer Note 31.

ii) 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)

i) Gross amount required to be spent by the Company during the year ended 31st March 2020 ₹ 72.66 Lakhs

ii) Amount spent during the year ended 31st March 2020 :

(₹ in Lakhs)

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	115.26	-	115.26

iii) Details of related party transactions :

a) Contribution during the year ended 31st March 2020 ₹ Nil

b) Payable as at 31st March 2020 ₹ Nil

30 Related party disclosure

a) Name of related parties

Parties where control exists irrespective of whether transactions have occurred or not

Holding Company	Constructive Finance Private Limited

Names of other related parties with whom transactions have taken place during the year

Subsidiary Company	Artemis Cardiac Care Pvt. Ltd. (w.e.f. 14th Jan, 2019)
Key Management Personnel	Mr. Onkar S. Kanwar (Chairman & Director) Dr. Devlina Chakravarty (Executive Director) Mr. Sanjiv Kumar Kothari (Chief Financial Officer) Mr. Navneet Goel (Head - Legal & Company Secretary) (upto 3rd Feb, 2019) Mr. Rakesh Kaushik (Chief Legal Officer & Company Secretary) (from 4th Feb, 2019) 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 Singh 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) Mr. Saurabh Srivastava (Independent Director) (upto 13th May, 2019) Mr. Sunil Tandon (Independent Director) (from 10th Oct, 2019) Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited Mr. Ugar Sain Anand (Independent Director) (from 10th Oct, 2019) Mr. Harish Bahadur (Director) - Athena Eduspark Limited
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. (w.e.f. 9th Oct, 2018)

b) Transactions during the year

(₹ in Lakhs)

Particulars	Step Subsidiary Company		Subsidiary Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Reimbursement of Expenses Received								
Artemis Health Sciences Foundation	-	-	-	-	-	-	0.97	2.32
Artemis Education & Research Foundation	-	-	-	-	-	-	12.46	-
Artemis Cardiac Care Pvt Ltd	-	-	-	20.77	-	-	-	-
Corporate Guarantee Given								
Artemis Cardiac Care Pvt Ltd	-	-	1,500.00	-	-	-	-	-
Corporate Guarantee Fee								
Artemis Cardiac Care Pvt Ltd	-	-	0.48	-	-	-	-	-
Investment in Subsidiary								
Artemis Cardiac Care Pvt Ltd	-	-	162.50	6.50	-	-	-	-
Sale of Goods / Fixed Assets								
Artemis Cardiac Care Pvt Ltd								
Pharmacy drugs & consumables	-	-	1.96	-	-	-	-	-
Property, plant & equipment	-	-	6.74	-	-	-	-	-
CSR Expenses								
Artemis Health Sciences Foundation	-	-	-	-	-	-	-	45.83
Recovery of Loans & Advances								
Devlina Chakravarty	-	-	-	-	12.00	12.00	-	-
Sanjiv Kumar Kothari	-	-	-	-	6.00	6.00	-	-
Lease Expenses*								
Swaranganga Consultants Pvt Ltd	-	-	-	-	-	-	2.51	12.20
Charges for support services								
Artemis Education Research Foundation	-	-	-	-	-	-	39.38	38.96
Artemis Health Sciences Foundation	-	-	-	-	-	-	-	1.77
Sale of Services / License								
Total Transactions	-	-	-	-	44.76	31.31	814.33	855.60
Transactions in excess of 10%								
---- Apollo Tyres Ltd.	-	-	-	-	-	-	807.58	845.94
Purchase of services / goods*								
Apollo Tyres Ltd.	-	-	-	-	-	-	7.08	7.08
Devarchana Rana	-	-	-	-	6.49	6.20	-	-
Nirmal Kumar Ganguly	-	-	-	-	19.61	18.00	-	-
Premedium Pharmaceuticals Pvt Ltd	-	-	-	-	-	-	4,772.61	49.48
Donation Paid								
Artemis Education & Research Foundation	-	-	-	-	-	-	41.50	40.00
Artemis Health Sciences Foundation	-	-	-	-	-	-	5.00	2.74
Directors' Sitting Fees paid								
Onkar S Kanwar	-	-	-	-	3.95	2.65	-	-
Neeraj Singh Kanwar	-	-	-	-	2.30	1.20	-	-
Shalini Kanwar Chand	-	-	-	-	4.00	2.85	-	-
S. Narayan	-	-	-	-	5.25	4.50	-	-
Sanjaya Baru	-	-	-	-	3.65	1.70	-	-
Nirmal Kumar Ganguly	-	-	-	-	2.60	0.80	-	-

(₹ in Lakhs)

Particulars	Step Subsidiary Company		Subsidiary Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Saurabh Srivastava	-	-	-	-	0.50	0.40	-	-
Sunil Tandon	-	-	-	-	1.20	-	-	-
Ugar Sain Anand	-	-	-	-	2.90	1.75	-	-
Akshay Kumar Chudasama	-	-	-	-	4.80	3.80	-	-
Harish Bahadur	-	-	-	-	1.00	1.85	-	-
Anil Chopra	-	-	-	-	0.25	0.50	-	-
Key management personnel-Compensation								
Devlina Chakravarty	-	-	-	-	489.23	459.77	-	-
Sanjiv Kumar Kothari	-	-	-	-	66.81	68.63	-	-
Rakesh Kaushik	-	-	-	-	66.50	24.52	-	-
Navneet Goel	-	-	-	-	-	64.93	-	-
Anuj Sood	-	-	-	-	8.86	11.78	-	-
Aastha Kalra	-	-	-	-	6.79	12.73	-	-
Deepa Khatri	-	-	-	-	2.66	3.80	-	-
Defined benefit obligation								
Post-employment benefits	-	-	-	-	68.23	52.01	-	-
Short-term benefits	-	-	-	-	28.27	23.30	-	-
Total compensation	-	-	-	-	96.50	75.31	-	-
Dr. Devlina Chakravarty	-	-	-	-	80.15	64.21	-	-
Mr. Sanjiv Kumar Kothari	-	-	-	-	12.61	10.21	-	-
Mr. Rakesh Kaushik	-	-	-	-	3.74	0.89	-	-
Total compensation	**-**	**-**	**-**	**-**	**96.50**	**75.31**	**-**	**-**

* Transactions are reported including taxes.

(₹ in Lakhs)

Balance Payable	Name of Entity	31st March, 2020	31st March, 2019
Key Management Personnel and their relatives	Relatives of Director & KMP	-	0.40
	Devarchana Rana	0.45	-
	Nirmal Kumar Ganguly	1.15	-
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	7.08	7.08
	Swaranganga Consultants P Ltd	1.51	0.22
	Premedium Pharmaceuticals Pvt. Ltd.	678.50	49.48

(₹ in Lakhs)

Balance Payable	Name of Entity	31st March, 2020	31st March, 2019
Key Management Personnel and their relatives	Relatives of Director & KMP	20.09	0.48
	Devlina Chakravarty	63.74	62.14
	Sanjiv Kumar Kothari	22.94	30.06
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	55.89	438.92
	Apollo International Ltd.	4.39	1.49
	Artemis Education & Research Foundation	11.14	38.00
	Swaranganga Consultants P Ltd	-	84.00
	Artemis Cardiac Care Pvt. Ltd.	-	14.82

31 Leases

A Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April1, 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.

The effect of adoption Ind AS 116 is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2020
Assets	
Right-of-use assets	1,438.59
Total Assets	**1,438.59**
Liabilities	
Lease Liability (Non Current)	1,395.06
Lease Liability (Current)	136.84
Total Liability	**1,531.90**

Movement of Lease Liabilities during the year ended March 31, 2020

(₹ in Lakhs)

Particulars	As at 31st March 2020
Balance at the beginning of the year	1,528.82
Finance cost accrued during the period	140.06
Payment of Lease Liability	(136.98)
Balance at the end of the year	1,531.90

Impact on the statement of profit or loss (increase / (decrease))

(₹ in Lakhs)

Particulars	Year Ended 31st March 2020
Depreciation expense	97.12
Rent expense (included in Other expenses)	(136.98)
Finance Cost	140.06
Loss (profit) for the period	**100.20**

B The company incurred ₹ 33.85 Lakhs for the year ended March 31, 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 Lakhs)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	**Year Ended 31st March 2020**	**Year Ended 31st March 2019**
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.		
- Principal Amount - Interest thereon	995.49 -	62.81 0.33
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.	-	0.33
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 Lakhs)

Particulars	**Year Ended 31st March, 2020**	**Year Ended 31st March, 2019**
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	2,042.83	2,068.62
Basic / Weighted Average Number of Equity Shares Outstanding during the year*	13,237,700	13,237,700
Earning Per Share (in Rupees)		
- Basic	15.43	15.63
- Diluted	15.43	15.63
Nominal value of Equity Shares	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 & Loss for the year ended 31st March 2020 an amount of ₹473.62 Lakhs (Previous year ₹ 355.38 Lakhs) under defined contribution plans.

Expense under defined contribution plans include:	Year Ended 31st March 2020	Year Ended 31st March 2019
a) Employer's contribution to provident fund	400.79	276.59
b) Employer's contribution to Employee State Insurance Corporation	62.75	74.80
c) Employer's contribution to Labour Welfare Fund	10.08	3.99
	473.62	**355.38**

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 Lakhs)

		Gratuity (unfunded)		Leaves (unfunded)	
		Year Ended 31st March 2020	**Year Ended 31st March 2019**	**Year Ended 31st March 2020**	**Year Ended 31st March 2019**
(i)	Reconciliation of opening and closing balances of obligations:				
	a) Obligation at the beginning	432.70	307.72	249.33	188.98
	b) Current Service Cost	96.55	79.12	67.03	66.61
	c) Interest Cost	29.86	22.46	17.20	13.80
	d) Past Service Cost	-	-	-	-
	e) Actuarial (Gain) / Loss	49.46	56.65	(5.07)	11.65
	f) Benefits paid	(27.15)	(33.24)	(45.24)	(31.71)
	g) Obligation at the year end	581.41	432.70	283.24	249.33
(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	581.41	432.70	283.24	249.33
	b) Fair Value of Plan Assets at year end	-	-	-	-
	c) Asset / Liability recognized in the Balance Sheet	581.41	432.70	283.24	249.33
(iv)	Amount recognized in the income statement				
	a) Current Service Cost	96.55	79.12	67.03	66.61
	b) Past Service Cost	-	-	-	-
	c) Interest Cost	29.86	22.46	17.20	13.80
	d) Curtailment Cost (Credit)	-	-	-	-
	e) Expected return on Plan Assets	-	-	-	-
	f) Actuarial (Gain) / Loss	-	-	(5.07)	11.65
	g) Expenses recognized during the year	126.41	101.58	79.16	92.05
(v)	Other Comprehensive Income (OCI)				
	a) Unrealised actuarial Gain / (Loss)	(49.46)	(56.65)	-	-

(vi) Assumptions:	Year Ended 31st March 2020	Year Ended 31st March 2019
a) Discounting Rate (per annum)	5.60%	6.90%
b) Future Salary Increase	5.00%	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 (2006-08)	Indian Assured Lives Mortality (2006-08)

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 ₹ 144.99 Lakhs for Gratuity & ₹ 92.79 Lakhs for Leave Encashment.

The discount rate is based on prevailing market yield of Government Bonds as at the date of valuation.

Particulars	**Year ended 31st March, 2020**		**Year ended 31st March, 2019**	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 1.00%	23.83	25.42	18.31	19.46
Change in Salary escalation rate by 1.00%	25.32	24.18	14.93	23.07

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) <u>Capital Management</u>

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in Notes 12, 15 & 17 offset by cash and bank balances) and total equity of the Company.

The Company is not subject to any externally imposed capital requirements other than for covenants under various loan arrangements of the Company.

The Company's Board reviews the capital structure of the Company on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 31st March 2020 of 26.12% (previous year 35.91%) (See below).

<u>Gearing Ratio :</u>

The gearing ratio at end of the reporting period was as follows :

(₹ in Lakhs)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Debt *	9,322.65	11,470.58
Less : Cash and Cash Equivalents (Refer Note 8)	1,119.50	923.88
Net Debt	8,203.14	10,546.70
Total Equity	31,406.98	29,365.83
Net Debt to Equity Ratio	26.12%	35.91%

* Debt is defined as long-term and short-term borrowings.

ii) Categories of Financial Instruments

(₹ in Lakhs)

Financial Assets	As at 31st March, 2020	As at 31st March, 2019
Measured at amortised cost		
Loans- Non Current	243.34	255.86
Other Financial assets - Non Current	29.05	32.42
Trade receivables - Current	7,650.71	7,861.32
Cash and cash equivalents	1,119.50	923.88
Other Bank balances - Current	404.44	314.39
Loans - Current	110.47	197.24
Other financial assets - Current	359.26	514.70
Total	**9,916.77**	**10,099.81**

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 Lakhs)

Financial Liabilities	As at 31st March, 2020	As at 31st March, 2019
Measured at amortised cost		
Borrowings - Non Current	6,057.19	5,345.88
Borrowings - Current	1,088.63	3,787.60
Lease Liabilities - Non Current	1,395.06	-
Lease Liabilities - Current	136.84	-
Trade payables - Current	7,403.20	7,367.12
Other financial liabilities - Current	2,176.82	2,337.10
Total	**18,257.75**	**18,837.70**

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. 19% 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 Lakhs)

I. Assets		As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Receivables (trade & others) (A)	USD	8.59	641.50	11.69	799.72
	AED	3.70	73.78	-	-
Hedges by derivative contracts (B)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Receivables (C=A-B)	USD	8.59	641.50	11.69	799.72
	AED	3.70	73.78	-	-

II. Liabilities	Foreign Currency	As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Payables (trade & others) (including Deferred payment liability) (D)	USD	0.33	24.88	2.74	191.94
	AED	-	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Payables (F=D-E)	USD	0.33	24.88	2.74	191.94
	AED	-	-	-	-

III. Contingent Liabilities and Commitments	Foreign Currency	As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Contingent Liabilities (G)	USD	-	-	-	-
	JPY	-	-	-	-
	EURO	-	-	-	-
Commitments (H)	USD	3.65	308.33	0.02	1.05
	JPY	-	-	3.00	1.89
	EURO	5.73	436.25	-	-
Hedges by derivative contracts (I)	USD	-	-	-	-
	JPY	-	-	-	-
	EURO	-	-	-	-
Unhedged Payables (J = G+H-I)	USD	3.65	308.33	0.02	1.05
	JPY	-	-	3.00	1.89
	EURO	5.73	436.25	-	-
Total unhedged FC Exposures (K=C+F+J)	USD	12.56	974.71	14.45	992.71
	JPY	-	-	3.00	1.89
	AED	3.70	73.78	-	-
	EURO	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 Lakhs)

If decrease by 1%	**Currency Impact (net USD Inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	6.17	6.08
Increase / (decrease) in total equity as at the end of the reporting period	6.17	6.08

(₹ in Lakhs)

If increase by 1%	**Currency Impact (net USD Inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(6.17)	(6.08)
Increase / (decrease) in total equity as at the end of the reporting period	(6.17)	(6.08)

(₹ in Lakhs)

If Decrease by 1%	**Currency Impact (net AED inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
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 Lakhs)

If Increase by 1%	**Currency Impact (net AED inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
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 Lakhs)

If Increase by 1%	**Currency Impact (net JPY outflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	-	(0.02)
Increase / (decrease) in total equity as at the end of the reporting period	-	(0.02)

(₹ in Lakhs)

If Decrease by 1%	Currency Impact (net JPY outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	-	0.02
Increase / (decrease) in total equity as at the end of the reporting period	-	0.02

(₹ in Lakhs)

If Increase by 1%	Currency Impact (net EURO outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(4.36)	-
Increase / (decrease) in total equity as at the end of the reporting period	(4.36)	-

(₹ in Lakhs)

If Decrease by 1%	Currency Impact (net EURO outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	4.36	-
Increase / (decrease) in total equity as at the end of the reporting period	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 Lakhs)

If increase by 1% in interest rates	Interest Impact	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(81.90)	(76.31)
Increase / (decrease) in total equity as at the end of the reporting period	(81.90)	(76.31)

(₹ in Lakhs)

If decrease by 1% in interest rates	Interest Impact	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	81.90	76.31
Increase / (decrease) in total equity as at the end of the reporting period	81.90	76.31

e) 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.

f) 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 Lakhs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March 2020					
Term Loan	2,132.72	2,206.15	3,867.54	8,206.41	8,189.91
Trade Payables	7,403.20	-	-	7,403.20	7,403.20
Borrowings	1,088.63	-	-	1,088.63	1,088.63
Interest accrued but not due on borrowings	44.10	-	-	44.10	44.10
Lease Liability	136.84	9.23	1,385.83	1,531.90	1,531.90
Total	**10,805.49**	**2,215.38**	**5,253.37**	**18,274.24**	**18,257.74**

(₹ in Lakhs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March 2019					
Term Loan	2,152.68	2,112.94	3,236.44	7,502.06	7,498.56
Deferred payment liability	132.18	-	-	132.18	132.18
Trade Payables	7,367.12	-	-	7,367.12	7,367.12
Borrowings	3,787.60	-	-	3,787.60	3,787.60
Interest accrued but not due on borrowings	52.24	-	-	52.24	52.24
Total	**13,491.82**	**2,112.94**	**3,236.44**	**18,841.20**	**18,837.70**

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

(₹ in Lakhs)

Particulars	Purpose	Amount Outstanding As at 31st March 2020	Amount Outstanding As at 31st March 2019
Corporate Guarantee given to bank on behalf of subsidiary	Business Purpose	1,500.00	-
Investment in subsidiary company (Refer Note 3.1)	Investment	169.00	6.50

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

(₹ in Lakhs)

a.	Disaggregated revenue information	Year Ended 31st March 2020	Year Ended 31st March 2019
	Type of Services or goods		
	Revenue from Healthcare & Other Services	54,919.91	53,536.89
	Revenue from Sale of Pharmacy Drugs & Medical Consumables	1,389.18	1,114.70
	Total	**56,309.09**	**54,651.59**
	Revenue from Contracts with Customers		
	Revenue from Customers based in India	36,580.88	33,342.29
	Revenue from Customers based outside India	19,728.21	21,309.30
	Total	**56,309.09**	**54,651.59**
	Timing of Revenue Recognition		
	Services transferred over time (Healthcare Services & Others)	54,910.15	53,523.23
	Goods (Pharmacy & Scrap) transferred at a point in time	1,398.94	1,128.36
	Total	**56,309.09**	**54,651.59**

(₹ in Lakhs)

b.	Trade receivables and Contract Customers	As at 31st March 2020	As at 31st March 2019
	Trade Receivables	7,650.71	7,861.32
	Unbilled revenue	340.35	498.55
	Total	**7,991.06**	**8,359.87**

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 286.95 Lakhs (₹ 39.42 Lakhs as at 31st March 2019) was recognised as provision for expected credit losses on trade receivables.

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. As on 31st March 2020, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

38 Contingent Liabilities

(₹ in Lakhs)

	Particulars	As at 31st March 2020	As at 31st March 2019
A	**Claims against the Company not acknowledged as debts**		
	In respect of compensation demanded by the patient / their relatives, for negeligence 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.	1,549.06	785.99

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 Lakhs)	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

C Corporate guarantee given to Bank in respect of financial assistance availed by the subsidiary company i.e. Artemis Cardiac Care Pvt. Ltd. Outstanding as on 31st March 2020 for ₹ 500.66 Lakhs (Previous Year Nil).

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 Lakhs)

Opening Balance as at 01.04.2019	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31.03.2020
670.78	11.25	0.00	682.03

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 Lakhs)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Finance charges	121.00	65.92
Legal & professional consultancy Fees	93.06	14.52
Other expenses directly attributable	60.13	24.83
Total	**274.19**	**105.27**

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 suspension of services of elective surgeries and travel restrictions of overseas patients, business operations of the Company are expected to be lower in the short term, 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 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

See accompanying Notes to Financial Statements 1 to 42

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place : Gurugram
Date : May 22, 2020

S C V & Co. LLP
Chartered Accountants

B-41, Panchsheel Enclave, New Delhi-110 017
Tel.: 26499111, 222/444/555
E: delhi@scvindia.com • W: www.scvindia.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

ARTEMIS MEDICARE SERVICES LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **ARTEMIS MEDICARE SERVICES LIMITED** ("the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including the statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31st March, 2020, 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 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.

Accounting for Business Combination **See Note 27 to the Consolidated Ind AS financial statements**	
Key Audit Matter Description	**How the matter was addressed**
During the year, the Hon'ble National Company Law Tribunal, New Delhi ('NCLT') approved the amalgamation of "Holding Company's" Parent Company i.e. Artemis Health Sciences Limited, its ultimate Parent Company i.e. Artemis Global Life Sciences Limited and its fellow Subsidiary Company i.e. Athena Eduspark Limited with the Holding Company as per the NCLT order dated 30th September, 2019. The scheme was made effective with effect from 01st April, 2018.	With respect to the accounting treatment for Business Combination, we have performed the following procedures: • Obtained and examined the Scheme of Amalgamation and assessed whether the accounting has been carried out as per the provisions of para 9 of Appendix C of Ind AS 103, "Business Combinations"; • Obtained accounting analysis of the Business Combination from management and reviewed the

Hence application of Ind AS 103 along with the terms of Scheme of amalgamation and its effect on the figures presented in the financial statements is considered as key audit matter.	same in light of the Group's accounting policies and applicable accounting standards; • Performed audit procedures on accounting entries of the transactions; and • Assessed the appropriateness and adequacy of the related disclosures in the Consolidated Ind AS financial statements including impact on the comparative Consolidated Ind AS financial statements presented.
Adoption of Ind AS-116 'Leases' effective from 01st April, 2019 **See Note 31 to the Consolidated Ind AS financial statements**	
Key Audit Matter Description	**How the matter was addressed**
The Group applied Ind AS -116 'Leases', which replaced Ind AS-17 'Leases' and the measurement, presentation and disclosure from the date of its initial application of 01st April, 2019, that resulted in change in accounting policy. The Group has adopted Ind AS-116 with modified retrospective approach from 01st April, 2019 and has not restated comparative figures in accordance with the transitional provisions contain within Ind AS -116. We have considered this as a key audit matter because the adoption and implementation of Ind AS-116 resulted in significant changes to the Consolidated Ind AS financial statements of the Group, along with changes to processes, systems and controls, degree of judgements, which have been applied, and the estimates made in determining the impact of Ind AS-116.	Our audit procedures in this area included the following: • Obtained an understanding and evaluated the Group's implementation process, including the review of the updated accounting policy in accordance with Ind AS-116. • We evaluated management assumptions, specifically the assumptions used to determine the discount rate, lease terms and measurement principals with the assistance of our internal experts. • Tested the factual inputs and calculation of the right-of-use asset and lease liability calculated by the management for each material lease contract. • Obtained an understanding and evaluated the key controls associated with the relevant process for leases and performed substantive procedures on the statement of profit and loss and balances of assets and liabilities that were subject to the effect of Ind AS-116. • Assessed the modified retrospective application and adequacy of the Group's disclosures of the impact of the new standard in the Consolidated Ind AS financial statements.

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.

Other Matter

We draw attention to Note 27 of the Consolidated Ind AS financial statements which describes in detail that the Scheme of Arrangement ('Scheme') for merger of Holding Company's 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) with the Holding Company has been approved by the New Delhi Bench of Hon'ble National Company Law Tribunal ('NCLT') vide its order dated 30th September, 2019. The scheme is effective from the appointed date of 1st April, 2018, and the merger being a common control business combination, the comparative have been restated. Accordingly figures of AHSL, AGLSL and AEL has been included in all the periods presented in the Consolidated Ind AS Financial Statements for the year ended 31st March, 2019 and AGLSL and AEL were audited by the respective Companies' predecessor statutory auditors who had expressed an unmodified opinion in their audit reports dated 08th May, 2019 and 26th April, 2019 respectively on those Ind AS financial statements. Our opinion is not modified in respect of this matter.

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 Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Company and its subsidiary, none of the directors of the group companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Consolidated financial statements has disclosed the impact of pending litigations on the financial position of the Group- Refer Note 37 to the Consolidated Ind AS financial statements.

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note 29 b) (ii) to the Consolidated Ind AS financial statements.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

2. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

According to the information and explanation given to us, the managerial remuneration for the year ended 31st March, 2020 has been paid/provided by the Holding company in accordance with the provisions of section 197 read with schedule V to the Act and the subsidiary company has not paid / provided for any managerial remuneration during the year ended 31st March, 2020.

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

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
UDIN: 20084318AAAABH4281

PLACE : NEW DELHI
DATED: MAY 22, 2020

Annexure "A" To the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of ARTEMIS MEDICARE SERVICES LIMITED ("the Holding Company") and its subsidiary company incorporated in India as of 31st March, 2020 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, 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

Sd/-
(RAJIV PURI)
PARTNER
MEMBERSHIP No. 084318
UDIN: 20084318AAAABH4281

PLACE: NEW DELHI
DATED: MAY 22, 2020

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

		Notes	As At 31st March, 2020	As At 31st March, 2019
	Assets			
A	**Non-current assets**			
	Property, plant and equipment	2.1	33,379.58	33,500.51
	Right-of-use assets	2.2	1,438.59	-
	Capital work-in-progress		5,569.03	4,943.22
	Goodwill		4,162.07	4,162.07
	Other Intangible assets	2.3	345.48	406.50
	Financial assets			
	i. Loans	3.1	243.34	255.86
	ii. Other financial assets	3.2	29.05	32.42
	Non-current tax assets (Net)	4	1,011.26	676.29
	Other non-current assets	5	714.78	203.95
	Total non-current assets	**A**	**46,893.18**	**44,180.82**
B	**Current assets**			
	Inventories	6	1,075.34	693.70
	Financial assets			
	i. Trade receivables	7	7,659.75	7,861.32
	ii. Cash and cash equivalents	8	1,160.82	923.88
	iii. Bank balances other than (ii) above	9	404.44	314.39
	iv. Loans	3.1	111.24	197.24
	v. Other financial assets	3.2	360.34	514.70
	Other current assets	5	979.21	747.81
	Total current assets	**B**	**11,751.14**	**11,253.04**
C	**Total Assets**	**C = A+B**	**58,644.32**	**55,433.86**
	Equity and liabilities			
D	**Equity**			
	Equity share capital	10	1,323.77	-
	Equity share capital suspense account	10	-	1,323.77
	Other equity	11	30,000.29	28,022.71
	Equity attributable to shareholders of the Company		31,324.06	29,346.48
	Non-controlling Interests		47.34	(6.91)
	Total equity	**D**	**31,371.40**	**29,339.57**
	Liabilties			
E	**Non-current liabilities**			
	Financial liabilities			
	i. Borrowings	12	6,557.85	5,345.88
	ii. Lease Liabilities		1,395.06	-
	Provisions	13	631.41	496.96
	Deferred tax liabilities (Net)	14	2,908.37	2,582.73
	Total non-current liabilities	**E**	**11,492.69**	**8,425.57**

		Notes	As At 31st March, 2020	As At 31st March, 2019
F	**Current liabilities**			
	Financial liabilities			
	i. Borrowings	15	1,088.63	3,787.60
	ii. Lease Liabilties		136.84	-
	iii. Trade payables			
	(A) Total Outstanding dues of Micro Enterprises and Small Enterprises	16	995.49	62.81
	(B) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	16	6,465.77	7,306.85
	iv. Other financial liabilities	17	2,180.83	2,337.10
	Other current liabilities	18	3,992.55	3,318.51
	Provisions	13	920.12	855.85
	Total current liabilities	**F**	**15,780.23**	**17,668.72**
G	**Total liabilities**	**G = E+F**	**27,272.92**	**26,094.29**
H	**Total equity and liabilities**	**H = D+G**	**58,644.32**	**55,433.86**
	Significant accounting policies	1		
	See accompanying Notes to Financial Statements	2 to 42		

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: Gurugram
Date : May 22, 2020

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Particulars	Note	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Income			
Revenue from Operations	19	56,501.79	54,651.59
Other Income	20	459.64	400.21
Total income	**(I)**	**56,961.43**	**55,051.80**
Expenses			
Purchases of Pharmacy Drugs & Medical Consumables	-	14,123.78	12,940.94
Purchases of Stock in Trade	-	149.00	145.16
Changes in inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade	21	(383.69)	(27.72)
Employee benefits expense	22	10,342.49	9,728.18
Finance costs	23	1,279.80	1,099.71
Depreciation and other amortization expense	24	2,263.05	2,007.43
Other expenses	25	26,124.09	25,483.63
Total expenses	**(II)**	**53,898.52**	**51,377.33**
Profit before Tax	**III = (I-II)**	**3,062.91**	**3,674.47**
Tax Expense	**26**		
Current Tax		1,139.63	1,377.75
Earlier year tax		(395.73)	-
Deferred tax		373.00	257.86
Total Tax Expense	**(IV)**	**1,116.90**	**1,635.61**
Profit after tax for the year	**V=(III-IV)**	**1,946.01**	**2,038.86**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined employee benefit plans (refer note 34)	(VI)	(49.46)	(56.65)
Deferred tax adjustment on revaluation	(VII)	30.50	27.11
Income tax relating to items that will not be reclassified to profit or loss	(VIII)	17.28	19.79
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods:	IX = (VI+ VII-VIII)	(1.68)	(9.75)
Total comprehensive income for the year	**X=(V+IX)**	**1,944.33**	**2,029.11**
Profit / (Loss) for the year attributable to:			
Shareholders of the Company		1,979.26	2,049.27
Non-controlling interests		(33.25)	(10.41)
		1,946.01	**2,038.86**

(₹ in Lakhs)

Particulars	Note	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Total comprehensive income / (loss) for the year attributable to :			
Shareholders of the Company		1,977.58	2,039.52
Non-controlling interests		(33.25)	(10.41)
		1,944.33	**2,029.11**
Earning Per Equity Share (Face Value of ₹10/- each)			
- Basic (₹)	33	14.95	15.48
- Diluted (₹)		14.95	15.48
Significant accounting policies	1		
See accompanying Notes to Financial Statements	2 to 42		

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: Gurugram
Date : May 22, 2020

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Particulars		As At 31st March, 2020	As At 31st March, 2019
Cash flow from operating activities			
Profit before tax		**3,062.91**	**3,674.47**
Adjustments:			
Depreciation and amortization expense		2,263.05	2,007.43
Interest Income		(50.06)	(132.72)
Finance Cost		1,053.47	890.00
Unclaimed Credit balances / provisions no longer required written back		(61.42)	(320.30)
Remeasurment through OCI		(49.46)	(56.65)
Allowance for Doubtful debts		286.95	39.42
Unrealised foreign exchange gain (net)		(64.12)	1.21
Deferred government grant		-	(18.08)
Loss on Sale / Scrap of Property, Plant and Equipment (Net)		13.56	210.51
Operating cash flow before working capital changes		**6,454.88**	**6,295.29**
Movements in working capital :			
Changes in trade receivables		(21.26)	(2,315.87)
Changes in inventories		(381.64)	(48.90)
Changes in loans		98.52	(166.76)
Changes in other financial assets		157.73	(23.67)
Changes in other assets & other current assets		(1,380.75)	412.11
Changes in trade payables		153.02	946.31
Changes in Provisions		198.41	(323.99)
Changes in Other current liabilities / Other financial liabilities		754.40	255.35
Cash generated from operations		**6,033.31**	**5,029.87**
Income tax refund / (paid)		(425.11)	(985.08)
Net cash generated from operating activites	**(A)**	**5,608.20**	**4,044.79**
Cash flow from investing activity			
Purchase of Property, Plant & Equipment / CWIP		(2,600.32)	(5,726.66)
Proceeds from sale of Property, Plant & Equipment		11.14	5.12
Maturity / (investments) of / in fixed deposits having original maturity of more than 3 months		(90.06)	633.77
Interest received		50.06	132.72
Net cash (used in) investing activities	**(B)**	**(2,629.18)**	**(4,955.05)**
Cash flow from financing activity			
Proceeds from non current borrowings		3,395.85	2,655.80
Repayment of non current borrowings		(2,336.02)	(4,116.76)
Proceeds from current borrowings (net)		-	3,787.60
Repayment of current borrowings (net)		(2,698.96)	-
Proceeds from issuance of shares to non controlling interests		87.50	3.50
Payment of lease liabilities		(136.98)	-
Interest paid		(1,053.47)	(890.00)
Net cash generated from financing activites	**(C)**	**(2,742.08)**	**1,440.14**
Net increase in cash & cash equivalents	**(A+B+C)**	**236.94**	**529.88**

(₹ in Lakhs)

Particulars		As At 31st March, 2020	As At 31st March, 2019
Cash & cash equivalents as the beginning of the year		923.88	394.00
Cash & cash equivalents as the end of the year	**Total**	**1,160.82**	**923.88**
Components of cash and cash equivalents			
Cash on hand		80.15	67.59
Balances with Banks:			
On current accounts		1,080.67	856.29
On deposit accounts		404.44	314.39
Less: Fixed deposits not considered as cash equivalents		(404.44)	(314.39)
Total Cash and Cash Equivalents (Refer Note 8)	**Total**	**1,160.82**	**923.88**

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place: Gurugram
Date : May 22, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

Note No.

1.1 Nature of operations

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

1.2 Statement of Significant Accounting Policies

a) Statement of compliance

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

The financial statements were authenticated by the Board of Directors on 22nd May, 2020. 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.

b) (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:

		% of Holding	**% of Holding**
Name of the subsidiary	Country of Incorporation	31st March, 2020	31st March, 2019
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 fixed assets are ready for their intended use. Depreciation on all PPE except land are provided on a straight line based on the estimated useful life of PPE, which is as follows:

Assets	Useful Life of property, plant and equipment as per Schedule II	Useful Life of property, plant and equipment as per Management supported by Technical Valuer's Estimate
Buildings :		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
Plant & Machinery :		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	
- Loose Tools & Instruments		5 Years
Office Equipments	5 Years	
Computers & Data Processing Units		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
Vehicles	8 Years	
Furnitures & Fittings	10 Years	
Electrical Installations & Equipments	10 Years	

Leasehold Improvements including renovation done on shared facilities have been depreciated as per the useful life ascertained or over the primary period of lease / contract, whichever is shorter.

e) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction, or, when applicable, the amount attributed to that asset when initially recognised in accordance with the specific requirements of other Indian Accounting Standards.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Software

Cost of software is amortized over a period of 8 years, being the estimated useful life as per the management estimates.

f) Borrowing Cost

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

g) Impairment

At the end of each reporting period, the 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 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 currecy 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 beneifts

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 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. Since the employee has unconditional right to avail the leave, the benefit is classified as a short term employee benefit. 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 & 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.

<u>Classification of financial assets</u>

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 fair value through other comprehensive income (FVTOCI) financial assets. 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 creditimpaired 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 & 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 AS115.

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 & 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 & 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 31st March, 2020

Note No. 2.1

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Particulars	Freehold Land *	Building * *	Leasehold Improvement	Computers	Furniture & Fixtures	Office Equipments	Plant and Equipments	Vehicles	Total
COST OR DEEMED COST									
As at 1st April, 2018	9,558.90	9,402.90	251.69	659.58	698.84	276.53	12,958.14	135.74	33,942.32
Additions	3,703.54	55.63	59.57	256.07	53.64	70.92	629.82	75.78	4,904.96
Disposals / Discarded during the year	-	(26.63)	(189.27)	-	(18.77)	(1.26)	(26.78)	-	(262.71)
Adjustment during the year #	-	-	-	-	-	-	7.52	-	7.52
As at 31st March, 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)
Adjustment during the year #	-	-	-	-	-	-	-	-	-
As at 31st March, 2020	13,262.44	9,441.27	121.99	998.13	763.80	383.69	15,122.98	299.23	40,393.50
DEPRECIATION									
As at 1st April, 2018	-	364.71	28.31	196.90	261.25	107.48	2,224.45	22.89	3,205.99
Charge for the year	-	189.89	15.70	148.45	71.91	67.99	1,411.21	27.72	1,932.86
Disposals / Discarded during the year	-	(1.25)	(35.60)	-	(2.87)	(1.17)	(6.40)	-	(47.29)
As at 31st March, 2019	-	553.35	8.41	345.35	330.29	174.30	3,629.26	50.61	5,091.56
Charge for the year	-	173.17	36.05	165.93	56.09	68.10	1,536.01	35.97	2,071.32
Disposals / Discarded during the year	-	-	-	(0.33)	(2.29)	(0.08)	(146.27)	-	(148.96)
As at 31st March, 2020	-	726.52	44.46	510.95	384.09	242.32	5,019.00	86.58	7,013.92
NET BOOK VALUE									
As at 31st March, 2019	13,262.44	8,878.55	113.58	570.29	403.42	171.88	9,939.44	160.91	33,500.51
As at 31st March, 2020	13,262.44	8,714.75	77.53	487.18	379.71	141.37	10,103.98	212.65	33,379.58

* Under the Previous GAAP (Indian GAAP), freehold land was carried in the balance sheet on the basis of revaluation performed as on 31.03.2016. 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.

\# Comprises of borrowing cost of ₹ Nil (31 March 2019: ₹7.52 Lakhs). The borrowing cost capitalised during the year ended 31 March 2020 was ₹ 121.00 Lakhs (31 March 2019 : ₹ 65.92 Lakhs). The Holding Company capitalised this borrowing cost in the capital work-in-progress (CWIP). The amount of borrowing cost shown as other adjustments in the above note reflects the amount of borrowing cost transferred from CWIP.

Note No. 2.2

RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	Right-of-use assets
As at 1st April, 2019 (Refer Note 31)	1,535.71
Additions	-
Deletion	-
Depreciation	97.12
As at 31st March, 2020	**1,438.59**

Note No. 2.3

INTANGIBLES ASSETS

(₹ in Lakhs)

Particulars	Computer Software
COST OR DEEMED COST	
As at 1st April, 2018	421.17
Additions	188.42
Disposals / Discarded during the year	(0.46)
As at 31st March, 2019	**609.13**
Additions	33.59
Disposals / Discarded during the year	-
As at 31st March, 2020	**642.72**
AMORTIZATION	
As at 1st April, 2018	128.32
Charge for the year	74.57
Disposals / Discarded during the year	(0.26)
As at 31st March, 2019	**202.63**
Charge for the year	94.61
Disposals / Discarded during the year	-
As at 31st March, 2020	**297.24**
NET BOOK VALUE	
As at 31st March, 2019	406.50
As at 31st March, 2020	345.48

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
	Financial Assets		
3.1	**Loans**		
	Non Current		
	(Unsecured, Considered good)		
	Security Deposits	173.58	163.99
	Others		
	Loans & advances to Employees*	69.76	91.87
	Total	**243.34**	**255.86**
	Current		
	(Unsecured, Considered good)		
	Security Deposits	7.39	91.18
	Others		
	Loans & advances to Employees*	103.85	68.78
	Loans & advances to Others	-	37.28
		111.24	**197.24**
	*Loans & advances to Employees includes dues from Executive Director, officers etc. (Refer Note 30) (As a part of service condition extended to all its eligible employees)	79.50	97.50

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
3.2	**Other Financial Assets**		
	Non Current		
	Fixed Deposit in banks having original maturity and remaining maturity of more than 12 months (Refer Note 9)	29.05	32.42
		29.05	32.42
	Current		
	Interest accrued on fixed deposits	18.91	16.15
	Unbilled Revenue (Accrued operating income)	341.43	498.55
		360.34	**514.70**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
4	**Income tax assets**		
	Non Current		
	Income Tax Recoverable (Net of provision for taxation)	1,011.26	676.29
	Total	**1,011.26**	**676.29**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
5	**Other Assets**		
	Non-Current (Unsecured, Considered good)		
	Capital Advances	684.77	93.43
	Deposit with Service Tax Authorities	-	73.26
	Prepaid Expenses	30.01	37.26
	Total	**714.78**	**203.95**
	Current (Unsecured, Considered good)		
	Advances recoverable	99.66	40.87
	Balances with statutory / government authorities	34.68	32.01
	Prepaid Expenses	191.97	140.52
	Export Incentive receivable	652.90	534.41
		979.21	**747.81**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
6	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Stock of Pharmacy Drugs & Medical Cosumables	959.95	605.03
	Stock in Trade (Pharmacy and Other Items)	59.20	30.43
	Stores & Spares	56.19	58.24
	Total	**1,075.34**	**693.70**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
7	**Trade Receivables (Unsecured)**		
	Current - at amortised cost		
	Considered good	7,659.75	7,861.32
	Considered Doubtful	497.69	210.74
	Less: Allowance for credit losses	(497.69)	(210.74)
		7,659.75	**7,861.32**

Trade Receivables Includes :

(₹ in Lakhs)

Particulars	As at 31st March, 2020	As at 31st March, 2019
- Dues from Directors	19.95	0.48

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss towards expected risk of delays and default in collection.

No single customer accounted for more than 10% of the revenue as of 31st March, 2020 & 31st March, 2019. 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 ₹ 497.69 Lakhs (Previous Year ₹ 210.74 Lakhs) 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:

Allowance for expected credit loss	**As At 31st March 2020**	**As At 31st March 2019**
Opening balance	210.74	171.32
Credit loss created /(reversed)	286.95	39.42
Closing balance	497.69	210.74

The Group's exposure to currency risks related to trade receivables are disclosed in note (Refer Note 35).

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
8	**Cash & Cash Equivalents**		
	Balance with Banks:		
	- In Current Accounts	1,080.67	856.29
	Cash on hand	80.15	67.59
		1,160.82	**923.88**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
9	**Other Bank Balances**		
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of less than 12 months*	404.44	314.39
	Fixed Deposit in banks having original maturity of more than 12 months and remaining maturity of more than 12 months *	29.05	32.42
	Amount disclosed under Other Non-Current Assets	(29.05)	(32.42)
	Total	**404.44**	**314.39**

*Given as security of ₹ 112.97 Lakhs (Previous Year ₹ 91.86 Lakhs) to secure bank guarantee issued to Customers.

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
10	**Share Capital:**		
	Authorised Shares (in nos.)		
	6,95,50,000 Equity Shares of ₹10/- Each (6,95,50,000 as at March 31, 2019 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 March 31, 2019 Preference Shares of ₹100/- Each)	50.00	50.00
	Issued, Subscribed & Paid Up Shares (in nos.)		
	1,32,37,700 Equity Shares of 10/- Each (Nil as at March 31, 2019 Equity Shares of ₹10/- each fully paid up)	1,323.77	2,103.50
	Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	(2,103.50)
	Total Issued, Subscribed & Paid Up Capital*	**1,323.77**	**-**
	* 1,32,37,700 shares of ₹ 10/- each (₹ 1323.77 Lakhs) issued and alloted on October 26, 2019 pursuant to composite Scheme of Amalgamation (Refer Note 27)		
	Equity Share Capital Suspense Account		
	Equity Shares of ₹10/- par value per share fully paid-up, pending allotment (to be issued and allotted to the shareholders of Artemis Global Life Sciences Limited, pursuant to the Scheme of Amalgamation) (Refer Note 27)	1,323.77	1323.77
	Less : Share issued, during the year	(1,323.77)	-
	Total equity share capital suspense account	**-**	**1,323.77**

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

(₹ in Lakhs)

Reconciliation	As At 31st March, 2020		As At 31st March, 2019	
	Nos.	₹ In Lakhs	Nos.	₹ In Lakhs
Shares outstanding at the beginning of the year	-	-	210,350,000	2,103.50
Less : Shares cancelled pursuant to the composite scheme of Amalgamation (Refer Note 27)	-	-	(210,350,000)	(2,103.50)
Shares issued during the year	13,237,700	1,323.77		
Shares outstanding at the end of the year *	**13,237,700**	**1,323.77**	**-**	**-**

* 1,32,37,700 shares of ₹ 10/- each (₹1323.77 Lakhs) issued and alloted on October 26, 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 31st March, 2020		As At 31st March, 2019	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
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 31st March, 2020		As At 31st March, 2019	
	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)

(₹ in Lakhs)

Note No.	Particulars		As at 31st March, 2020	As at 31st March, 2019
11	**Other Equity** :			
	Capital Reserve			
	Balance as per last financial statements		14,457.89	14,457.89
	Closing Balance	**(A)**	**14,457.89**	**14,457.89**
	Revaluation Reserve			
	Balance as per last financial statements		6,567.81	6,540.70
	Add : Deferred tax adjustment on revaluation		30.50	27.11
	Closing Balance	**(B)**	**6,598.31**	**6,567.81**
	Retained earnings			
	Balance as per last financial statements		6,997.01	4,984.60
	Add : Profit / (Loss) for the year		1,979.26	2,049.27
	Add : Other comprehensive income arising from re-measurement of defined benefit obligation net of income tax		(32.18)	(36.86)
	Balance at end of year	**(C)**	**8,944.09**	**6,997.01**
	Total Other Equity	**(A+B+C)**	**30,000.29**	**28,022.71**

A. <u>Capital Reserve</u>

Capital reserve represents excess of assets over liabilities and share issued consequent to scheme of arrangement of transferor companies in earlier years.

B. Revaluation Reserve

Revaluation Reserve represents freehold land revalued as on 31st March, 2016 as per independent valuer report.

C. Retained Earnings

Retained earnings represents the profits that the Company has earned till date, less any transfer of general reserve, dividends or other distributions to shareholders etc.

STATEMENT OF CHANGES IN EQUITY

I)

(A) Equity Share Capital

(₹ in Lakhs)

Particulars	Note No.	Amount
Balance as at April 1, 2018		**2,103.50**
Less: Equity Share capital Cancelled pursuant to Composite Scheme of Amalgamation (Refer Note 27)	10	(2,103.50)
Balance as at March 31, 2019	10	-
Add: Equity shares issued during the year	10	1,323.77
Balance as at March 31, 2020	**10**	**1,323.77**

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

(₹ in Lakhs)

Particulars	Note No.	Amounts
Balance as at April 1, 2018		**-**
Add: Pursuant to Composite Scheme of Amalgamation (Refer Note 27)	10	1,323.77
Balance as at March 31, 2019	10	1,323.77
Less : Equity shares issued during the year	10	(1,323.77)
Balance as at March 31, 2020	**10**	**-**

II) Other equity

(₹ in Lakhs)

Particulars	Notes	Reserves and surplus			Items of OCI	Other Equity attributable to shareholders of the Company	Non - controlling Interests (NCI)	Total
		Capital Reserve	Revaluation Reserve	Retained Earnings	Remeasurements of the net defined benefit plans			
Balance as at April 1, 2018	**11**	**14,457.89**	**6,540.70**	**5,010.43**	**(25.83)**	**25,983.19**	**-**	**25,983.19**
Profit / (Loss) for the year	11	-	-	2,049.27	-	2,049.27	(10.41)	**2,038.86**
Deferred tax adjustment on revaluation	11	-	27.11	-	-	27.11	-	**27.11**
Other comprehensive income (OCI) (net of tax)	11	-	-	-	(36.86)	(36.86)	-	**(36.86)**
Initial Issue of Equity Shares of Subsidiary to Non Controlling Interest		-	-	-	-	-	3.50	-
Balance as at March 31, 2019	**11**	**14,457.89**	**6,567.81**	**7,059.70**	**(62.69)**	**28,022.71**	**(6.91)**	**28,012.30**
Profit / (Loss) for the year	11	-	-	1,979.26	-	1,979.26	(33.25)	**1,946.01**
Deferred tax adjustment on revlauation	11	-	30.50	-	-	30.50	-	**30.50**
Other comprehensive income (OCI) (net of tax)	11	-	-	-	(32.18)	(32.18)	-	**(32.18)**
Further Issue of Equity Shares of Subsidiary to Non Controlling Interest		-	-	-	-	-	87.50	**87.50**
Balance as at March 31, 2020	**11**	**14,457.89**	**6,598.31**	**9,038.96**	**(94.87)**	**30,000.29**	**47.34**	**30,044.13**

See accompanying Notes to Financial Statements 2 to 42

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place : Gurugram
Date : May 22, 2020

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
12	**Borrowings**		
	Non Current Borrowings		
	Term Loans		
	From Banks		
	- Indian Rupee loans from Banks (secured at amortised cost)	6,557.85	5,345.88
	Total	**6,557.85**	**5,345.88**
	Current Maturity		
	Term Loans		
	From Banks		
	- Indian Rupee loans from Banks (secured) (at amortised cost)	2,132.72	2,121.65
	From Others		
	- Indian Rupee loan from NBFC (unsecured)	-	31.03
		2,132.72	2,152.68
	Deferred Payment Liabilities	-	132.18
		2,132.72	2,284.86
	Transferred to Other Financial Liability (Note 17)	(2,132.72)	(2,284.86)
	Total	-	-

1. Indian Rupee Loans from Banks include :

a) Term loans of ₹8088.16 Lakhs (As at 31st March, 2019 ₹7422.91 Lakhs) 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, Gurgaon, Haryana and charge over all movable fixed assets, both present & future and second pari passu charge on current assets.

b) Term loans of ₹ 500.66 Lakhs (As at 31st March, 2019 ₹ Nil) from Scheduled Bank carries interest as linked with one year MCLR plus spread of 0.95%.The loans are secured by the charge on entire movable fixed assets and second charge on current assets.

c) Vehicle Loans of ₹ 101.75 Lakhs (As at 31st March, 2019 ₹ 44.62 Lakhs) from Scheduled Bank carries interest as exclusive charge on the vehicles financed out of the said term loan. The rate of interest on aforesaid loan is linked to Bank's Prime Lending Rate (PLR).

2. Indian Rupee loan from NBFC include :

Unsecured loan of ₹ Nil (As at 31st March, 2019 ₹ 31.03 Lakhs) from NBFC carries effective interest rate of 10.49% per annum, payable in instalments, as per repayment schedule below.

3. Deferred Payment Liability :

Deferred payment liability of ₹ Nil Lakhs (As at 31st March, 2019 ₹132.18 Lakhs) is on account of purchase of medical equipments and secured against letter of credit issued by HDFC Bank Limited, as per non fund based facility with charge on entire movable fixed assets on pari passu basis with existing lender, and Second charge on current assets of the company.

(₹ in Lakhs)

Repayment Schedule	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	after FY 2023-24
Secured Loan					
Term Loan - HDFC Bank Limited	2,090.75	2,124.96	1,294.44	181.40	513.78
Term Loan - IDFC First Bank Limited	-	72.00	144.00	216.00	1,968.00
Vehicle Loan - HDFC Bank Limited	41.98	43.41	16.36	-	-
Total	**2,132.72**	**2,240.37**	**1,454.80**	**397.40**	**2,481.78**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020		As at 31st March, 2019	
		Non-Current	Current	Non-Current	Current
13	**Provisions**				
	Provision for Employee Benefits				
	Leave Benefits	193.75	93.09	166.18	83.15
	Gratuity	437.66	145.00	330.78	101.92
	(Refer Note 34)				
	Other Provisions				
	Provision for Contingencies	-	682.03	-	670.78
	(Refer Note 38)				
	Total	**631.41**	**920.12**	**496.96**	**855.85**

(₹ in Lakhs)

Note No.	Deferred tax assets / (liabilities) in relation to :	As at 1st April 2018	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31st March 2019
14	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)	(3,907.09)	(116.43)	27.11	(3,996.41)
	Other provisions	328.98	(94.55)	-	234.43
	Allowance for Doubtful Debts (Expected credit loss)	59.87	13.77	-	73.64
	Employee Benefits	173.57	44.97	19.79	238.33
	MAT Credit Entitlement	1,555.35	(776.13)*	-	779.22
	Fair Value Adjustments	(0.70)	(4.35)	-	(5.06)
	Others	29.90	63.23	-	93.12
		(1,760.13)	**(869.49)**	**46.90**	**(2,582.73)**

Note : Deferred tax assets and deferred tax liabilities have been offset as they are governed by the same taxation laws.

(₹ in Lakhs)

Note No.	Deferred tax assets / (liabilities) in relation to :	As at 1st April 2019	Credit / (Charge) to Profit or loss	Credit / (Charge) to Other Comprehensive Income	As at 31st March 2020
14	**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 Liabilities	-	535.31	-	535.31
	MAT Credit Entitlement	779.22	(0.42)*	-	778.80
	Fair Value Adjustments	(5.06)	4.45	-	(0.61)
	Others	93.12	117.63	-	210.75
		(2,582.73)	**(373.42)**	**47.78**	**(2,908.37)**

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 ₹0.42 Lakhs (Previous Year ₹ 611.67 Lakhs).

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
15	**Borrowings**		
	Bank Overdraft (secured)*	1,088.63	3,787.60
	Total	**1,088.63**	**3,787.60**

*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 Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
16	**Trade payables**		
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 32)	995.49	62.81
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	6,465.77	7,306.85
	Total	**7,461.26**	**7,369.66**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
17	**Other Financial Liabilities (secured)**		
	Current		
	Term Loan (current maturity)	2,132.72	2,152.68
	Deferred payment liability (current maturity)	-	132.18
	(Refer Note 12)	2,132.72	2,284.86
	Interest Accrued but not due on borrowings	48.11	52.24
		48.11	52.24
	Total	**2,180.83**	**2,337.10**

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2020	As at 31st March, 2019
18	**Other Liabilities**		
	Current		
	Advance from Patients / Others	968.28	1,217.99
	Taxes payable *	374.23	308.32
	Security Deposits	542.03	538.42
	Deferred Government Grant * *	113.13	78.96
	Other Payable * * *	1,994.88	1,174.82
	Total	**3,992.55**	**3,318.51**

*Taxes payable includes Withholding Tax, Goods & Services Tax.

**During the year group has obtained EPCG License against import of fixed assets. Group has recognised this grant as deferred income at fair value, which is being amortised in proportion to fulfillment of Export Obligation (Refer note 37B).

***Other payable includes payments due on account of capital items, due to employees, contribution of PF, ESI etc.

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
19	**Revenue from Operations**		
	Sale of Services		
	Revenue from Healthcare & Other Services	54,161.92	52,494.98
	Sale of Goods		
	Sale of Pharmacy Drugs & Medical Consumables	1,245.24	914.88
	Sale of Stock in Trade (Pharmacy)	183.72	199.82
	Other Operating Income		
	Income from Nursing Hostel	35.39	34.62
	Income from Education & Training	89.55	60.73
	Income from Export Incentive	714.79	612.60
	Unclaimed credit balances / provisions no longer required written back	61.42	320.30
	Sale of Scrap	9.76	13.66
	Total	**56,501.79**	**54,651.59**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
20	**Other Income**				
	Interest Income		50.06		135.78
	- From Bank deposits	41.01		74.28	
	- From Financial Assets carried at amortised cost	7.76		57.62	
	- From Others	1.29		3.88	
	Income from outsource activities (Cafeteria, Parking etc.)		99.25		105.37
	Other Non-Operating Income (net of reimbursements)		176.53		115.05
	Foreign Exchange Gain (Net)		133.80		44.01
	Total		**459.64**		**400.21**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020		Year Ended 31st March, 2019	
21	**(Increase) / Decrease in Inventories of Pharmacy Drugs & Medical Consumables**				
	Inventories at the beginning of the year	605.03		574.13	
	Inventories at the end of the year	959.95	(354.92)	605.03	(30.90)
	(Increase) / Decrease in Inventories of Stock in Trade				
	Inventories at the beginning of the year	30.43		33.61	
	Inventories at the end of the year	59.20	(28.77)	30.43	3.18
	Total		**(383.69)**		**(27.72)**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
22	**Employee Benefits Expense**		
	Salaries, Wages and Bonus	9,463.98	9,002.52
	Contribution to Provident and Other Funds	477.50	355.38
	Gratuity Expenses (Refer note 34)	127.66	101.58
	Employee Welfare Expenses	273.35	268.70
	Total	**10,342.49**	**9,728.18**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
23	**Finance Costs**		
	Interest expense on financial liabilities measured at amortised cost		
	- On term Loans	909.97	817.97
	- Deferred Payment	0.54	68.39
	- On lease liability	140.06	-
	Other Interest Expense	0.54	3.65
	Other Borrowing Costs	1.87	0.72
	Bank Charges	226.82	208.98
	Total	**1,279.80**	**1,099.71**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
24	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	2,071.32	1,932.86
	Amortization of intangible assets	94.61	74.57
	Depreciation of Right-of-use assets	97.12	-
	Total	**2,263.05**	**2,007.43**

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
25	**Other expenses**		
	Consumption of stores & spares	129.47	133.23
	Power & Fuel	1,040.26	1,102.35
	Rent - Lease Rent	35.07	202.62
	Equipment Hire Charges	145.50	147.59
	Repairs and Maintenance - Machinery	1,240.28	906.38
	Repairs and Maintenance - Buildings	42.48	147.97
	Repairs and Maintenance - Others	182.23	198.02
	Rates & Taxes	54.74	51.77
	Legal & Professional Consultation Fees	483.40	473.14
	Merger Expenses	15.15	112.19
	AGM & Annual Listing Expenses	62.65	9.78
	Fee paid to Doctors	12,775.85	11,940.61
	Printing & Stationery	150.86	157.44
	Patient Facility Maintenance	765.18	732.91
	Patient Food & Beverages Expenses	506.21	548.28
	Outsource Lab Test Charges	373.19	387.55
	Security Charges	244.66	253.61
	Professional Medical Consultancy	5,932.97	6,140.54
	Provision for Contingencies	11.25	-
	Travelling & Conveyance	554.65	616.25
	Advertisement & Business Promotion	331.87	355.39
	Patients Amenities	70.80	221.98
	Communication Expenses	69.19	73.70
	Charity & Donation	46.50	42.74

(₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
	Insurance	54.47	48.92
	Clinical Research Expenses	191.13	53.00
	Auditors Remuneration		
	- Audit Fee	12.69	11.51
	- Limited Review	1.30	-
	- Tax Audit Fee	3.39	2.89
	- Others Services & Certification	8.50	5.20
	Directors Sitting Fees	37.33	24.12
	CSR Expenses	115.26	60.64
	Newspaper & Periodicals	29.45	22.74
	Bad Debts Written Off	22.61	17.81
	Amount Written Off	52.57	-
	Allowance for Doubtful Receivables	286.95	39.42
	Loss on Sale / Scrap of Property, Plant and Equipment (Net)	13.56	210.51
	Miscellaneous Expenses	30.47	30.82
	Total	**26,124.09**	**25,483.63**

INCOME TAX (₹ in Lakhs)

Note No.	Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
26	**Recognised in Statement of Profit and Loss account**		
	Current Tax		
	(a) In respect of the current year	1,139.63	1,377.75
	(b) Earlier years tax	(395.73)	-
	Total	743.90	1,377.75
	Deferred Tax		
	(a) In respect of the current year	373.00	257.86
	Tax expense recognised through statement of profit and loss account	**1,116.90**	**1,635.61**
	Recognised in Other Comprehensive Income (OCI)		
	Deferred tax		
	In respect of the current year	(47.78)	(46.90)
	Tax credit recognised through Other Comprehensive Income	(47.78)	(46.90)
	The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax	3,062.91	3,674.47
	Enacted income tax rate in India	34.944%	34.944%
	Income tax calculated	1,070.30	1,284.01
	Earlier years Tax	(395.73)	-
	Effect of expenses not deductible in determing taxable profit	63.73	-
	Effect of lower tax rate opted by the subsidiary	13.06	-
	Effect of other adjustments	365.54	365.51
	Income tax expense recognised in profit or loss	**1,116.90**	**1,635.61**

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 September 30, 2019. The Holding Company has filed copy of the order with Registrar of Companies Delhi on October 14, 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 October 26, 2019 which were listed and commenced trading on BSE Limited and National Stock Exchange of India Limited on and from January 23, 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 Lakhs, AHSL of ₹ 2,500 Lakhs and AEL of ₹ 5 Lakhs has been combined with the authorised share capital of the holding company. Accordingly effective 1st April, 2018 the authorized share capital of the holding company stands at ₹ 7,005 Lakhs which comprises of 6,95,50,000 (Six crore ninety five Lakhs 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. April 1, 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 Holding Company are as under :

(₹ in Lakhs)

Particulars	Transferor Companies	Eliminations / Inter Company Adjustments	Total
Assets			
Property, plant and equipment	162.27	-	162.27
Non Current Investments	29,267.12	-	29,267.12
Non-current tax assets (Net)	4.74	2.75	7.49
Other non-current assets	0.02	-	0.02
Defferred tax assets	14.75	(14.75)	-
Trade receivables	15.29	4.38	19.67
Cash and cash equivalents	112.88	-	112.88
Short term loans	37.28	-	37.28
Other current financial assets	6.35	(6.35)	-
Current tax assets (Net)	2.74	(2.74)	-
Other current assets	6.77	0.23	7.00
Total Assets	**29,630.21**	**(16.48)**	**29,613.73**

(₹ in Lakhs)

Particulars	Transferor Companies	Eliminations / Inter Company Adjustments	Total
Equity and Liabilities			
Equity			
Equity share capital	3,778.77	-	3,778.77
Other equity	25,480.67	(14.75)	25,465.92
Total equity	**29,259.44**	**(14.75)**	**29,244.69**
Liabilities			
Short term Borrowings	38.80	-	38.80
Trade Payables	1.95	(1.95)	-
Other current liabilities	330.02	0.22	330.24
Total liabilities	**370.77**	**(1.73)**	**369.04**
Total equity and liabilities	**29,630.21**	**(16.48)**	**29,613.73**

(B) Details of other equity on Amalgamation of Transferor Companies

(₹ in Lakhs)

Particulars	Retained Earnings	Amalgamation Adjustment Account	Capital Reserve	Total
Reserve of Transferor Companies	1,655.65	-	14,457.89	16,113.54
Investment of Transferor Companies	-	29,267.12	-	29,267.12
Share Capital of transferor companies including share capital cancelled and share capital issued by transferee company pursuant to Composite Scheme of Amalgamation	-	(25,105.05)	-	(25,105.05)
Total	**1,655.65**	**4,162.07**	**14,457.89**	**20,275.61**

On amalgamation, the effect of cancellation of investment of Transferor Companies of ₹ 29,267.12 Lakhs and difference between share capital of transferor company including shares cancelled and issued by transferee company of ₹ 25,105.05 Lakhs have resulted an amount of ₹ 4,162.07 Lakhs which is shown as Goodwill.

28 Segmental Reporting

Operating segments

Ind AS 108 "Operating Segment" ("Ind AS 108") establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).The CODM evaluates the Group's performance and allocates resources on overall basis. The Group's sole operating segment is therefore 'Medical and Healthcare Services'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the consolidated financial statements.

Geographical information

Geographical information analyses the Group's revenue and non current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets.

Secondary Segment - Geographical Location of customers

	India		Outside India		Total	
	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)	Current Year (₹ in Lakhs)	Previous Year (₹ in Lakhs)
Revenue by geographical markets	36,773.57	33,342.29	19,728.22	21,309.30	56,501.79	54,651.59
Non current assets	46,620.79	43,892.54	-	-	46,620.79	43,892.54

29 Capital and Other Commitments

(₹ in Lakhs)

	As at 31st March, 2020	As at 31st March, 2019
a) Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)	5,527.55	4,177.80

b) Other Commitments

i) For commitments relating to lease arrangement, please refer Note 31.

ii) The Group does not have any long term commitments or material non-cancellable contractual commitments/contracts, including derivative contracts for which there were any material foreseeable losses.

c) Expenditure on Corporate Social Responsibility (CSR)

i) Gross amount required to be spent by the Group during the year ended 31st March, 2020 ₹ 72.66 Lakhs

ii) Amount spent during the year ended 31st March, 2020 :

(₹ in Lakhs)

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	115.26	-	115.26

iii) Details of related party transactions :

a) Contribution during the year ended 31st March, 2020	₹	Nil
b) Payable as at 31st March, 2020	₹	Nil

30 Related party disclosure

a) Name of related parties

Parties where control exists irrespective of whether transactions have occurred or not

Holding Company	Constructive Finance Private Limited

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Onkar S. Kanwar (Chairman & Director) Dr. Devlina Chakravarty (Executive Director) Mr. Sanjiv Kumar Kothari (Chief Financial Officer) Mr. Navneet Goel (Head - Legal & Company Secretary) (upto 3rd Feb, 2019) Mr. Rakesh Kaushik (Chief Legal Officer & Company Secretary) (from 4th Feb, 2019) Mr. Anuj Sood (Company Secretary) Artemis Global Life Sciences Limited Ms. Aastha Kalra (Chief Financial Officer) Artemis Global Life Sciences Limited Ms. Deepa Khatri (Company Secretary) Artemis Health Sciences Limited Mr. Arpit Jain (CEO) Artemis Cardiac Care Pvt. Ltd. (from 14th Jan, 2019)
Relatives of Key Managerial Personnel	Mr. Neeraj Singh 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) Mr. Saurabh Srivastava (Independent Director) (upto 13th May, 2019) Mr. Sunil Tandon (Independent Director) (from 10th Oct, 2019) Mr. Anil Chopra (Independent Director) - Artemis Health Sciences Limited Mr. Ugar Sain Anand (Independent Director) (from 10th Oct, 2019) Mr. Harish Bahadur (Director) - Athena Eduspark Limited
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. (w.e.f. 9th Oct, 2018)

b) Transactions during the year

(₹ in Lakhs)

Particulars	Ultimate Parent Company / Holding Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Reimbursement of Expenses Received						
Artemis Education & Research Foundation	-	-	-	-	12.46	-
Artemis Health Sciences Foundation	-	-	-	-	0.97	2.32
CSR Expenses						
Artemis Health Sciences Foundation	-	-	-	-	-	45.83
Recovery of Loans & Advances						
Devlina Chakravarty	-	-	12.00	12.00	-	-
Sanjiv Kumar Kothari	-	-	6.00	6.00	-	-
Lease Expenses*						
Swaranganga Consultants Pvt Ltd	-	-	-	-	2.51	12.20
Support Service Fees						
Artemis Education Research Foundation	-	-	-	-	39.38	38.96
Artemis Health Sciences Foundation	-	-	-	-	-	1.77
Sale of Services / License						
Total Transactions	-	-	44.76	31.31	814.33	855.60
Transactions in excess of 10%						
---- Apollo Tyres Ltd.	-	-	-	-	807.58	845.94
Purchase of services / goods*						
Apollo Tyres Ltd.	-	-	-	-	7.08	7.08
Devarchana Rana	-	-	6.49	6.20	-	-
Nirmal Kumar Ganguly	-	-	19.61	18.00	-	
Premedium Pharmaceuticals Pvt Ltd	-	-	-	-	4,772.61	49.48
Donation Paid						
Artemis Education & Research Foundation	-	-	-	-	41.50	40.00
Artemis Health Sciences Foundation	-	-	-	-	5.00	2.74
Directors' Sitting Fees paid						
Onkar S Kanwar	-	-	3.95	2.65	-	-
Neeraj Singh Kanwar	-	-	2.30	1.20	-	-
Shalini Kanwar Chand	-	-	4.00	2.85	-	-
S. Narayan	-	-	5.25	4.50	-	-
Sanjaya Baru	-	-	3.65	1.70	-	-
Nirmal Kumar Ganguly	-	-	2.60	0.80	-	-
Saurabh Srivastava	-	-	0.50	0.40	-	-
Sunil Tandon	-	-	1.20	-	-	-
Ugar Sain Anand	-	-	2.90	1.75	-	-
Akshay Kumar Chudasama	-	-	4.80	3.80	-	-
Harish Bahadur	-	-	1.00	1.85	-	-
Anil Chopra	-	-	0.25	0.50	-	-
Key management personnel-Compensation						
Devlina Chakravarty	-	-	489.23	459.77	-	-
Sanjiv Kumar Kothari	-	-	66.81	68.63	-	-

(₹ in Lakhs)

Particulars	Ultimate Parent Company / Holding Company		Key Management Personnel and their relatives		Enterprises owned or significantly influenced by key management personnel or their relatives	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Rakesh Kaushik	-	-	66.50	24.52	-	-
Navneet Goel	-	-	-	64.93	-	-
Anuj Sood	-	-	8.86	11.78	-	-
Aastha Kalra	-	-	6.79	12.73	-	-
Deepa Khatri	-	-	2.66	3.80	-	-
Arpit Jain	-	-	42.03	8.47	-	-
Defined benefit obligation						
Post-employment benefits	-	-	68.79	52.01	-	-
Short-term benefits	-	-	29.71	23.30	-	-
Total compensation	-	-	98.50	75.31	-	-
Dr. Devlina Chakravarty	-	-	80.15	64.21	-	-
Mr. Sanjiv Kumar Kothari	-	-	12.61	10.21	-	-
Mr. Rakesh Kaushik	-	-	3.74	0.89	-	-
Mr. Arpit Jain	-	-	2.01	-	-	-
Total compensation	**-**	**-**	**98.50**	**75.31**	**-**	**-**

*Transactions are reported including taxes.

(₹ in Lakhs)

Balance Payable	Name of Entity	31st March, 2020	31st March, 2019
Key Management Personnel and their relatives	Relatives of Director & KMP	-	0.40
	Devarchana Rana	0.45	-
	Nirmal Kumar Ganguly	1.15	-
	Arpit Jain	4.05	-
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	7.08	7.08
	Swaranganga Consultants P Ltd	1.51	0.22
	Premedium Pharmaceuticals Pvt. Ltd.	678.50	49.48

(₹ in Lakhs)

Balance Recoverable	Name of Entity	31st March, 2020	31st March, 2019
Key Management Personnel and their relatives	Relatives of Director & KMP	20.09	0.48
	Devlina Chakravarty	63.74	62.14
	Sanjiv Kumar Kothari	22.94	30.06
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd.	55.89	438.92
	Apollo International Ltd.	4.39	1.49
	Artemis Education & Research Foundation	11.14	38.00
	Swaranganga Consultants P Ltd.	-	84.00

31 Leases

A Effective April 1, 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April1, 2019 using the modified retrospective method an d has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group 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 Group's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31,2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

The effect of adoption Ind AS 116 is as follows:

(₹ in Lakhs)

Particulars	As at 31st March 2020
Assets	
Right-of-use assets	1,438.59
Total Assets	**1,438.59**
Liabilities	
Lease Liability (Non Current)	1,395.06
Lease Liability (Current)	136.84
Total Liability	**1,531.90**

Movement of Lease Liabilities during the year ended March 31, 2020

(₹ in Lakhs)

Particulars	Amount
Balance at the beginning of the year	1,528.82
Finance cost accrued during the period	140.06
Payment of Lease Liability	(136.98)
Balance at the end of the year	1,531.90

Impact on the statement of profit or loss (increase / (decrease))

(₹ in Lakhs)

Particulars	Year Ended 31st March 2020
Depreciation expense	97.12
Rent expense (included in Other expenses)	(136.98)
Finance Cost	140.06
Loss (profit) for the period	**100.20**

B The group incurred ₹ 35.07 Lakhs for the year ended March 31, 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 Group 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 Lakhs)

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	Year Ended 31st March, 2020	Year Ended 31st March, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year.		
- Principal Amount	995.49	62.81
- Interest thereon	-	0.33
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.	-	0.33
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 Lakhs)

Particulars	Year Ended 31st March, 2020	Year Ended 31st March, 2019
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	1,979.26	2,049.27
Basic / Weighted Average Number of Equity Shares Outstanding during the year*	1,32,37,700	1,32,37,700
Earning Per Share (in Rupees)		
- Basic	14.95	15.48
- Diluted	14.95	15.48
Nominal value of Equity Shares	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 & Loss for the year ended 31st March, 2020 an amount of ₹477.50 Lakhs (Previous year ₹ 355.38 Lakhs) under defined contribution plans.

Expense under defined contribution plans include:	Year Ended 31st March 2020 (₹ in Lakhs)	Year Ended 31st March 2019 (₹ in Lakhs)
a) Employer's contribution to provident fund	404.40	276.59
b) Employer's contribution to Employee State Insurance Corporation	62.98	74.80
c) Employer's contribution to Labour Welfare Fund	10.12	3.99
	477.50	**355.38**

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.

		Gratuity (unfunded)		Leaves (unfunded)	
		Year Ended 31st March 2020 (₹ in Lakhs)	**Year Ended 31st March 2019** (₹ in Lakhs)	**Year Ended 31st March 2020** (₹ in Lakhs)	**Year Ended 31st March 2019** (₹ in Lakhs)
(i)	Reconciliation of opening and closing balances of obligations:				
	a) Obligation at the beginning	432.70	307.72	249.33	188.98
	b) Current Service Cost	97.67	79.12	70.27	66.61
	c) Interest Cost	29.86	22.46	17.20	13.80
	d) Past Service Cost	0.13	-	0.44	-
	e) Actuarial (Gain) / Loss	49.46	56.65	(5.07)	11.65
	f) Benefits paid	(27.15)	(33.24)	(45.33)	(31.71)
	g) Obligation at the year end	582.66	432.70	286.84	249.33
(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	582.66	432.70	286.84	249.33
	b) Fair Value of Plan Assets at year end	-	-	-	-
	c) Asset / Liability recognized in the Balance Sheet	582.66	432.70	286.84	249.33
(iv)	Amount recognized in the income statement				
	a) Current Service Cost	97.67	79.12	70.27	66.61
	b) Past Service Cost	-	-	0.44	-
	c) Interest Cost	29.86	22.46	17.20	13.80
	d) Curtailment Cost (Credit)	-	-	-	-
	e) Expected return on Plan Assets	-	-	-	-
	f) Actuarial (Gain) / Loss	-	-	(5.07)	11.65
	g) Expenses recognized during the year	127.52	101.58	82.84	92.05
(v)	Other Comprehensive Income (OCI)				
	a) Unrealised actuarial Gain / (Loss)	(49.46)	(56.65)	-	-

(vi) Assumptions:	Year Ended 31st March, 2020	Year Ended 31st March, 2019
a) Discounting Rate (per annum)	5.60%	6.90%
b) Future Salary Increase	5.00%	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 (2006-08)	Indian Assured Lives Mortality (2006-08)

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 ₹ 146.94 Lakhs for Gratuity & ₹ 95.68 Lakhs for Leave Encashment.

The discount rate is based on prevailing market yield of Government Bonds as at the date of valuation.

Particulars	**Year ended 31st March, 2020**		**Year ended 31st March, 2019**	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 1.00%	24.27	25.90	18.31	19.46
Change in Salary escalation rate by 1.00%	25.79	24.63	14.93	23.07

Sensitivity due to mortality and withdrawals are not material & hence impact of change not calculated.

Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

35 Financial Instruments

i) **Capital Management**

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as detailed in Notes 12, 15 & 17 offset by cash and bank balances) and total equity of the Group.

The Group is not subject to any externally imposed capital requirements other than for covenants under various loan arrangements of the Group.

The Group's Board reviews the capital structure of the Group on need basis. As part of this review, the Board considers the cost of capital and the risks associated with each class of capital. The gearing ratio at 31st March, 2020 of 27.67% (previous year 35.94%) (See below).

Gearing Ratio :

The gearing ratio at end of the reporting period was as follows :

(₹ in Lakhs)

Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Debt *	9,827.32	11,470.58
Less : Cash and Cash Equivalents (Refer Note 8)	1,160.82	923.88
Net Debt	**8,666.50**	**10,546.70**
Total Equity	**31,324.06**	**29,346.48**
Net Debt to Equity Ratio	27.67%	35.94%

* Debt is defined as long-term and short-term borrowings.

ii) Categories of Financial Instruments

(₹ in Lakhs)

Financial Assets	As at 31st March, 2020	As at 31st March, 2019
Measured at amortised cost		
Loans- Non Current	243.34	255.86
Other Financial assets - Non Current	29.05	32.42
Trade receivables - Current	7,659.75	7,861.32
Cash and cash equivalents	1,160.82	923.88
Other Bank balances - Current	404.44	314.39
Loans - Current	111.24	197.24
Other financial assets - Current	360.34	514.70
Total	**9,968.98**	**10,099.81**

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 Lakhs)

Financial Liabilities	As at 31st March, 2020	As at 31st March, 2019
Measured at amortised cost		
Borrowings - Non Current	6,557.85	5,345.88
Borrowings - Current	1,088.63	3,787.60
Trade payables - Current	7,461.26	7,369.66
Lease Liabilities - Non Current	1,395.06	-
Lease Liabilities - Current	136.84	-
Other financial liabilities - Current	2,180.83	2,337.10
Total	**18,820.47**	**18,840.24**

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 imited exposure towards foreign currency risk it earns approx. 19% 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 party 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 Lakhs)

I. Assets		As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Receivables (trade & others) (A)	USD	8.59	641.50	11.69	799.72
	AED	3.70	73.78	-	-
Hedges by derivative contracts (B)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Receivables (C=A-B)	USD	8.59	641.50	11.69	799.72
	AED	3.70	73.78	-	-

(₹ in Lakhs)

II. Liabilities	Foreign Currency	As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Payables (trade & others) (including Deferred payment liability) (D)	USD	0.33	24.88	2.74	191.94
	AED	-	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-	-
	AED	-	-	-	-
Unhedged Payables (F=D-E)	USD	0.33	24.88	2.74	191.94
	AED	-	-	-	-

(₹ in Lakhs)

III. Contingent Liabilities and Commitments	Foreign Currency	As at 31st March, 2020		As at 31st March, 2019	
		FC in Lakhs	Equivalent ₹ In Lakhs	FC in Lakhs	Equivalent ₹ In Lakhs
Contingent Liabilities (G)	USD	-	-	-	-
	JPY	-	-	-	-
Commitments (H)	EURO	-	-	-	-
	USD	3.65	308.33	0.02	1.05
	JPY	-	-	3.00	1.89
Hedges by derivative contracts (I)	EURO	5.73	436.25	-	-
	USD	-	-	-	-
	JPY	-	-	-	-
	EURO	-	-	-	-
Unhedged Payables (J=G+H-I)	USD	3.65	308.33	0.02	1.05
	JPY	-	-	3.00	1.89
	EURO	5.73	436.25	-	-
Total unhedged FC Exposures (K=C+F+J)	USD	12.56	974.71	14.45	992.71
	JPY	-	-	3.00	1.89
	AED	3.70	73.78	-	-
	EURO	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 Lakhs)

If decrease by 1%	**Currency Impact (net USD Inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	6.17	6.08
Increase / (decrease) in total equity as at the end of the reporting period	6.17	6.08

(₹ in Lakhs)

If Increase by 1%	**Currency Impact (net USD Inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(6.17)	(6.08)
Increase / (decrease) in total equity as at the end of the reporting period	(6.17)	(6.08)

(₹ in Lakhs)

If decrease by 1%	**Currency Impact (net AED inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
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 Lakhs)

If Increase by 1%	**Currency Impact (net AED inflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
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 Lakhs)

If increase by 1%	**Currency Impact (net JPY outflow)**	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	-	(0.02)
Increase / (decrease) in total equity as at the end of the reporting period	-	(0.02)

(₹ in Lakhs)

If decrease by 1%	Currency Impact (net JPY outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	-	0.02
Increase / (decrease) in total equity as at the end of the reporting period	-	0.02

(₹ in Lakhs)

If increase by 1%	Currency Impact (net EURO outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(4.36)	-
Increase / (decrease) in total equity as at the end of the reporting period	(4.36)	-

(₹ in Lakhs)

If decrease by 1%	Currency Impact (net EURO outflow)	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	4.36	-
Increase / (decrease) in total equity as at the end of the reporting period	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 Lakhs)

If increase by 1% in interest rates	Interest Impact	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	(86.91)	(76.31)
Increase / (decrease) in total equity as at the end of the reporting period	(86.91)	(76.31)

(₹ in Lakhs)

If decrease by 1% in interest rates	Interest Impact	
Particulars	**As at 31st March, 2020**	**As at 31st March, 2019**
Increase / (decrease) in profit or loss for the year	86.91	76.31
Increase / (decrease) in total equity as at the end of the reporting period	86.91	76.31

e) Cerdit 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.

f) 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 Lakhs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2020					
Term Loan	2,132.72	2,240.37	4,333.98	8,707.07	8,690.57
Trade Payables	7,461.26	-	-	7,461.26	7,461.26
Borrowings	1,088.63	-	-	1,088.63	1,088.63
Interest accrued but not due on borrowings	48.11	-	-	48.11	48.11
Lease Liability	136.84	9.23	1,385.83	1,531.90	1,531.90
Total	10,867.56	2,249.60	5,719.81	18,836.97	18,820.47

(₹ in Lakhs)

Particulars	Within 1 year	1 - 2 years	More than 2 years	Total	Carrying Amount (net of transaction cost)
As at 31st March, 2019					
Term Loan	2,152.68	2,112.94	3,236.44	7,502.06	7,498.56
Deferred payment liability	132.18	-	-	132.18	132.18
Trade Payables	7,369.66	-	-	7,369.66	7,369.66
Borrowings	3,787.60	-	-	3,787.60	3,787.60
Interest accrued but not due on borrowings	52.24	-	-	52.24	52.24
Total	13,494.36	2,112.94	3,236.44	18,843.74	18,840.24

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

(₹ in Lakhs)

a.	Disaggregated revenue information	Year Ended 31st March 2020	Year Ended 31st March 2019
	Type of Services or goods		
	Revenue from Healthcare & Other Services	55,072.83	53,536.89
	Revenue from Sale of Pharmacy Drugs & Medical Consumables	1,428.96	1,114.70
	Total	**56,501.79**	**54,651.59**
	Revenue from Contracts with Customers		
	Revenue from Customers based in India	36,773.57	33,342.29
	Revenue from Customers based outside India	19,728.22	21,309.30
	Total	**56,501.79**	**54,651.59**
	Timing of Revenue Recognition		
	Services transferred over time (Healthcare Services & Others)	55,063.07	53,523.23
	Goods (Pharmacy & Scrap) transferred at a point in time	1,438.72	1,128.36
	Total	**56,501.79**	**54,651.59**

(₹ in Lakhs)

b.	Trade receivables and Contract Customers	As at 31st March 2020	As at 31st March 2019
	Trade Receivables	7,659.75	7,861.32
	Unbilled revenue	341.43	498.55
	Total	**8,001.18**	**8,359.87**

Trade receivables are non-interest bearing and are generally on terms of 0- 90 days. ₹ 286.95 Lakhs (₹ 39.42 Lakhs as at 31st March, 2019) was recognised as provision for expected credit losses on trade receivables.

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue.

c. Performance obligation and remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. As on 31st March, 2020, there were no remaining performance obligation as the same is satisfied upon delivery of goods/services.

37 Contingent Liabilities

(₹ in Lakhs)

	Particulars	As at 31st March 2020	As at 31st March 2019
A	**Claims against the Company not acknowledged as debts**		
	In respect of compensation demanded by the patient / their relatives, for negeligence 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.	1,549.06	785.99

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 Lakhs)	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

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 Lakhs)

Opening Balance as at 01.04.2019	Additional provision made during the year	Incurred / (reversed) against provision during the year	Closing Balance as at 31.03.2020
670.78	11.25	0.00	682.03

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 Lakhs)

Particulars	Year Ended 31st March 2020	Year Ended 31st March 2019
Finance charges	121.00	65.92
Legal & professional consultancy Fees	93.06	14.52
Other expenses directly attributable	60.13	24.83
Total	**274.19**	**105.27**

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 consoilidation
			31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	
1	Artemis Cardiac Care Private Limited	India	65%	65%	35%	35%	31st March, 2020

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 2019-20

(₹ in Lakhs)

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 consolid ated 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	Services Limited (Parent)	100.11%	31,406.98	104.98%	2,042.83	100.01%	(1.68)	104.98%	2,041.15
	Subsidiary Artemis Cardiac Care Pvt Ltd.	-0.26%	(81.11)	-3.17%	(61.76)	0.00%	-	-3.18%	(61.76)
	Non-controlling Interests in Subsidiary	0.15%	47.34	-1.71%	(33.25)	0.00%	-	-1.71%	(33.25)
	Adjustments arising	0.00%	(1.81)	-0.09%	(1.81)	0.00%	-	-0.09%	(1.81)
	TOTAL	100%	31,371.40	100.00%	1,946.01	100%	(1.68)	100.00%	1,944.33

Previous Year 2018-19

(₹ in Lakhs)

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 consolid ated net assets	Amount	As % of consolidated Profit or Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehen sive Income	Amount
1	Artemis Medicare Services Limited (Parent)	100.09%	29,365.82	101.46%	2,068.62	100.01%	(9.75)	101.47%	2,058.87
	Subsidiary Artemis Cardiac Care Pvt Ltd.	-0.07%	(19.34)	-0.95%	(19.34)	0.00%	-	-0.95%	(19.34)
	Non-controlling Interests in Subsidiary	-0.02%	(6.91)	-0.51%	(10.41)	0.00%	-	-0.51%	(10.41)
	Adjustments arising	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	TOTAL	100%	29,339.57	100%	2,038.86	100%	(9.75)	100%	2,029.11

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 suspension of services of elective surgeries and travel restrictions of overseas patients, business operations of the Group are expected to be lower in the short term, 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 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

See accompanying Notes to Financial Statements 1 to 42

As per our report of even date attached

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

Sd/-
(Rajiv Puri)
Partner
Membership No. 084318

Place: New Delhi
Date : May 22, 2020

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

Sd/-
Onkar S. Kanwar
[Chairman & Director]
[DIN : 00058921]

Sd/-
Devlina Chakravarty
[Managing Director]
[DIN : 07107875]

Sd/-
Sanjiv Kumar Kothari
[Chief Financial Officer]

Sd/-
Rakesh Kaushik
[Company Secretary]

Place : Gurugram
Date : May 22, 2020

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 Lakhs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Artemis Cardiac Care Private Limited
2.	The date since when subsidiary was acquired/incorporated	January 14, 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	260.00
6.	Reserves & surplus	(124.77)
7.	Total assets	735.55
8.	Total Liabilities	735.55
9.	Investments	0
10.	Turnover	192.90
11.	Profit before taxation	(161.58)
12.	Provision for taxation	(36.81)
13.	Profit after taxation	(124.77)
14.	Proposed Dividend	0
15.	% of shareholding	65

Note 1: Since the Company got incorporated on January 14, 2019. Therefore, the financial period of the Subsidiary Company is from January 2019 to March 2020.

Sd/-
Onkar S. Kanwar
Chairman & Director
DIN:00058921

Sd/-
Devlina Chakravarty
Managing Director
DIN:07107875

Place: Gurugram
Date : May 22, 2020

Sd/-
Sanjiv Kumar Kothari
Chief Financial Officer

Sd/-
Rakesh Kumar Kaushik
Company Secretary

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