Deloitte
Haskins & Sells LLP

Chartered Accountants
KRB Towers, Plot No.1 to 4 & 4A
1st, 2nd & 3rd Floor
Jubilee Enclave, Madhapur
Hyderabad - 500 081
Telangana, India

Tel: +91 40 7125 3600
Fax: +91 40 7125 3601

INDEPENDENT AUDITOR'S REPORT

To The Members of Apollo Health and Lifestyle Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements **Apollo Health and Lifestyle Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") , which comprise the Consolidated Balance Sheet as at March 31, 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, and their consolidated loss, their consolidated total comprehensive loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated 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 (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or 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 financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing (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 financial statements.

As part of an audit in accordance with Standards on Auditing (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 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 financial 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 Parent 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 the 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 ability of the Group 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 consolidated 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 continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 Matters

We did not audit the financial statements of seven subsidiaries whose financial statements reflect total assets of ₹ 13,209 Lakhs as at March 31, 2019 , total revenue of ₹ 10,475 Lakhs and cash inflow of ₹ 188 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements/ financial information of the subsidiaries, incorporated in India, referred to in the Other Matters section above we report, to the extent applicable 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 financial statements.

 b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been so far as it appears from our examination of those books, returns and the reports of the other auditors.

 c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

 d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

 e) On the basis of the written representations received from the directors of the Parent Company as on 31st March, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India to whom internal financials controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

 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 A" which is based on the auditors reports of the Parent and subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.

 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 disclose the impact of pending litigations on the consolidated financial position of the Group.

  ii) The Group did not have any material foreseeable losses on long term contracts including derivative contracts.

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iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary companies, incorporated in India.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No: 117366W/W – 100018)

Ganesh Balakrishnan
(Partner)
(Membership No. 201193)

Place: Hyderabad
Date: May 22, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **Apollo Health and Lifestyle Limited** (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies 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 (ICAI). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company/ Parent, its subsidiary companies, its associate companies and its jointly controlled companies/ joint ventures[3], which are companies incorporated in India, 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent and its subsidiary companies, which are companies incorporated in India.

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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, 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 March 31, 2019, based on the criteria for internal financial control over financial reporting 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.

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Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seven subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No: 117366W/W – 100018)

Ganesh Balakrishnan
Partner
(Membership No. 201193)

Place: Hyderabad
Date: May 22, 2019

		Notes	As at March 31, 2019	As at March 31, 2018
A	**ASSETS**			
	Non-current assets			
	(a) Property, plant and equipment	3	2,578,046,670	2,819,411,025
	(b) Capital work-in-progress		18,401,742	15,141,737
	(c) Goodwill	4	246,520,227	246,617,227
	(d) Other intangible assets	5	29,284,052	34,686,196
	(e) Financial assets			
	(i) Investments	6	2,815,776	5,629,776
	(ii) Other financial assets	7	250,306,910	270,965,573
	(f) Deferred tax assets (net)	8	6,900,282	7,583,564
	(g) Income tax assets (net)	9	526,688,104	419,427,082
	(h) Other non-current assets	10	94,810,170	60,002,180
	Total non-current assets		3,753,773,933	3,879,464,360
	Current assets			
	(a) Inventories	11	133,091,824	128,366,009
	(b) Financial assets			
	(i) Other investments	6	66,894,152	108,518,828
	(ii) Trade receivables	12	640,594,550	517,825,524
	(iii) Cash and cash equivalents	13	165,467,606	195,086,833
	(iv) Bank balances other than cash and cash equivalents	14	19,832,629	467,776,814
	(v) Other financial assets	7	190,407,075	95,966,768
	(c) Other current assets	10	75,888,045	68,358,256
	Total current assets		1,292,175,881	1,581,899,032
	TOTAL ASSETS		5,045,949,814	5,461,363,392
B	**EQUITY AND LIABILITIES**			
	Equity			
	(a) Equity share capital	15	1,156,340,870	1,096,135,770
	(b) Share application pending allotment		-	7
	(c) Other equity	16	(306,172,891)	237,531,466
	Equity attributable to owners of the Company		850,167,979	1,333,667,243
	Non-controlling interests	17	64,181,531	104,094,162
	Total equity		914,349,510	1,437,761,405
	Liabilities			
	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	2,137,247,183	2,258,236,822
	(ii) Other financial liabilities	19	35,444,978	37,431,467
	(b) Provisions	20	18,494,867	8,192,999
	(c) Deferred tax liabilities (net)	8	18,045,531	20,848,252
	Total non-current liabilities		2,209,232,559	2,324,709,540
	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	18	198,171,947	48,652,146
	(ii) Trade payables	21		
	- Total outstanding dues of micro enterprises and small enterprises		1,581,516	6,598,438
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,303,963,307	1,079,470,171
	(iii) Other financial liabilities	19	290,928,672	464,732,306
	(b) Provisions	20	7,908,116	2,908,272
	(c) Other current liabilities	22	119,814,187	96,531,114
	Total current liabilities		1,922,367,745	1,698,892,447
	Total liabilities		4,131,600,304	4,023,601,987
	TOTAL EQUITY AND LIABILITIES		5,045,949,814	5,461,363,392
	Corporate information	1		
	Significant accounting policies	2		

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 22, 2019

For and on behalf of the Board of Directors

Sangita Reddy
Managing Director
(DIN - 00006285)

Krishnan Akhileswaran
Director
(DIN - 05299539)

Lalit Nagpal
Chief Financial Officer

D V Sivaram
Company Secretary
(Membership No: 15682)

C Chandra Sekhar
Chief Executive Officer

Apollo Health and Lifestyle Limited

Apollo Health and Lifestyle Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2019
All amounts are in ₹ except share data and where otherwise stated

		Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from operations	23	5,888,141,659	4,589,276,621
II	Other income	24	82,317,809	123,114,520
III	**Total income (I+II)**		**5,970,459,468**	**4,712,391,141**
IV	**Expenses**			
	Cost of medical consumables	25	1,133,283,604	869,119,150
	Cost of services	26	2,051,940,299	1,768,609,029
	Employee benefits expense	27	1,431,123,674	1,300,193,027
	Finance costs	28	264,777,323	184,505,550
	Depreciation and amortisation expense	29	550,504,057	474,465,922
	Other expenses	30	1,870,317,635	1,797,366,896
	Total expenses (IV)		**7,301,946,592**	**6,394,259,574**
V	**Loss before tax (III-IV)**		**(1,331,487,124)**	**(1,681,868,433)**
VI	**Tax expense**			
	(i) Current tax		-	-
	(ii) Deferred tax		(2,059,203)	(24,720,949)
	Total tax expenses		(2,059,203)	(24,720,949)
VII	**Loss for the year (V-VI)**		**(1,329,427,921)**	**(1,657,147,484)**
VIII	**Other comprehensive income**			
	(i) Items that will not be reclassified subsequently to statement of profit or loss			
	(a) Remeasurements of the net defined benefit liability		(5,964,486)	6,189,927
	(b) Equity instruments through other comprehensive income		(2,814,000)	549,147
	(ii) income tax relating to items that will not be reclassified to statement of profit or loss		60,236	(1,752,159)
	Total other comprehensive income / (loss) for the year		**(8,718,250)**	**4,986,915**
IX	**Total comprehensive loss for the year (VII+VIII)**		**(1,338,146,171)**	**(1,652,160,569)**
	Loss for the year attributable to:			
	Owners of the Company		(1,288,447,016)	(1,610,935,793)
	Non controlling interests		(40,980,905)	(46,211,691)
			(1,329,427,921)	(1,657,147,484)
	Other comprehensive income for the year attributable to:			
	Owners of the Company		(8,752,456)	4,724,563
	Non controlling interests		34,206	262,352
			(8,718,250)	4,986,915
	Total comprehensive loss for the year attributable to:			
	Owners of the Company		(1,297,199,472)	(1,606,211,230)
	Non controlling interests		(40,946,699)	(45,949,339)
			(1,338,146,171)	(1,652,160,569)
	Earnings per equity share of ₹ 10 each:	32		
	Basic (in ₹)		(11.16)	(14.70)
	Diluted (in ₹)		(11.16)	(14.70)
	Corporate information	1		
	Significant accounting policies	2		

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 22, 2019

For and on behalf of the Board of Directors

Sangita Reddy
Managing Director
(DIN - 00006285)

Krishnan Akhileswaran
Director
(DIN - 05299539)

Lalit Naggal
Chief Financial Officer

D V Sivaram
Company Secretary
(Membership No: 15682)

Apollo Health and Lifestyle Li...

C Chandra Sekhar
Chief Executive Officer

Apollo Health and Lifestyle Limited

Consolidated Cash Flow Statement for the year ended March 31, 2019

All amounts are in ₹ except share data and where otherwise stated

		For the year ended March 31, 2019		For the year ended March 31, 2018
A. Cash flows from operating activities				
Loss before tax		(1,331,487,124)		(1,681,868,433)
Adjustments for:				
Depreciation and amortisation expense	550,504,057		474,465,922	
Loss on sale of property, plant and equipment (net) / written off	10,042,819		21,642,465	
Finance costs	264,777,323		184,505,550	
Interest income	(39,075,766)		(82,065,135)	
Gain on sale of investments in mutual funds	(13,444,018)		-	
Net gain/(loss) arising on financial assets designated as at FVTPL	9,568,694		(7,978,962)	
Liabilities no longer required written back	(28,559,296)		(12,437,599)	
Provision for doubtful trade receivables written back	-		(20,000,000)	
Impairment of goodwill	97,000		1,000,000	
Provision for doubtful trade receivables	38,577,206		40,288,720	
Bad debts and advances written off (net)	2,448,555		5,124,587	
Expenses recognized in respect of shares issued in exchange of consultancy services	14,017,837		18,944,271	
		808,954,411		623,489,819
		(522,532,713)		(1,058,378,614)
Movements in working capital				
Adjustments for (increase)/decrease in operating assets:				
- Trade receivables		(163,794,787)		(169,021,578)
- Inventories		(4,725,815)		897,334
- Other assets		(102,047,175)		(12,371,414)
- Balances held as margin money deposits and others		59,470,502		(12,820,443)
Adjustments for increase/(decrease) in operating liabilities:				
- Trade payables		248,035,511		161,999,370
- Other liabilities		28,942,367		31,218,760
- Provisions		9,337,225		169,155
		75,217,828		71,184
Cash used in operating activities		(447,314,885)		(1,058,307,430)
Income taxes paid		(107,261,023)		(61,260,782)
Net cash used in operating activities [A]		**(554,575,908)**		**(1,119,568,212)**
B. Cash flows from investing activities				
Purchase of property, plant and equipment (Including capital work-in-progress and other intangible assets)		(313,445,528)		(408,278,649)
Proceeds from disposal of property, plant and equipment		6,953,053		23,899,386
Deposits matured / (placed) with banks (net)		388,473,683		1,012,019,971
Proceeds from sale of investments in mutual fund units		45,500,000		96,763,486
Advance to related parties		(429,571)		-
Interest received		42,669,215		66,178,472
Net cash generated from investing activities (B)		**169,720,852**		**790,582,666**
C. Cash flows from financing activities				
Proceeds from issue of equity shares		800,716,446		-
Repayment of borrowings		(72,294,531)		(1,350,000)
Proceeds from borrowings		179,915,260		436,841,865
Interest paid		(553,101,346)		(179,598,540)
Net cash generated from financing activities (C)		**355,235,829**		**255,893,325**
Net decrease in cash and cash equivalents (A+B+C)		**(29,619,227)**		**(73,092,221)**
Cash and cash equivalents at the beginning of the year		195,086,833		268,179,054
Cash and cash equivalents at the end of the year (Refer Note (i) below)		**165,467,606**		**195,086,833**

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Apollo Health and Lifestyle Limited

Notes:

(i) Cash and cash equivalents comprises of (Refer Note 13)

(a) Balances with banks		
- in current accounts	155,861,632	187,834,890
(b) Cash on hand	9,605,974	7,245,943
(c) Cheques on hand	-	6,000
Cash and cash equivalents as per consolidated statement of cash flows	**165,467,606**	**195,086,833**

(ii) Reconciliation of liabilities from financing activities

Particulars	As at March 31, 2018	Proceeds	Repayments	As at March 31, 2019
Long-term borrowings [including current portion]	2,330,766,812	30,395,459	72,294,531	2,288,867,740
Short-term borrowings	48,652,146	149,519,800	-	198,171,946
Total liabilities from financing activities	**2,379,418,958**	**179,915,259**	**72,294,531**	**2,487,039,686**

Reconciliation of liabilities from financing activities

Particulars	As at April 1, 2017	Proceeds	Repayments	As at March 31, 2018
Long-term borrowings [including current portion]	1,893,924,947	436,841,865	-	2,330,766,812
Short-term borrowings	50,002,146	-	1,350,000	48,652,146
Total liabilities from financing activities	**1,943,927,093**	**436,841,865**	**1,350,000**	**2,379,418,958**

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ganesh Balakrishnan
Partner
Membership No: 201193

Hyderabad
Date : May 22, 2019

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors

Sangita Reddy
Managing Director
(DIN - 00006285)

Krishnan Akhileswaran
Director
(DIN - 05299539)

Lalit Nagpal
Chief Financial Officer

D V Sivaram
Company Secretary
(Membership No: 15682)

C Chandra Sekhar
Chief Executive Officer

Apollo Health and Lifestyle Limited

Apollo Health and lifestyle Limited
Notes forming part of consolidated financial statements for the year ended March 31, 2019
All amounts are in ₹ except share data and where otherwise stated

Statement of changes in equity

a. Equity share capital

	No. of shares	Amount
Balance as at April 1, 2017	109,613,577	1,096,135,770
Changes in equity share capital during the year	-	-
Balance as at March 31, 2018	109,613,577	1,096,135,770
Changes in equity share capital during the year	6,020,510	60,205,100
Balance as at March 31, 2019	115,634,087	1,156,340,870

b. Other equity

	Reserve and surplus				Items of other comprehensive income	Non-controlling interests	Total
	Securities premium	Share options outstanding account	Capital reserve on common control transaction	Retained earnings	Equity investments through other comprehensive income		
Balance as at April 1, 2017	6,858,556,867	14,787,095	(754,287,220)	(4,281,348,016)	(4,960,628)	106,943,162	1,939,691,260
Loss for the year	-	-	-	(1,610,935,793)	-	(46,211,691)	(1,657,147,484)
Other comprehensive income for the year, net of taxes	-	-	-	4,318,194	406,369	262,352	4,986,915
Total Comprehensive income for the year 2017-18	-	-	-	(1,606,617,599)	406,369	(45,949,339)	(1,652,160,569)
Others	-	-	-	2,005,337	-	34,499,971	36,505,308
Recognition of share-based payments	-	8,989,261	-	-	-	8,600,368	17,589,629
Balance as at March 31, 2018	6,858,556,867	23,776,356	(754,287,220)	(5,885,960,278)	(4,554,259)	104,094,162	341,625,628
Loss for the year	-	-	-	(1,288,447,016)	-	(40,980,905)	(1,329,427,921)
Other comprehensive income for the year, net of taxes	-	-	-	(5,938,456)	(2,814,000)	34,206	(8,718,250)
Total Comprehensive income for the year 2018-19	-	-	-	(1,294,385,472)	(2,814,000)	(40,946,699)	(1,338,146,171)
Premium on shares issued during the year	740,511,346	-	-	-	-	-	740,511,346
Recognition of share-based payments	-	12,983,769	-	-	-	1,034,068	14,017,837
Balance as at March 31, 2019	7,599,068,213	36,760,125	(754,287,220)	(7,180,345,750)	(7,368,259)	64,181,531	(241,991,360)

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants

Ganesh Balakrishnan
Partner
Membership No: 201193

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 22, 2019

For and on behalf of the Board of Directors

Sangita Reddy
Managing Director
(DIN - 00006285)

Krishnan Akhileswaran
Director
(DIN - 05299539)

C Chandra Sekhar
Chief Executive Officer

Lalit Nagpal
Chief Financial Officer

D V Sivaram
Company Secretary
(Membership No: 15682)

Apollo Health and Lifestyle Limited

1. Corporate Information

Apollo Health and Lifestyle Limited ('the Company') is a Public Company incorporated in India. The main business of the Company and its subsidiaries (together "the Group") is to provide comprehensive, high-quality healthcare services by establishing owned and franchisee clinics & hospitals across India. The principal activities of the Group include operation of Specialty hospitals, Maternity hospitals, Clinics, Diagnostic centers, Sugar clinics, Dental clinics and Dialysis centers. The parent Company is Apollo Hospitals Enterprise Limited.

2. Significant accounting policies

A. Application of new and revised Ind ASs

The Group has applied all the Ind ASs notified by the MCA. There are no Ind AS that have not been applied by the Group.

Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of profit & loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application either by:

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application

Certain practical expedients are available under both the methods.

The Group is currently assessing the impact on adoption of this standard on the Group's financial statements.

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Apollo Health and Lifestyle Limited

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and
ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

   The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

   The Group is currently assessing the impact on adoption of this standard on the Group's financial statements

Amendment to Ind AS 12 – Income taxes: On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment will come into force for accounting periods beginning on or after April 1,2019.

The Group is evaluating the effect of the above on its financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Group is currently evaluating the effect of this amendment on the financial statements.

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Apollo Health and Lifestyle Limited

B. Statement of compliance

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India.

C. Basis of preparation and presentation

The Consolidated financial statements include accounts of Apollo Health and Lifestyle Limited ("the Company") and its subsidiaries Apollo Specialty Hospitals Private Limited, Apollo Bangalore Cradle Limited, Kshema Healthcare Private Limited, Apollo Sugar Clinics Limited, Alliance Dental Care Limited, Apollo Dialysis Private Limited, AHLL Risk Management Private Limited, AHLL Diagnostics Limited; all together referred to as "the Group".

The consolidated financial statements have been prepared on accrual basis and on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for 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 takes 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 financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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 asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

D. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

• the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
• potential voting rights held by the Company, other vote holders or other parties;
• rights arising from other contractual arrangements; and
• any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries
Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

E. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions about the carrying amount of assets and liabilities, disclosures relating to contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented. Actual results may differ from these estimates.

The Management believes that the estimates used in preparation of Financial Statements are prudent and reasonable.

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The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that have been made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

a) Useful lives of Property, plant and equipment and intangible assets

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

b) Fair value measurement of financial instruments

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Group also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

c) Income taxes

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

d) Defined benefit obligations

The Group uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

e) Claims, provisions and contingent liabilities

The Group has ongoing litigations with various regulatory authorities and third parties. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

f) Other estimates

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Group estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

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F. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Company, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

G. Goodwill

Goodwill arising on acquisition is recognised based on the difference between the purchase consideration and assets acquired during acquisition. The same is carried at cost as established at the date of acquisition less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

H. Revenue recognition

The Company earns revenue primarily by providing healthcare services operates through various multispecialty hospitals and clinics across India.

Effective April 1, 2018, the Group has applied Ind AS 115- Revenue from Contracts with Customers which establishes a comprehensive framework for determining whether, how much and when revenue has to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Group has adopted Ind AS 115 using the cumulative effect method (modified retrospective approach). The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is

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not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Group is insignificant.

Revenue is measured at the fair value of the consideration received or receivable. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of discounts wherever applicable.

The Company assessed its revenue arrangements against specific criteria to determine it is acting as principal or agent. The service revenues are presented net of related doctor fee in cases where the Group is not the primary obligor and does not have the pricing latitude.

Rendering of services:

(a) Healthcare Services
Revenue primarily comprises fees charged for outpatient healthcare services. Services include charges for consultation for medical professional services and diagnostic services.

(b) Other Services
(i) Project Consultancy income is recognised based on the contractual terms as and when the services are rendered.
(ii) One-time franchise license fees is recognised based on achievement of the milestones as per the terms of the contract and where ever there is no bifurcation of total fee then over the period of the agreement.
(iii) Franchisee license fee is recognised on accrual basis as per the terms of the contracts.
(iv) Other services fee is recognized on basis of the services rendered and as per the terms of the agreement.

Loyalty Points

Sales of goods that result in award credits for customers, under the Group's loyalty points schemes are accounted for as multiple element revenue transactions and the fair value of the consideration received or receivable is allocated between the goods supplied and the award credits granted. The consideration allocated to the award credits is measured by reference to their fair value - the amount for which the award credits could be sold separately. Such consideration is not recognised as revenue at the time of the initial sale transaction - but is deferred and recognised as revenue when the award credits are redeemed and the Group's obligations have been fulfilled.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

The Group's policy for recognition of revenue from operating leases is described in Note I below.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the stand alone selling price. Services added that are not distinct are accounted for on a cumulative catch-up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

The company receive payments from customers based upon contractual billing schedules and upon submission of requisite documentation; accounts receivable are recorded when the right to consideration becomes unconditional. Contract assets includes amounts related to our contractual right to consideration for completed performance obligations not yet invoiced. Contract liabilities include payments received in

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advance of satisfying a performance obligation as per the terms of the contract. Revenue in this case shall be recognised based on the aforementioned accounting policy as applicable to that customer.

Use of significant judgements in revenue recognition
- The Company's contracts with customers could include promises to render multiple services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

- Judgement is also applied in the assessment of principal versus agent considerations with respect to contracts with customers and doctors which is determined based on the substance of the arrangement.

- Judgement is also applied to determine the transaction price of the contract. The transaction price shall include a fixed amount of customer consideration and components of variable consideration which constitutes amounts payable to customer, discounts, commissions, disallowances and redemption patterns of loyalty customers. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur and is reassessed at the end of each reporting period.

Use of Practical expedients
Transaction price allocated to the remaining performance obligations

The Company has applied practical expedient with respect to non disclosure of information with respect of remaining performance obligations considering the fact that the company's performance obligations, i.e. the treatment in case of healthcare segment and the lab investigation segment has an original expected duration of one year or less.

Contract modification
The Company has applied practical expedient with respect to contract modification and accordingly has not given the impact of the modifications to the contracts that occurred before the date of initial application of Ind AS 115 (i.e., before April 1, 2018). The impact of applying this practical expedient is insignificant.

Significant financing component
The company has applied the practical expedient with respect of non-adjustment of transaction price for the effects of significant financing components, since the company expects at the inception of the contract that the period between the receipt of consideration from the customer and the satisfaction of performance obligations will be one year or less.

Recognition of asset with respect to cost of obtaining a contract and cost to fulfil the contract.

The Company has applied practical expedient of recognizing the incremental costs of obtaining a contract as an expense when incurred since the company expects that the amortisation period of the asset that the entity otherwise would have recognised is one year or less.

The impact of applying Ind AS 115 Revenue from contracts with customers instead of applying erstwhile Ind AS 18 Revenue is insignificant.

l. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

<u>The Group as lessor</u>
Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. 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 recognised in the year in which such benefits accrue.

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The Group as lessee
Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

J. Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest rate method. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of Profit and Loss in the period in which they are incurred.

K. Employee benefits

Defined contribution plan
Employee benefits in the form of provident fund, employees' state insurance fund and labour welfare fund are considered as defined contribution plan. Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plan
In accordance with the Payment of Gratuity Act, 1972 as amended, the Group provides for gratuity, a defined benefit retirement plan ('the Gratuity plan') covering eligible employees. The Gratuity plan provides a lump-sum payment to vested employees at retirement, death, incapacitations or termination of employment, of an amount based on the respective employee's salaries and tenure of employment with the Group. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method.

Defined benefit costs are categorised as follows:
- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Remeasurement, comprising actuarial gains and losses, is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and not reclassified to profit or loss.

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Short-term and other long-term employee benefits
The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absences as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Group fully contributes all ascertained liabilities to the fund maintained with the Insurer. The Group recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur.

L. Share-based payment transactions of the Group

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in notes to accounts.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

M. Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
Current tax is determined as the amount of tax payable in respect of the taxable income for the year as determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961. 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 under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

Deferred tax
Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such, deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable

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profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

Current and Deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

N. Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use and cost of borrowing till the date of capitalisation in the case of assets involving material investment and substantial lead time.

An item of Property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain/loss arising on the disposal or retirement of an item of Property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

Depreciation
Depreciation on Property, plant and equipment is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013
Estimated useful life is as follows:

Asset	Useful lives in years
Plant and machineries	5- 15 years
Medical equipment	13 years
Surgical instruments	3 years
Furniture and fixtures	10 years
Vehicles	8 years
Electrical installation	10 years
Office equipment	5 years
Computers	3 years

The estimated useful lives, residual values and depreciation method are periodically reviewed at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

Leasehold improvements are amortised over the lower of estimated useful life and lease term.

Capital work in progress are items of Property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

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O. Intangible assets

Intangible assets are carried at cost, net of accumulated amortisation and impairment losses, if any. Cost of an intangible asset comprises of purchase price and attributable expenditure on making the asset ready for its intended use. Intangible assets are amortised on the straight line method over their estimated useful life.

Amortisation
Amortisation on Intangible assets is recognised on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013

Estimated useful life is as follows:

Asset	Useful lives in years
Computer software	3 years
Non-compete fees	Over the agreement period
Trademarks	Over the agreement period

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).
Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

P. Impairment of tangible and intangible assets other than goodwill

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 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).

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 profit or loss.

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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 profit or loss.

Q. Inventories

The inventories comprise of medical consumables which are utilised in providing healthcare services dealt with by the Group are valued at lower of cost or net realisable value. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for applicable taxes wherever applicable, applying the First - In First - Out method.

R. Provisions, contingent liabilities and contingent assets

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 such obligation and a reliable estimate can be made of the amount of such 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 (where 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 recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

S. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the 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 asset or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of the Profit and Loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

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For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories:

Non-derivative financial assets comprising amortised cost, investments in subsidiaries, equity instruments at fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) and non-derivative financial liabilities at amortised cost. Management determines the classification of its financial instruments at initial recognition.

The classification of financial instruments depends on the objective of the Group's business model for which it is held and on the substance of the contractual terms / arrangements.

Non - derivative financial assets

- Financial assets at amortised cost
  A financial asset shall be measured at amortised cost if both of the following conditions are met:
  - the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
  - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

  They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

  Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents and eligible current and non-current assets.

  Cash comprises cash on hand, cash at bank, cheques on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

- Investments in subsidiaries
  On initial recognition, these instruments are recognised at fair value plus any directly attributable transaction costs. Subsequently they are measured at cost.

- Investments in Equity instruments at FVTOCI
  On initial recognition, the Group can make an irrevocable election (on an instrument-by- instrument basis) to present the subsequent changes in fair value in other comprehensive income (OCI) pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the "equity instruments through other comprehensive income". The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling it in the near term; or
- 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
- It is a derivative that is not designated and effective as a hedge instrument or a financial guarantee.

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Dividends on these investments in equity instruments are recognised in the Statement of Profit and Loss when the Group's right to receive the dividends is established and the amount of dividend can be measured reliably.

- Financial assets at fair value through profit or loss (FVTPL)
  FVTPL is a residual category for financial assets. A financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

  In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.

  Financial assets included within the FVTPL category are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

<u>De-recognition of financial assets</u>
The Group de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset (except as mentioned above for financial assets measured at FVTOCI), the difference between the carrying amount and the consideration received and receivable is recognised in the Statement of Profit and Loss.

<u>Impairment of financial assets</u>
The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

<u>Non-derivative financial liabilities</u>
- Financial liabilities at fair value through profit or loss (FVTPL)
  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.

- Financial liability subsequently measured at amortised cost
  Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently measured at amortised cost using the effective interest method.

<u>Effective interest method</u>
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 through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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De-recognition of financial liability

The Group de-recognises financial liabilities, when and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

T. Cash flow statements

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

U. Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares.
Basic earnings per share is computed by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share is determined by adjusting the profit / (loss) attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

V. Segment reporting

The Group uses the management approach for reporting information about segments in annual financial statements. The management approach is based on the way the Chief Operating Decision maker organises segment within a Group for making an operating decisions and assessing performance. Reportable segments are based on services, legal structure, management structure and any other manner in which management disaggregates a company. Based on the management approach model the Group has determined that its business model is comprised of Clinics, Diagnostics, Cradle, Spectra, Dialysis, Dental and Risk Management.

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Notes forming part of consolidated financial statements for the year ended March 31, 2019
All amounts are in ₹ except share data and where otherwise stated

Note 3: Property, plant and equipment and capital work-in-progress

	As at March 31, 2019	As at March 31, 2018
Carrying amounts of:		
Leasehold improvements	1,054,071,228	1,253,674,607
Medical equipment	864,752,136	335,310,828
Electrical installations	53,204,911	48,156,873
Office equipment	81,671,082	132,605,967
Computer	27,366,447	32,052,324
Plant and equipment	364,993,419	846,620,077
Furniture and fixtures	130,817,351	168,968,271
Vehicles	1,170,096	2,022,078
	2,578,046,670	**2,819,411,025**
Capital work-in-progress	18,401,742	15,141,737
	2,596,448,412	2,834,552,762

Description of Assets	Leasehold improvements	Medical equipment	Electrical installations	Office equipment	Computer	Furniture and fixtures	Plant and equipment	Vehicles	Total
I. Cost or deemed cost									
Balance as at April 1, 2017	**1,483,691,386**	**449,370,608**	**65,521,594**	**223,197,041**	**75,314,514**	**280,744,542**	**969,815,686**	**5,407,026**	**3,553,062,397**
Additions	237,493,420	215,413,891	10,144,620	23,428,791	18,537,413	18,473,359	15,825,296	-	539,316,790
Disposals	(16,095,847)	(10,867,942)	(343,446)	(770,653)	(1,283,286)	(11,362,940)	(60,193)	-	(40,784,307)
Adjustment / reclassification	-	(9,475,075)	1,850,139	25,230,002	(2,550,772)	5,206,493	(25,567,225)	-	(5,306,438)
Balance as at March 31, 2018	**1,705,088,959**	**644,441,482**	**77,172,907**	**271,085,181**	**90,017,869**	**293,061,454**	**960,013,564**	**5,407,026**	**4,046,288,442**
Reclassification	-	(14,295,930)	-	(11,000,527)	(9,108,488)	(37,128,785)	(38,866,121)	(431,242)	(110,831,093)
Revised Balance as at April 1, 2018	**1,705,088,959**	**630,145,552**	**77,172,907**	**260,084,654**	**80,909,381**	**255,932,669**	**921,147,443**	**4,975,784**	**3,935,457,349**
Additions	49,093,672	54,719,963	5,990,126	23,271,095	14,643,873	18,953,607	128,383,825	-	295,056,161
Disposals	(6,298,071)	(8,433,728)	(498,378)	(2,317,190)	(532,991)	(6,596,943)	(841,581)	-	(25,518,882)
Adjustment / reclassification	(34,351,940)	702,372,011	20,032,560	(43,433,700)	244,836	574,185	(645,499,925)	61,973	-
Balance as at March 31, 2019	**1,713,532,620**	**1,378,803,798**	**102,697,215**	**237,604,859**	**95,265,099**	**268,863,518**	**403,189,762**	**5,037,757**	**4,204,994,628**
II. Accumulated depreciation and impairment									
Balance as at April 1, 2017	**246,155,349**	**175,540,874**	**17,070,029**	**89,127,770**	**45,282,331**	**95,297,076**	**111,158,697**	**2,659,398**	**782,291,524**
Depreciation expense	208,280,910	136,614,183	11,719,991	45,272,514	18,146,366	31,736,813	6,553,431	725,550	459,049,758
Eliminated on disposal of assets	(3,021,907)	(2,461,321)	(104,599)	(557,671)	(970,491)	(3,878,798)	(14,646)	-	(11,009,433)
Adjustment / reclassification	-	(563,082)	330,613	4,636,601	(4,492,661)	938,092	(4,303,995)	-	(3,454,432)
Balance as at March 31, 2018	**451,414,352**	**309,130,654**	**29,016,034**	**138,479,214**	**57,965,545**	**124,093,183**	**113,393,487**	**3,384,948**	**1,226,877,417**
Reclassification	-	(14,295,930)	-	(11,000,527)	(9,108,488)	(37,128,785)	(38,866,121)	(431,242)	(110,831,093)
Revised Balance as at April 1, 2018	**451,414,352**	**294,834,724**	**29,016,034**	**127,478,687**	**48,857,057**	**86,964,398**	**74,527,366**	**2,953,706**	**1,116,046,324**
Depreciation expense	222,544,000	138,050,353	15,637,377	35,135,748	18,456,295	52,722,253	36,045,522	833,097	519,424,645
Eliminated on disposal of assets	(1,545,854)	(2,351,266)	(154,654)	(1,482,597)	(135,977)	(2,627,219)	(225,444)	-	(8,523,011)
Adjustment / reclassification	(12,951,106)	83,517,851	4,993,547	(5,198,061)	721,277	986,735	(72,151,101)	80,858	-
Balance as at March 31, 2019	**659,461,392**	**514,051,662**	**49,492,304**	**155,933,777**	**67,898,652**	**138,046,167**	**38,196,343**	**3,867,661**	**1,626,947,958**
III. Carrying amount									
Balance as at March 31, 2018	1,253,674,607	335,310,828	48,156,873	132,605,967	32,052,324	168,968,271	846,620,077	2,022,078	2,819,411,025
Balance as at March 31, 2019	**1,054,071,228**	**864,752,136**	**53,204,911**	**81,671,082**	**27,366,447**	**130,817,351**	**364,993,419**	**1,170,096**	**2,578,046,670**

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Note 4: Goodwill	**As at March 31, 2019**	**As at March 31, 2018**
Cost	248,232,955	248,232,955
Accumulated impairment losses	1,712,728	1,615,728
	246,520,227	**246,617,227**

	Amount
I. Cost or deemed cost	
Balance as at April 1, 2017	247,135,955
Additional amounts recognised from business combinations occurring during the year	1,097,000
Balance as at March 31, 2018	**248,232,955**
Additional amounts recognised from business combinations occurring during the year	-
Balance as at March 31, 2019	**248,232,955**
II. Accumulated Impairment losses	
Balance as at April 1, 2017	-
Impairment loss recognised during the year	1,615,728
Balance as at March 31, 2018	**1,615,728**
Impairment loss recognised during the year	97,000
Balance as at March 31, 2019	**1,712,728**
III. Carrying amount	
Balance as at March 31, 2018	246,617,227
Balance as at March 31, 2019	**246,520,227**

Segment	**As at March 31, 2019**	**As at March 31, 2018**
Sugars	184,515,989	184,515,989
Dental	36,760,799	36,760,799
Spectra	25,059,798	25,059,798
Dialysis	183,641	183,641
Diagnostics *	-	97,000
	246,520,227	**246,617,227**

Goodwill of ₹ 246,520,227 (March 31 ,2018 : ₹ 246,617,227) has been allocated to the Sugars, Dental, Spectra, and Dialysis CGUs. The estimated value in use of this cash generating unit is based on future cash flows using a 5% annual growth rate for periods subsequent to the forecast period of 6 years as the management believes this to be the most appropriate timescale for reviewing and considering annual performance before applying a fixed terminal value multiple to the final cash flows and terminal growth rate of 5% for subsequent periods. Discount rate of 15% is considered. Based on management assessment of discounted future cash flows no impairment triggers or indicators were identified. Consequently, no impairment provision was made.

* Goodwill of ₹ Nil (March 31, 2018 : ₹ 97,000) has been allocated to the Diagnostics segment. The estimated value in use of this cash generating unit is zero based on management estimates and management has fully provided for its impairment during the year.

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Note 5 Intangible Assets

	As at March 31, 2019	As at March 31, 2018
Computer Software	25,022,686	20,632,362
Non - Compete fee	4,241,366	14,053,834
Trademarks	20,000	-
	29,284,052	34,686,196

	Computer Software	Non - Compete Fees	Trademarks	Total
I. Cost or deemed cost				
Balance as at April 1, 2017	42,082,787	62,891,882	8,256,119	113,230,788
Additions	10,736,306	-	-	10,736,306
Disposals	-	(15,738,889)	(256,119)	(15,995,008)
Reclassification	687,062	-	-	687,062
Balance as at March 31, 2018	53,506,155	47,152,993	8,000,000	108,659,148
Additions	25,657,269	-	20,000	25,677,269
Balance as at March 31, 2019	79,163,424	47,152,993	8,020,000	134,336,417
II. Accumulated depreciation and impairment				
Balance as at April 1, 2017	15,234,391	29,225,309	8,224,720	52,684,420
Amortisation expense for the year (Refer Note below)	16,012,161	(1,215,034)	3,309	14,800,436
Eliminated on disposal of assets	-	-	(228,029)	(228,029)
Others (Refer Note below)	629,266	5,088,884	-	5,718,150
Adjustment / reclassification	997,975	-	-	997,975
Balance as at March 31, 2018	32,873,793	33,099,159	8,000,000	73,972,952
Amortisation expense for the year	21,266,945	9,812,468	-	31,079,413
Balance as at March 31, 2019	54,140,738	42,911,627	8,000,000	105,052,365
III. Carrying amount				
Balance as at March 31, 2018	20,632,362	14,053,834	-	34,686,196
Balance as at March 31, 2019	25,022,686	4,241,366	20,000	29,284,052

Notes:
Includes adjustments on account of excess amortisation charged.

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Note 6 Investments

	March 31, 2019		March 31, 2018	
	No. of shares	Amounts	No. of shares	Amounts
Non-current				
Investments in unquoted equity instruments				
Investments in equity instruments at FVTOCI at face value of ₹ 10/-				
Searchlight Health Private Limited	201,000	2,814,000	201,000	5,628,000
Sunrise Medicare Private Limited	78	1,776	78	1,776
Total non-current investments		2,815,776		5,629,776
Current				
Quoted Investments in mutual funds				
Investments mandatorily measured at FVTPL				
Reliance Income Fund	453	26,831	453	24,831
Reliance Short term Fund	14,201	493,254	14,201	463,700
Birla Sun Life	263,856	8,340,534	1,788,944	53,637,021
ICICI Prudential	1,502,066	58,033,533	1,502,066	54,393,276
Total current investments		66,894,152		108,518,828
Aggregate market value of quoted investments		66,894,152		108,518,828
Aggregate carrying value of unquoted investments		2,815,776		5,629,776

Note 7 Other financial assets

	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
Financial assets carried at amortised cost:				
Security deposits	250,306,910	67,538,731	270,965,573	39,983,197
Advance to employees	-	8,315,251	-	7,725,040
Interest accrued:				
- from related parties (Refer Note 38)	-	12,296,799	-	12,219,041
- from bank deposits	-	1,248,395	-	4,919,601
Unbilled revenue	-	99,711,124	-	29,922,825
Other receivable	-	1,296,775	-	1,197,064
Total	250,306,910	190,407,075	270,965,573	95,966,768

Note 8 Deferred tax balances

	As at March 31, 2019	As at March 31, 2018
Deferred tax assets	(6,900,282)	(7,583,564)
Deferred tax liabilities	18,045,531	20,848,252
Total	11,145,249	13,264,688

2018-19	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(12,783,089)	1,852,953	-	(10,930,136)
Financial assets measured at FVTOCI	(142,778)	-	60,236	(82,542)
Provision for employee benefits	(160,493)	(670,892)		(831,385)
Others	(178,328)	877,142	-	698,814
	(13,264,688)	2,059,203	60,236	(11,145,249)

2017-18	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	(37,480,268)	24,697,179	-	(12,783,089)
Financial assets measured at FVTOCI	-	-	(142,778)	(142,778)
Provision for employee benefits	1,425,118	23,770	(1,609,381)	(160,493)
others	(178,328)	-	-	(178,328)
	(36,233,478)	24,720,949	(1,752,159)	(13,264,688)

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Note 9 Income tax assets (net)

	As at March 31, 2019	As at March 31, 2018
Advance tax/ TDS receivable	526,688,104	419,427,082
Total	**526,688,104**	**419,427,082**

Note 10 Other assets

	March 31, 2019		March 31, 2018	
	Non Current	Current	Non Current	Current
Capital advances	19,502,101	-	2,265,974	-
Advances to related parties (Refer Note 38)	-	100,000	-	529,571
Balances with statutory / government authorities (VAT, GST, etc.)	34,191,575	597,211	16,728,621	1,566,552
Less: Provision for doubtful advances*	2,000,000	-	-	-
	32,191,575	597,211	16,728,621	1,566,552
Prepaid expenses	30,095,778	25,955,201	27,385,013	28,332,799
Advance contribution for gratuity	-	707,700	-	1,755,785
Advances to suppliers				
- Considered good	5,467,089	48,527,933	6,217,089	36,173,549
- Considered doubtful	-	2,899,096	-	2,899,096
	5,467,089	51,427,029	6,217,089	39,072,645
Less: Provision for doubtful advances	-	2,899,096	-	2,899,096
	5,467,089	48,527,933	6,217,089	36,173,549
Other deposits (telephone, electricity deposits, for other utility, etc.)	7,553,627	-	7,405,483	-
Total	**94,810,170**	**75,888,045**	**60,002,180**	**68,358,256**

*Provision regrouped from trade payables.

Note 11 Inventories
(valued at lower of cost and net realisable value.)

	As at March 31, 2019	As at March 31, 2018
Medical consumables and others	133,091,824	128,366,009
Total	**133,091,824**	**128,366,009**

(i) The cost of inventories recognised as an expense includes ₹ 1,133,283,604 as at March 31, 2019 and ₹ 869,119,150 as at March 31, 2018.
(ii) The mode of valuation of inventories has been stated in significant accounting policies.

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Note 12 Trade receivables

	As at March 31, 2019	As at March 31, 2018
Trade receivables considered good - Secured	-	-
Trade receivables considered good - Unsecured	640,594,550	517,825,524
Trade receivables - credit impaired	173,660,920	135,083,714
	814,255,470	652,909,238
Allowance for doubtful debts (expected credit loss allowance)	(173,660,920)	(135,083,714)
Total	**640,594,550**	**517,825,524**

i. The credit period on sale of services generally ranges between 30-60 days.

ii. 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.

iii. Trade receivables are unsecured and are derived from revenue earned from providing healthcare services. No interest is charged on the outstanding balance, regardless of the age of the balance. There are customers who represent more than 5% of the total balance of trade receivables. The risk of non payment from these customers is considered low.

iv. The Company maintains an allowance for impairment of doubtful accounts based on aging of receivables, historical experience of collections. Accordingly, the Company creates provisions for past due receivables, based on certain percentages. Besides, based on the expected credit loss model, the Company also provides for allowance for doubtful debts based on the provision matrix as follows:

Ageing	Expected credit allowance %
0-1 year	Upto 11%
1-2 year	Upto 35%
2-3 year	Upto 96%
> 3 year	94% - 100%

v. Out of total Trade receivables an amount of ₹ 255,190,568 (March 31, 2018: ₹ 190,387,661) is receivable from group companies.(Refer Note 38)

vi. Movement in the expected credit loss allowance.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at beginning of the year	135,083,714	114,794,994
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses (net)	38,577,206	20,288,720
Balance at end of the year	**173,660,920**	**135,083,714**

Note 13 Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
(a) Balances with banks		
- in current accounts	155,861,632	187,834,890
(b) Cash on hand	9,605,974	7,245,943
(c) Cheques on hand	-	6,000
Cash and cash equivalents as per consolidated statement of cash flows	**165,467,606**	**195,086,833**

Note 14 Bank balances other than Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
(a) in deposit accounts		
- Original maturity more than 3 months	17,465,252	405,938,935
(b) in earmarked accounts		
- Balances held as margin money against guarantees given	2,367,377	60,852,629
- Others (Refer Note below)	-	985,250
Total	**19,832,629**	**467,776,814**

Note: Others Includes balance in Escrow account towards refund of share application money pursuant to non-allotment of shares and the same was transferred to Investor Education and Protection Fund during the current financial year.

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Note 15 Equity Share Capital

	As at March 31, 2019	As at March 31, 2018
Authorised Share capital :		
120,000,000 equity shares (as at March 31, 2018: 120,000,000) of ₹ 10 each	1,200,000,000	1,200,000,000
Issued and subscribed capital comprises :		
115,634,087 fully paid equity shares (as at March 31, 2018: 109,613,577) of ₹ 10 each	1,156,340,870	1,096,135,770
	1,156,340,870	**1,096,135,770**

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

	Number of shares	Share capital (Amount)
Balance as at April 1, 2017	109,613,577	1,096,135,770
Issued during the year	-	-
Balance at March 31, 2018	**109,613,577**	**1,096,135,770**
Issued during the year	5,996,625	59,966,250
Issue of shares under the Company's employee stock option plan	23,885	238,850
Balance at March 31, 2019	**115,634,087**	**1,156,340,870**

(ii) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10/- each. Each holder of equity share is eligible for one vote per share held. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by the shareholders. The dividend proposed by the Board of Directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

As per the terms of "Shareholders agreement and Subscription agreement" dated October 26,2016 entered into amongst International Finance Corporation (IFC), the Company and Apollo Hospitals Enterprise Limited (AHEL), holding company. IFC has the right to exercise put option on shares from the end of 8th year till the end of 12th year of subscription either on the Company or on the parent entity i.e., Apollo Hospitals Enterprise Limited at

- principal amount (initial investment by investors) plus 2% IRR per annum on AHEL or
- fair market value on exercise date on AHLL

(Refer Note 46)

(iii) Details of shares held by the holding company:

	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	Amount	Number of shares held	Amount
Apollo Hospitals Enterprise Limited	81,236,423	812,364,230	75,239,798	752,397,980

(iv) Details of shares held by each shareholder holding more than 5% of the equity shares:

	As at March 31, 2019		As at March 31, 2018	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Apollo Hospitals Enterprise Limited	81,236,423	70.25%	75,239,798	68.64%
International Finance Corporation	16,865,510	14.59%	16,865,510	15.39%
IFC EAF Apollo Investment Company	16,865,510	14.59%	16,865,510	15.39%

Note 16 Other equity excluding non-controlling interests

	As at March 31, 2019	As at March 31, 2018
(i) Securities premium	7,599,068,213	6,858,556,867
(ii) Reserve for equity instruments through other comprehensive income	(7,368,259)	(4,554,259)
(iii) Share options outstanding account	36,760,125	23,776,356
(iv) Capital reserve on common control transactions	(754,287,220)	(754,287,220)
(v) Retained earnings	(7,180,345,750)	(5,885,960,278)
	(306,172,891)	**237,531,466**

(i) Securities premium

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	6,858,556,867	6,858,556,867
Issue of shares during the year	740,511,346	-
Balance at end of the year	**7,599,068,213**	**6,858,556,867**

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) Reserves for equity instruments through other comprehensive income

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	(4,554,259)	(4,960,628)
Net fair value changes on investments in equity instruments at FVTOCI	(2,814,000)	549,147
Income tax on net fair value gain on investments in equity instruments at FVTOCI	-	(142,778)
Balance at end of the year	**(7,368,259)**	**(4,554,259)**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed off.

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(iii) Share options outstanding account

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	23,776,356	14,787,095
Arising on share-based payments	12,983,769	8,989,261
Balance at end of the year	**36,760,125**	**23,776,356**

Share options outstanding account relates to share options granted by the Company to its employees under its employee share option plan. These will be transferred to retained earnings after the exercise of the underlying options.

(iv) Capital reserve on common control transactions

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	(754,287,220)	(754,287,220)
Contribution during the year	-	-
Balance at end of the year	**(754,287,220)**	**(754,287,220)**

This represents loss on common control transaction arising on purchase of investments in Alliance Dental Care Limited and Apollo Dialysis Private Limited from Apollo Hospitals Enterprise Limited, parent company.

(v) Retained earnings

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	(5,885,960,278)	(4,283,516,510)
Loss attributable to owners of the Company	(1,288,447,016)	(1,610,935,793)
Other comprehensive income arising out of remeasurement of defined benefit obligation (net of taxes)	(5,938,456)	6,486,688
Others	-	2,005,337
Balance at end of the year	**(7,180,345,750)**	**(5,885,960,278)**

Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.

Note 17 Non-controlling interests

	As at March 31, 2019	As at March 31, 2018
Balance at beginning of year	104,094,162	106,943,162
Share of profit for the year	(40,980,905)	(46,211,691)
Share of non-controlling interest on issue of share capital by subsidiary	-	34,499,971
Transfer from share option reseve on exercise	-	6,253,339
Non-controlling interest relating to outstanding vested share options held by the employees.	1,034,068	2,347,029
Other comprehensive income	34,206	262,352
Balance at end of the year	**64,181,531**	**104,094,162**

Note 17.1 Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material noncontrolling interests:

Name of the subsidiaries	Proportion of ownership interests and voting rights held by non - controlling interests		Profit (loss) allocated to non-controlling interests		Accumulated non -controlling interests	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Apollo Dialysis Private Limited	30%	30%	(7,378,899)	(3,858,609)	4,943,092	12,283,484
Alliance Dental Care Limited	30%	30%	(29,605,232)	(25,464,520)	(6,655,949)	22,144,620
Apollo Sugar Clinics Limited	20%	20%	(3,996,774)	(16,888,562)	65,894,388	69,666,058
Total			**(40,980,905)**	**(46,211,691)**	**64,181,531**	**104,094,162**

Note 18 Borrowings

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unsecured - at amortised cost				
(i) Debentures (Refer Note (i) below)	-	7,450,000	-	7,450,000
Secured - at amortised cost				
Long term loans from banks (Refer Note (ii) to (vii) below)	2,123,237,242	147,585,906	2,264,918,371	72,529,990
Less: Unamortised borrowing costs	4,644,226	1,511,182	6,681,549	-
	2,118,593,016	146,074,724	2,258,236,822	72,529,990
Bank overdraft (Refer Note (viii - ix) below)		190,721,947		41,202,146
Loan from related party (Refer Note 38)	18,654,167	5,545,833		
Less: Current maturities of long term borrowings disclosed under Note 19 - Other financial liabilities	-	151,620,557	-	72,529,990
Total	**2,137,247,183**	**198,171,947**	**2,258,236,822**	**48,652,146**

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Summary of borrowing arrangements

(i) The Company has issued zero% Optionally Convertible Debentures for ₹ 9,550,000 on March 29, 2016. These OCD's are convertible into equity shares at the option of the holder and repayable on after 5 years or upon leaving.

	As at March 31, 2019	As at March 31, 2018
Face value of debentures issued	7,450,000	8,800,000
Lapsed during the year		(1,350,000)
Net debentures issued	7,450,000	7,450,000
Less: Equity component of convertible debentures - value of conversion rights*	-	-
Interest expense	-	-
Interest paid	-	-
Current portion of outstanding Debentures	**7,450,000**	**7,450,000**

* As per the agreement, there is an option given to the debenture holders to convert the debentures into equity. Based on the internal assessment and considering the valuations, as the Company is in losses and as per the valuations, the same is resulting in out of money to the debenture holders, and as such on the expiry date, the option excisable by the holders is remote. Hence, the instrument has been treated as financial liability at amortised cost and the equity component has been considered as ₹ Nil.

(ii) Term loan from Yes Bank of ₹ 99,687,500 (March 31, 2018 - ₹ 99,959,375) is secured by first pari passu charge on movable fixed assets, current assets and letter of comfort from Apollo Hospital Enterprise Limited. The loan is repayable in 28 structured quarterly instalments with an interest rate of 0.15% p.a over and above yearly MCLR interest payable on monthly basis, after a moratorium period of 36 months from the date of disbursement to the Company.

(iii) Term loan from Yes Bank of ₹ Nil (March 31, 2018 - ₹ 510,000,000) is secured by first pari passu charge on movable fixed assets, current assets and letter of comfort from Apollo Hospital Enterprise Limited. The loan is repayable in 28 structured quarterly instalments with an interest rate of 0.15% p.a over and above yearly MCLR, interest payable on monthly basics, after a moratorium period of 36 months from the date of disbursement to the Company. During the year, the loan outstanding of ₹ 503,625,000 is transferred from Yes Bank to HDFC bank with the same terms and conditions.

Term loan from HDFC Bank of ₹ 500,477,344 (March 31, 2018 - ₹ Nil) is secured by first pari passu charge on movable fixed assets, current assets and letter of comfort from Apollo Hospital Enterprise Limited. The loan is repayable in 28 structured quarterly instalments with an interest rate of 0.15% p.a over and above yearly MCLR, interest payable on monthly basis, after a moratorium period of 36 months from the date of disbursement to the Company.

(iv) Term loan from Yes Bank of ₹ 1,187,500,000 (March 31, 2018: ₹ 1,250,000,000) is secured by charge on movable fixed assets, current assets and letter of comfort from Apollo Health and Lifestyle Limited . The loan is repayable in 28 structured quarterly instalments, with an interest rate of 0.15% p.a over and above yearly MCLR interest payable on monthly basis, after a moratorium period of 36 months from the date of disbursement to the Company.

(v) Term loan from HDFC Bank of ₹ 300,000,000 (March 31, 2018: ₹ 300,000,000) is secured by charge on movable fixed assets, current assets and letter of comfort from Apollo Hospital Enterprise Limited .The loan is repayable in 28 structured quarterly instalments, with an interest rate of 0.15% p.a over and above yearly MCLR interest payable on monthly basis, after a moratorium period of 36 months from the date of disbursement to the Company.

(vi) Term loan from HDFC Bank of ₹ 7,008,519 (March 31, 2018: ₹ 4,309,229) is secured by first charge on credit card receivables, movable fixed assets and current assets. The loan is repayable in 60 Equal monthly instalments, with an interest rate of 1.95% p.a over and above yearly MCLR interest payable on monthly basis, after a moratorium period of 3 months from the date of disbursement to the Company.

(vii) Term loan from ICICI Bank of ₹ 176,149,767 (March 31, 2018: ₹ 176,149,767) is secured by charge on movable fixed assets, current assets and letter of comfort from Apollo Hospital Enterprise Limited .The loan is repayable in 28 structured quarterly instalments, with an interest rate of 0.40% p.a over and above yearly MCLR interest payable on monthly basis, after a moratorium period of 36 months from the date of disbursement to the Company.

(viii) The Company has availed and utilised two overdraft facilities of ₹ 179,086,999 (March 31, 2018 - ₹ 34,226,108) from ICICI Bank with an interest rate of 0.15% & 0.40% p.a over and above yearly MCLR interest payable on monthly basis.

(ix) The Company has availed and utilised overdraft facility of ₹ 11,634,948 (March 31, 2018 - ₹ 4,582,040) from HDFC Bank with an interest rate of 1.95% p.a over and above yearly MCLR interest payable on monthly basis.

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Note 19 Other financial liabilities

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Financial liabilities measured at amortised cost:				
Current maturities of long term borrowings	-	151,620,557	-	72,529,990
Interest accrued on borrowings	-	15,222,647	-	15,485,524
Interest accrued to related parties (Refer Note 38)	-	2,202,947	-	290,264,093
Other liabilities				
- Payables on purchase of property, plant and equipment	-	91,166,676	-	57,198,192
- Retention money payable	-	7,211,323	-	13,395,773
- Security deposit	35,444,978	15,190,351	37,431,467	7,301,603
- Book overdrawn	-	-	-	31,261
- Others	-	8,314,171	-	8,525,870
Total	35,444,978	290,928,672	37,431,467	464,732,306

Note 20 Provisions

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Employee benefits				
- Compensated absences	7,853,215	4,172,176	4,158,721	1,829,469
- Gratuity	10,641,652	3,735,940	4,034,278	1,078,803
Total	18,494,867	7,908,116	8,192,999	2,908,272

Note 21 Trade Payables

	As at March 31, 2019	As at March 31, 2018
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	1,581,516	6,598,438
- Total outstanding dues of creditors other than micro enterprises and small enterprises *	1,303,963,307	1,079,470,171
Total	1,305,544,823	1,086,068,609

* Includes amounts payable to related parties (Refer Note 38)

Note 22 Other current liabilities

	As at March 31, 2019	As at March 31, 2018
Deferred revenue	14,743,317	14,141,664
Advances from customer	36,381,288	19,653,842
Statutory remittances (TDS, GST, etc.)	59,219,962	62,735,608
Customer loyalty programme	9,469,620	-
Total	119,814,187	96,531,114

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Note 23 Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Sale of services	5,630,716,303	4,406,779,788
(b) Other operating revenues		
- Commission on pharmacy revenue	27,946,652	25,621,468
- Franchisee fee	181,907,584	122,924,715
- Others	47,571,120	33,950,650
Total	**5,888,141,659**	**4,589,276,621**

Note 24 Other income

	For the year ended March 31, 2019	For the year ended March 31, 2018
a) Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Interest on bank deposits	22,713,339	48,854,891
- Interest from related parties (Refer Note 38)	222,164	13,642,553
- Interest on income tax refund	5,517,545	4,763,637
- Interest on other financial assets carried at amortised cost	10,622,718	14,804,054
	39,075,766	**82,065,135**
b) Others		
- Rental income	137,292	53,646
- Liabilities no longer required written back	28,559,296	12,437,599
- Provision for doubtful trade receivables written back	-	20,000,000
- Others (one time settlement from franchisee and others)	10,670,131	579,178
	39,366,719	**33,070,423**
c) Other gains and losses		
- Gain on disposal of mutual funds	13,444,018	-
- Net gain/(loss) arising on financial assets designated as at FVTPL	(9,568,694)	7,978,962
	3,875,324	**7,978,962**
Total [a+b+c]	**82,317,809**	**123,114,520**

Note 25 Cost of medical consumables

	For the year ended March 31, 2019	For the year ended March 31, 2018
Medical consumables (Refer Note below)	909,733,458	679,239,999
Implant cost	180,328,032	141,806,597
Printing and stationery	43,222,114	48,072,554
Total	**1,133,283,604**	**869,119,150**

Note: Includes ₹ 276,536,041 (March 31, 2018: ₹ 146,240,141) cost of reagents chemicals, surgical and laboratory supplies consumed.

Note 26 Cost of services

	For the year ended March 31, 2019	For the year ended March 31, 2018
Professional fee to doctors	1,673,478,358	1,448,378,666
Expenses recognised in respect of shares issued in exchange of services	10,130,107	9,133,788
Laboratory tests and ambulance charges	101,323,583	80,562,930
Franchisee service charges	101,460,126	80,859,990
Sample transporation charges	60,948,030	39,899,719
Others (Patient facilitation and diet expenses,Bio medical wastage, etc.,)	104,600,095	109,773,936
Total	**2,051,940,299**	**1,768,609,029**

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Note 27	Employee benefits expense	For the year ended March 31, 2019	For the year ended March 31, 2018
	Salaries and wages	1,293,792,767	1,181,923,668
	Share-based payments to employees	1,322,520	991,891
	Contribution to provident and other funds	58,676,864	58,829,576
	Gratuity expenses	10,632,127	6,690,447
	Staff welfare expenses	66,699,396	51,757,445
	Total	**1,431,123,674**	**1,300,193,027**

Note 28	Finance costs	For the year ended March 31, 2019	For the year ended March 31, 2018
	Interest on bank overdrafts and loans	224,303,054	176,306,188
	Interest on loans from related parties (Refer Note 38)	2,154,282	1,582
	Bank and finance charges	38,319,987	8,197,780
	Total	**264,777,323**	**184,505,550**

Note 29	Depreciation and amortisation expense	For the year ended March 31, 2019	For the year ended March 31, 2018
	Depreciation of property, plant and equipment (Refer Note 3)	519,424,644	459,049,758
	Amortisation of goodwill (Refer Note 4)	-	615,728
	Amortisation of intangible assets (Refer Note 5)	31,079,413	14,800,436
	Total	**550,504,057**	**474,465,922**

Note 30	Other expenses		For the year ended March 31, 2019		For the year ended March 31, 2018
	Power and fuel		176,715,445		157,038,192
	House keeping expenses		142,252,335		147,587,445
	Rent		779,033,082		755,486,045
	Repairs and maintenance				
	- Building		11,208,112		10,435,711
	- Machinery		46,815,032		33,722,695
	- Others		99,201,342		109,144,113
	Communication expenses		40,631,488		49,672,742
	Office maintenance expenses		48,745,093		51,214,236
	Insurance		7,387,418		6,901,586
	Rates and taxes		17,181,864		16,742,077
	Printing and stationery		5,992,396		7,757,941
	Recruitment charges		4,287,299		7,205,295
	Advertisement and sales promotion		222,546,876		223,043,189
	Travelling and conveyance		74,013,652		65,203,260
	Legal and professional charges		110,346,860		65,089,553
	Expenses recognised in respect of shares issued in exchange of services		2,565,210		8,818,592
	Payment to auditors (Refer note below)		6,063,244		3,823,967
	Seminar expenses		4,748,591		4,609,351
	Bad debts and advances written off	2,448,555		5,124,587	
	Less: Provision released	-		4,790,093	
			2,448,555		334,494
	Impairment loss recognized/ (reversed) under expected credit loss model		38,577,206		40,288,720
	Loss on sale of property, plant and equipment (net)/ written off		10,042,819		21,642,465
	Impairment of goodwill (Refer Note 4)		97,000		1,000,000
	Miscellaneous expenses		19,416,716		10,605,227
	Total		**1,870,317,635**		**1,797,366,896**

Note	Payments to auditors		
	- Statutory audit fee	5,184,404	3,763,967
	- Other services	600,000	-
	- Reimbursement of expenses	278,840	60,000
	Total	**6,063,244**	**3,823,967**

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Note 31: Contingent liabilities and commitments

	As at March 31, 2019	As at March 31, 2018
A Contingent liabilities		
(i) Claims against the Company not acknowledged as debt		
- Provident fund#	13,967,377	-
- Income tax*	90,307,190	219,200,000
- Other (in respect of compensation demanded by the patients / their relatives). The cases are pending with various Consumer Disputes Redressal Commission. Based on expert opinion obtained, the management believes that the Company has good chance of success in these cases.	36,688,000	35,538,000
(ii) Guarantees excluding financial guarantees		
- Letter of comfort to a related party (Refer Note 38)	1,250,000,000	1,250,000,000

(iii) The Honourable Supreme Court, has passed a decision on February 28, 2019 in relation to inclusion of certain allowances in "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Group is awaiting further clarifications from the judiciary/department in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

During the year, the Parent Company received an order from Provident Fund authorities regarding Provident Fund (PF) payments on certain allowances given by the company to its employees for the period April 2014 to April 2016 aggregating to ₹ 13,967,377 excluding interest and penalties. The Parent Company has deposited a sum of ₹ 4,888,582 under protest against this demand . Based on the legal opinion obtained, the Parent Company has filed an appeal against the demand and the liability is considered as contingent until the conclusion of the appeal.

* During the year, the Parent Company has received an order from income tax department for the Assessment year 2016-17. The Parent Company has filed an appeal against the said order and contending that no additional provision for tax expenses is necessary in the financial statements.

B Commitments

	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	29,786,638	25,681,672

Note 32 Earnings per share

		For the period ended March 31, 2019	For the year ended March 31, 2018
(i) Loss for the year after tax	A	(1,288,447,016)	(1,610,935,793)
Basic			
(ii) Weighted average number of equity shares of ₹ 10/- each outstanding during the year	B	115,469,669	109,613,577
Dilution			
(iii) Effect of potential equity shares on employees stock option outstanding		330,832	379,507
(iv) Weighted average number of equity shares of ₹ 10/- each outstanding during the year	C	115,800,501	109,993,084
Earnings per equity share of ₹ 10/- each			
(v) Basic (in ₹) - [A/B]		(11.16)	(14.70)
(vi) Diluted (in ₹) -[A/C] *		(11.16)	(14.70)

*The effect of dilution on account of convertible instruments being anti-dilutive, diluted EPS is restricted to basic EPS, as per para 43 of the Ind AS - 33 Earning per share.

Note 33 Operating lease arrangements

The Company as lessee

Leasing arrangement

The Company's significant leasing arrangements are in respect of operating leases for premises (Clinics, Diagnostic centres, Cradle, Surgical centres, stores,etc.,) ranging from 3 to 30 years. The aggregate lease rentals payables are charged as "Rent" under Note 30 - Other expenses.

With regard to the non-cancellable operating lease the future minimum lease rentals are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Not later than 1 year	162,157,172	211,776,569
Later than 1 year and not later than 5 years	504,591,321	547,100,231
Later than 5 years	1,430,323,552	1,490,847,343
	2,097,072,045	2,249,724,143

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Note 34 Segment information

(i) Products and services from which reportable segments derive their revenues

The Directors of the company identified Chief Executive Officer(CEO) of the company as Chief Operating Decision Maker (CODM).
The segments includes a number of speciality hospitals/ clinks/diagnostic/surgery care centre formats in various cities within India, each of which is separately reviewed by the CODM. For financial statements presentation purposes, these individual operating segments have been aggregated into a single operating segment taking into account the following factors:

The group operates mainly in India. Accordingly, there are no additional disclosures to be provided under IndAS 108, other than those already provided in the financial statements.

• these operating segments have similar long-term gross profit margins;
• the nature of the products and production processes are similar; and
• the methods used to distribute the products to the customers are the same.

The accounting policies adopted for segment reporting are in line with the accounting policies adopted in consolidated financial statements with the following additional policies for Segment Reporting:
a. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not
b. Inter segment revenue and expenses are eliminated.
The Company has disclosed this Segment Reporting in Consolidated Financial Statements as per Ind AS 108

(ii) Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment.

	Segment Revenue		Segment Profit	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Clinics	1,288,056,844	1,094,576,517	241,678,855	130,176,394
Diagnostics	923,184,002	659,962,719	(444,947,553)	(389,249,547)
Spectra	1,852,466,062	1,447,304,885	(316,228,511)	(459,518,568)
Cradle	1,541,903,928	1,179,976,905	(242,885,186)	(507,026,309)
Sugar	256,553,784	179,784,550	(34,990,344)	(101,934,035)
Dialysis	136,637,739	77,473,376	806,215	(9,324,121)
Dental	316,935,575	303,517,302	(76,653,120)	(69,171,099)
Risk management	-	-	(210,010)	-
Total	**6,315,737,934**	**4,942,596,254**	**(873,429,654)**	**(1,406,047,285)**
Less: Inter Segment Revenue	(427,596,275)	(353,319,633)		
Total	**5,888,141,659**	**4,589,276,621**	**(873,429,654)**	**(1,406,047,285)**
Other income			82,317,809	123,114,520
Unallocated expenses			(275,597,956)	(214,430,118)
Finance costs			(264,777,323)	(184,505,550)
Loss before tax			**(1,331,487,124)**	**(1,681,868,433)**

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(iii) Segment assets and liabilities

	As at March 31, 2019	As at March 31, 2018
Segment Assets		
Clinics	672,318,292	595,443,264
Diagnostics	389,503,122	354,668,565
Spectra	1,250,331,758	1,214,619,285
Cradle	1,394,697,856	1,678,571,342
Sugar	420,524,488	457,561,504
Dialysis	251,682,311	85,034,445
Dental	319,725,168	360,246,067
Risk management	6,319,476	-
Total Segment Assets	**4,705,102,471**	**4,746,144,472**
Unallocated assets	7,132,161,352	7,508,602,665
Elimination	(6,791,314,009)	(6,793,383,745)
Consolidated total assets	**5,045,949,814**	**5,461,363,392**
Segment liabilities		
Clinics	392,323,318	308,546,938
Diagnostics	192,364,655	143,114,002
Spectra	341,361,273	326,521,370
Cradle	497,377,753	419,160,519
Sugar	91,052,569	109,231,216
Dialysis	235,205,335	44,089,500
Dental	341,911,663	286,430,661
Risk management	29,500	-
Total Segment liabilities	**2,091,626,066**	**1,637,094,206**
Unallocated liabilities	2,211,977,668	2,565,580,946
Elimination	(172,003,430)	(181,073,165)
Consolidated total liabilities	**4,131,600,304**	**4,021,601,987**

(iv) Other segment information

	Depreciation and Amortisation		Addition to Non Current Assets	
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018
Clinics	82,386,015	90,152,375	61,710,754	54,129,715
Diagnostics	40,133,366	25,489,488	70,718,792	90,480,850
Spectra	195,744,802	168,938,132	22,435,264	96,883,795
Cradle	146,410,206	144,911,328	33,829,252	215,098,210
Sugar	13,396,219	9,757,743	5,585,022	8,915,045
Dialysis	11,230,009	3,921,013	132,629,449	15,505,358
Dental	61,203,440	31,295,843	8,135,008	2,932,268
Total	**550,504,057**	**474,465,922**	**335,043,541**	**483,945,241**

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Apollo Health and Lifestyle Limited

(v) Impairment loss recognised for the year in respect of goodwill

	For the year ended March 31, 2019	For the year ended March 31, 2018
Diagnostics	97,000	1,000,000
Sugar	-	615,728
	97,000	1,615,728

Note 35 Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

Particulars	As at March 31, 2019	As at March 31, 2018
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	1,581,516	6,598,438
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	656,859	501,584
(iii) Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
(iv) Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
(v) Interest paid to suppliers under MSMED Act (Section 16)	-	-
(vi) Interest due and payable to suppliers under MSMED Act, for payments	-	-
(vii) Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (ii) + (iv)	656,859	501,584

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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Note 36: List of subsidiaries considered for consolidation

Name of the company	Relationship	Country of incorporation	Percentage of voting power as at March 31, 2019	Share of Net assets		Share in profit/(Loss)		Share in other comprehensive income		Share in total comprehensive income	
				March 31, 2019		March 31, 2019		March 31, 2019		March 31, 2019	
				% of consolidated net assets	Amount	% of consolidated net assets	Amount	% of consolidated net assets	Amount	% of consolidated net assets	Amount
Apollo Health and Lifestyle Limited	Parent	India		684%	6,250,665,306	40%	(529,410,190)	128%	(11,185,596)	40.40%	(540,595,786)
Apollo Specialty Hospitals Private Limited	Subsidiary	India	100%	85%	777,455,461	49%	(656,393,333)	-30%	2,638,785	48.86%	(653,754,548)
Apollo Bangalore Cradle Limited	Step down Subsidiary	India	100%	14%	129,537,663	0%	(59,100)	3%	(219,784)	0.02%	(278,884)
Kshema Healthcare Private Limited	Step down Subsidiary	India	100%	5%	45,533,118	0%	(7,132)	0%	-	0.00%	(7,132)
AHLL Diagnostics Limited	Subsidiary	India	100%	0%	416,152	0%	(83,848)	0%	-	0.01%	(83,848)
AHLL Risk Management Private Limited	Subsidiary	India	100%	1%	6,289,990	0%	(210,010)	0%	-	0.02%	(210,010)
Apollo Dialysis Private Limited	Subsidiary	India	70%	1%	11,533,882	1%	(17,217,431)	0%	21,788	1.29%	(17,195,643)
Alliance Dental Care Limited	Subsidiary	India	70%	-2%	(15,530,545)	5%	(69,078,875)	-2%	149,968	5.15%	(68,928,907)
Apollo Sugar Clinics Limited	Subsidiary	India	80%	29%	263,577,534	1%	(15,987,097)	2%	(157,615)	1.21%	(16,144,713)
Eliminations				-724%	(6,619,310,581)						
Minority Interest in all subsidiaries											
Indian											
Apollo Dialysis Private Limited			30%	1%	4,943,092	1%	(7,378,899)	0%	9,338		(7,369,561)
Alliance Dental Care Limited			30%	-1%	(6,655,948)	2%	(29,605,232)	-1%	64,272		(29,540,959)
Apollo Sugar Clinics Limited			20%	7%	65,894,387	0%	(3,996,774)	0%	(39,404)		(4,036,178)
				100%	**914,349,510**	**100%**	**(1,329,427,921)**	**100%**	**(8,718,250)**		**(1,338,146,171)**

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Note 37: Employee benefits

a. Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. The Company recognised ₹ 58,676,864 (Year ended March 31, 2018: ₹ 58,829,576) for provident fund contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

(i) Balance Sheet

The liabilities position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2019	As at March 31, 2018
Present value of obligation	23,962,047	9,166,594
Fair Value of plan assets	(10,292,155)	(5,809,297)
(Asset)/Liability recognised in the Balance Sheet	**13,669,892**	**3,357,297**

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

	Plan Assets	Plan Obligation	Total
As at April 1, 2017	**5,809,297**	**9,913,911**	**(4,104,614)**
Current service cost	-	4,906,802	(4,906,802)
Interest cost	-	820,149	(820,149)
Actuarial (gain)/loss arising from changes in demographic assumptions	-	(1,703,117)	1,703,117
Actuarial (gain)/loss arising from changes in financial assumptions	-	(339,076)	339,076
Actuarial (gain)/loss arising from experience adjustments	-	(4,147,734)	4,147,734
Contributions		(467,553)	467,553
Benefits Paid		183,212	(183,212)
As at March 31, 2018	**5,809,297**	**9,166,594**	**(3,357,297)**
Current service cost	-	14,457,192	(14,457,192)
Interest cost	-	668,804	(668,804)
Interest Income	4,719,279	2,486,540	2,232,739
Actuarial (gain)/loss arising from changes in demographic assumptions	-	-	-
Actuarial (gain)/loss arising from changes in financial assumptions	-	272,436	(272,436)
Actuarial (gain)/loss arising from experience adjustments	-	5,692,050	(5,692,050)
Contributions	2,655	-	2,655
Benefits Paid	(239,076)	(8,781,569)	8,542,493
As at March 31, 2019	**10,292,155**	**23,962,047**	**(13,669,892)**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	Year ended March 31, 2019	Year ended March 31, 2018
Employee Benefit Expenses		
Current service cost	(14,457,192)	(4,906,802)
Interest cost	(668,804)	(820,149)
Net impact on profit before tax	**(15,125,996)**	**(5,726,951)**
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in demographic assumptions	-	1,703,117
Actuarial (gain)/loss arising from changes in financial assumptions	(272,436)	339,076
Actuarial (gain)/loss arising from experience adjustments	(5,692,050)	4,147,734
Net impact on other comprehensive income before tax	**(5,964,486)**	**6,189,927**

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Apollo Health and Lifestyle Limited

(iv) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2019	As at March 31, 2018
Discount rate	7.6% - 8.00%	7.75% - 8.00%
Attrition rate	2.00%- 35.00%	5.00%- 35.00%
Salary escalation rate	5.00% - 8.00%	5.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate table	Indian Assured Lives Mortality (2006-08) Ultimate table

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(v) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	23,065,915	24,975,985	11,041,789	12,354,282
Attrition rate (1% movement)	24,060,446	23,842,738	11,649,600	11,637,158
Salary escalation rate (1% movement)	25,111,532	22,920,655	12,394,586	10,994,493

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vi) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2019	As at March 31, 2018
Within 1 year	6,416,073	1,270,156
1-2 year	4,930,854	1,907,568
2-3 year	3,828,555	2,128,372
3-4 year	3,101,313	2,071,905
4-5 year	2,331,919	1,628,930
5-10 year	5,942,442	6,618,512

The Company expects to contribute ₹ 68,34,945 to its defined benefit plans during the next fiscal year.

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Note 38: Related party transactions

a) Names of related parties and their relationship:

Name of the party	Nature of relationship
Apollo Hospitals Enterprise Limited	Ultimate Holding Company
Air India Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Health Resources Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Munich Health Insurance Company Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Sindoori Hotels Limited	Entities in Which KMP/Directors or their relatives are interested
Blue Star Limited	Entities in Which KMP/Directors or their relatives are interested
Crisil Risk And Infrastructure Solutions Limited	Entities in Which KMP/Directors or their relatives are interested
Faber Sindoori Management Services Private Limited	Entities in Which KMP/Directors or their relatives are interested
Family Health Plan Insurance TPA Limited	Entities in Which KMP/Directors or their relatives are interested
Franklin Templeton Asset Management (India) Private Limited	Entities in Which KMP/Directors or their relatives are interested
Healthnet Global Limited	Entities in Which KMP/Directors or their relatives are interested
Hero Motorcorp Limited	Entities in Which KMP/Directors or their relatives are interested
Indian Hospitex Private Limited	Entities in Which KMP/Directors or their relatives are interested
Lifetime Wellness Rx International Limited	Entities in Which KMP/Directors or their relatives are interested
Medihauxe Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
Medsmart Logistics Private Limited	Entities in Which KMP/Directors or their relatives are interested
Medvarsity Online Limited	Entities in Which KMP/Directors or their relatives are interested
Meher Distributors Private Limited	Entities in Which KMP/Directors or their relatives are interested
ACC Limited	Entities in Which KMP/Directors or their relatives are interested
Piramal Enterprises Limited	Entities in Which KMP/Directors or their relatives are interested
Indo National Limited	Entities in Which KMP/Directors or their relatives are interested
P Obul Reddy and Sons	Entities in Which KMP/Directors or their relatives are interested
Searchlight Health Private Limited	Entities in Which KMP/Directors or their relatives are interested
Stemcyte India Therapeutics Private Limited	Entities in Which KMP/Directors or their relatives are interested
Trivitron Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
Wipro GE Healthcare Private Limited	Entities in Which KMP/Directors or their relatives are interested
Wipro Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Gleneagles Hospitals Limited	Entities in Which KMP/Directors or their relatives are interested
Imperial Hospitals and Research Centre Limited	Entities in Which KMP/Directors or their relatives are interested
Indraprastha Medical Corporation Limited	Entities in Which KMP/Directors or their relatives are interested
Maxivision Laser Centre Private Limited	Entities in Which KMP/Directors or their relatives are interested
Sanofi Synethelabo (India) Limited	Entities in Which KMP/Directors or their relatives are interested
Together against Diabetic Foundation Trust	Entities in Which KMP/Directors or their relatives are interested
Apollo Telehealth Services Private Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Shine Foundation	Entities in Which KMP/Directors or their relatives are interested
Apollo Rajshree Hospitals Private Limited	Entities in Which KMP/Directors or their relatives are interested
Apollo Hospitals International Limited	Entities in Which KMP/Directors or their relatives are interested
Mrs Sangita Reddy	KMP (Managing Director)
Mr. Neeraj Garg	Key Management Personnel (Chief Executive Officer) upto January 11, 2019
Mr. Chandra Sekhar Chivukula	Key Management Personnel (Chief Executive Officer) from December 26, 2018
Mr. Ram CV	Key Management Personnel (Chief Financial Officer) upto June 20 , 2018
Mr. Lalit Nagpal	Key Management Personnel (Chief Financial Officer) from December 1, 2018
Mr. Sivaram	KMP (Company secretary)
Chandra Sekhar Chivukula	Director
Anindith Reddy Konda	Director
Mukesh Sabharwal	Director
Dr.Chandramohan Raju	Director
Dr.Shafath Ahmed	Director
Dr.Sanketh Kethi Reddy	Director
Dr.Sabitha MR	Director
Dr. Arun Chittaranjan	Director
Dr.K V Arun	Director
Mr.Anupam Sibal	Director
Dr GSK Velu	Director

b) Transactions with the above related parties during the year:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Sale of services		
Stemcyte India Therapeutics Private Limited	166,638	10,488,490
Apollo Gleneagles Hospitals Limited	15,132,626	31,903,654
Imperial Hospitals and Research Centre Limited	25,833,249	33,101,539
Indraprastha Medical Corporation Limited	38,083,194	37,398,557
Maxivision Laser Centre Private Limited	1,071,729	855,694
Apollo Hospitals Enterprise Limited	319,001,759	213,996,195
Medversity Online Limited	504,096	922,044
Lifetime Wellness Rx International Limited	4,614,770	719,050
Sanofi Synethelabo (India) Limited	-	1,000,000
Hero Motorcorp Limited	80,800	-
Apollo Munich Health Insurance Company Limited	49,421,590	-
Together against Diabetic Foundation Trust	235,646	337,972
Apollo Telehealth Services Private Limited	3,375,000	-
ACC Limited	514,200	401,000
Bluestar Limited	224,400	-
Air India Limited	401,483	-
Franklin Templeton Asset Management (India) Private Limited	448,550	-
Indo National Limited	52,000	-
Piramal Enterprises Limited	307,585	-
Apollo Health Resources Limited	1,579,380	-
Family Health Plan Insurance (TPA) Limited	91,746,171	204,633

HASKINS & SELLS LLP CHARTERED ACCOUNTANTS DELOITTE

Apollo Health and Lifestyle Limited

Apollo Health and Lifestyle Limited
Notes forming part of consolidated financial statements for the year ended March 31, 2019
All amounts are in ₹ except share data and where otherwise stated

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Commission on pharmacy revenue		
Apollo Hospitals Enterprise Limited	23,381,857	21,308,145
Sponsorship income		
Wipro GE Healthcare Private Limited	600,000	-
Apollo Hospitals Enterprise Limited	1,500,000	-
Interest income		
Apollo Hospitals Enterprise Limited	222,164	13,440,945
Other operating income - consultancy		
Apollo Hospitals Enterprise Limited	-	5,819,760
Other operating income - others		
Stemcyte India Therapeutics Private Limited	2,367,238	-
Purchase of medical consumables		
Apollo Hospitals Enterprise Limited	190,308,163	117,611,985
Medsmart Logistics Private Limited	84,673,669	3,149,624
Medihauxe Healthcare Private Limited	33,235	-
Indian Hospitex Private Limited	-	152,930
Trivitron Healthcare Private Limited	1,992,834	-
Laboratory test		
Apollo Hospitals Enterprise Limited	9,578,911	-
Imperial Hospitals and Research Centre Limited	4,090,606	3,002,609
Rent		
Apollo Hospitals Enterprise Limited	14,468,520	13,043,020
Imperial Hospitals and Research Centre Limited	674,880	606,711
Reimbursement of expenses to		
Apollo Hospitals Enterprise Limited	250,320	-
Indraprastha Medical Corporation Limited	3,039,205	-
Expenses recovered from		
Apollo Hospitals Enterprise Limited	13,444,939	-
Apollo Shine Foundation	-	97,933
Purchase of asset		
Blue Star Limited	861,360	1,710,735
Meher Distributors Private Limited	54,880	-
Revenue sharing expenses		
Lifetime Wellness Rx International Limited	1,475,043	3,981,619
Maxivision Laser Centre Private Limited	-	4,457,339
Professional charges		
Crisil Risk And Infrastructure Solutions Limited	450,000	-
Apollo Hospitals Enterprise Limited	368,000	-
Faber Sindoori Management Services Private Limited	1,779,851	-
Loan repaid to		
Dr. G.S.K. Velu	400,008	-
Loan taken from		
Dr. G.S.K. Velu	24,200,000	-
Professional fee to doctors		
Apollo Hospitals Enterprise Limited	5,870,489	6,352,945
Imperial Hospitals and Research Centre Limited	2,953,901	2,814,691
Dr.Chandramohan Raju	547,952	-
Dr.Shafath Ahmed	1,168,185	-
Dr.Sanketh Kethi Reddy	3,569,321	-
Dr.Sabitha MR	37,025	-
Dr. Arun Chittaranjan	-	-
Dr.K V Arun	1,286,325	-
Mr.Anupam Sibal	2,395,132	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Franchisee services charges		
Apollo Rajshree Hospitals Private Limited	97,051	-
Apollo Hospitals International Limited	103,172	-
Cost of services - others		
Apollo Telehealth Services Private Limited	217,470	-
Healthnet Global Limited	7,515,527	8,085,513
Apollo Sindoori Hotels Limited	10,088,686	13,798,047
House keeping expenses		
Faber Sindoori Management Services Private Limited	30,934,610	62,848,932
Repairs and maintenance - others		
Wipro Limited	74,037	-
Faber Sindoori Management Services Private Limited	38,550	-
Apollo Sindoori Hotels Limited	279,040	-
Searchlight Health Private Limited	1,492,366	3,781,190
Blue Star Limited	791,344	-
Trivitron Healthcare Private Limited	284,666	5,824,727
Apollo Hospitals Enterprise Limited	1,412,949	5,250,097
Staff welfare expenses		
Apollo Munich Health Insurance Company Limited	7,736,858	700,004
Medvarsity Online Limited	686,984	-
Apollo Hospitals Enterprise Limited	103,000	-
Advertisement and sales promotion		
Lifetime Wellness Rx International Limited	52,500	-
Apollo Hospitals Enterprise Limited	57,142	-
Miscellaneous expenses		
Lifetime Wellness Rx International Limited	8,400	-
Interest paid on loans		
Dr G.S.K. Velu	2,154,282	-
Managerial Remuneration		
Key Managerial Personnel	31,979,317	34,578,123
Share Based Payments		
Key Managerial Personnel	716,550	-

c) Balances receivable from/payable to related parties are as follows:

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables		
Apollo Hospitals Enterprise Limited	198,358,324	146,400,723
Searchlight Health Private Limited	-	9,894
Lifetime Wellness Rx International Limited	4,475,610	134,304
Stemcyte India Therapeutics Private Limited	528,396	8,046,190
Apollo Gleneagles Hospitals Limited	2,551,813	3,757,973
Imperial Hospitals and Research Centre Limited	1,222,668	2,899,554
Indraprashtha Medical Corporation Limited	5,611,833	5,201,296
Maxivision Laser Centre Private Limited	15,679	722,388
Medvarsity Online Limited	224,075	136,728
Together Against Diabetic Foundation Trust	1,838,542	2,902,896
ACC Limited	45,606	-
Air India Limited	204,400	-
Family Health Plan Insurance (TPA) limited	29,759,620	-
Apollo Health Resources Limited		
Apollo Munich Health Insurance Company Limited	2,618,747	-
Bluestar Limited	34,502	-
Wipro Limited	4,172,290	-
Apollo Telehealth Services Private Limited	3,249,650	-
Piramal Enterprises Limited	21,900	-
Indo National Limited	5,875	-
Franklin Templeton Asset Management (India) Private Limited	212,357	-
Hero Motorcorp Limited	38,680	-

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Particulars	As at March 31, 2019	As at March 31, 2018
Unbilled Revenue		
Apollo Hospitals Enterprise Limited	2,491,337	-
Lifetime Wellness Rx International Limited	1,766,690	-
ACC Limited	8,800	-
Air India Limited	35,875	-
Family Health Plan Insurance (TPA) limited	129,765	-
Apollo Health Resources Limited	146,730	-
Apollo Munich Health Insurance Company Limited	257,924	-
Bluestar Limited	85,600	-
Apollo Telehealth Services Private Limited	33,350	-
Stemcyte India Therapeutics Private Limited	208,000	-
Interest receivable		
Apollo Hospitals Enterprise Limited	12,296,799	12,219,041
Loans and advances receivable		
Apollo Hospitals Enterprise Limited	-	194,151
Apollo Munich Health Insurance Company Limited	100,000	
Trade payables		
Apollo Hospitals Enterprise Limited	366,137,518	236,765,975
Faber Sindoori Management Services Private Limited	13,455,126	32,583,867
Searchlight Health Private Limited	818,866	1,818,053
Apollo Hospitals International Limited	2,417,553	-
Imperial Hospital and Research Centre Limited	584,633	253,415
Lifetime Wellness Rx International Limited	1,579,045	1,184,940
Apollo Munich Health Insurance Company Limited	42,192	664,506
Apollo Sindoori Hotels Limited	1,844,457	3,999,469
Trivitron Healthcare Private Limited	1,478,319	3,700,137
Maxivision Laser Centre Private Limited	257,025	594,863
Medsmart Logistics Private Limited	21,076,763	380,305
Healthnet Global Limited	1,478,716	456,183
Indian Hospitex Private Limited	3,352,890	3,582
Apollo Telehealth Services Private Limited	19,470	-
Apollo Rajshree Hospitals Private Limited	87,340	-
Apollo Health Resources Limited	49,674	-
Blue Star Limited	504,132	-
Dr.Chandramohan Raju	13,467	-
Dr.Shafath Ahmed	90,661	-
Dr.Sanketh Kethi Reddy	286,921	-
Dr.Sabitha MR	-	-
Dr.K V Arun	91,273	-
Deposit payable		
Apollo Hospitals Enterprise Limited	47,645,400	47,645,400
Unsecured Loan payable		
Dr. G.S.K Velu	24,200,000	400,008
Interest Payable		
Apollo Hospitals Enterprise Limited	264,093	290,264,093
Dr. G.S.K Velu	1,938,854	-
Prepaid Expenses		
Apollo Munich Health Insurance Company Limited	2,519,036	-
Letter of comfort taken from		
Apollo Hospitals Enterprise Limited	1,010,000,000	1,010,000,000

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Note 39 Share-based payments
Employee share option plan of the Company

(i) Apollo Health and Lifestyle Limited

The Company has granted 1,94,698 Ordinary (Equity) Shares of ₹ 10 each during the year ended 31st March, 2012 to the eligible employees of the Company. Options are granted under Employee Stock Option Plan - 2012 ("the Scheme") which vest over a period of four years commencing from the respective date of grant.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	48,675	48,675
Options granted during the year	-	-
Options forfeited/lapsed during the year	25,290	-
Options exercised during the year	23,385	-
Options outstanding on March 31	-	48,675
Options vested but not exercised on March 31	-	48,675

Exercise price is ₹ 30

Management has estimated the fair values of options granted at ₹ 30.

(ii) The Company has granted 412,500 Ordinary (Equity) Shares of ₹ 10 each during the year ended 31st March, 2014 to the eligible employees of the Company. Options are granted under Employee Stock Option Plan - 2013 ("the Scheme") which vest over a period of four years commencing from the respective date of grant.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	82,500	82,500
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	82,500	82,500
Options vested but not exercised on March 31	82,500	82,500

Exercise price is ₹ 30

Management has estimated the fair values of options granted at ₹ 30.

(iii) Apollo Specialty Hospitals Private Limited

The Company by virtue of service and subscription agreement entered into with the doctors for continuance of services with Apollo Specialty Hospitals Private Limited (ASH) inline with the scheme implemented by the erstwhile company (i.e. Nova Speciality Hospitals Private Limited) has agreed to issue Fully Convertible Debentures (FCD) for a value calculated in accordance with performance based formulae at the time of acquisition.

These FCD are issued in respect of the future services which will be rendered by the doctors' and hence is in the nature of share based payment in terms of Ind AS 102. These FCD issued would be convertible upon the expiry of service requirement and other conditions as stipulated by the respective agreements.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	1,595	1,595
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	1,595	1,595
Options vested but not exercised on March 31	-	-

Exercise price is ₹ Nil

Management has estimated the fair values of options granted at ₹ 25,764.

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Apollo Health and Lifestyle Limited

(iv) Apollo Sugar Clinics Limited

The Company has granted 44,370 Ordinary (Equity) Shares of ₹ 10 each during the year ended 31st March, 2018 to the eligible employees of the Company. Options are granted under ASCL Employee Stock Option Plan - 2017 ("ESOP 2017") which vest over a period of three years commencing from the respective date of grant.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	44,370	44,370
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	44,370	44,370
Options vested but not exercised on March 31	-	-

Exercise price is ₹ 89.42

Management has estimated the fair values of options granted at ₹ 275.70.

(v) Alliance Dental Care Limited

The Company has granted 56,735 Ordinary (Equity) Shares of ₹ 10 each during the year ended 31st March, 2017 to the directors and eligible employees of the Company. Options are granted under Alliance Dental ESOP Scheme 2016, which vest over a period of four years commencing from the respective date of grant.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	28,368	56,735
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	28,368	28,367
Options vested but not exercised on March 31	28,368	28,368

Exercise price is ₹ 10

Management has estimated the fair values of options granted at ₹ 194.

(vi) Apollo Dialysis Private Limited

The Company has granted 55,566 Ordinary (Equity) Shares of ₹ 10 each during the year ended 31st March, 2017 to the directors of holding company and directors and eligible employees of the Company. Options are granted under Apollo Dialysis ESOP Scheme 2016, which vest over a period of four years commencing from the respective date of grant.

The compensation costs of stock options granted to employees are accounted by the Company over the vesting period.

Summary of stock options	No. of stock options	
	For the year 2018-19	**For the year 2017-18**
Options outstanding on April 1	27,783	55,566
Options granted during the year	-	-
Options forfeited/lapsed during the year	-	-
Options exercised during the year	-	-
Options outstanding on March 31	27,783	27,783
Options vested but not exercised on March 31	27,783	27,783

Exercise price is ₹ 10

Management has estimated the fair values of options granted at ₹ 27.

DELOITTE HASKINS & SELLS LLP
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Apollo Health and Lifestyle Limited

Note 40: Revenue from contracts with customers

The Group earns revenue primarily by providing healthcare services operates through various multispecialty clinics, diagnostics, spectra, cradle, sugar, dental and dialysis centers across India. Other sources of revenue include revenue earned through Operation and Management (O&M) contracts, brand license agreements and contracts for clinical trials.

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue has to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative effect method(modified retrospective approach). The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Group is insignificant.

Revenues for the year ended March 31, 2019 and March 31, 2018 are as follows:

Disaggregation of revenue

The following table provides information about disaggregated revenue by geographical market, major service line, timing of revenue recognition and category of customer.

The spread of operation of the Group are only in India and so the below table summaries the region wise revenue within India.

Healthcare services

Region	**Year ended March 31, 2019**
Tamilnadu	1,478,081,902
Telangana	1,541,217,871
Karnataka	1,062,845,033
Delhi	694,761,990
Maharastra	252,635,268
Others	1,004,314,654
Inter company eliminations	(145,715,059)
Total revenue from contracts with customers from healthcare	**5,888,141,659**

Category of Customer	**Year ended March 31, 2019**
Cash	3,946,711,194
Credit	2,087,145,524
Inter company eliminations	(145,715,059)
Total revenue from contracts with customers	**5,888,141,659**

Nature of treatment*	**Year ended March 31, 2019**
In-Patient	3,113,481,358
Out-Patient	2,920,375,360
Inter company eliminations	(145,715,059)
Total revenue from contracts with customers from healthcare services	**5,888,141,659**

* this disclosure pertain to healthcare services segment only

Timing of revenue recognition	**Year ended March 31, 2019**
Services transferred at point in time	5,950,914,929
Services transferred over a period of time	82,941,789
Inter company eliminations	(145,715,059)
Total revenue from contracts with customers	**5,888,141,659**

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Apollo Health and Lifestyle Limited

Contract liability

Changes in advance received from customers are as follows:

Particulars	Year ended March 31, 2019
Balance at the beginning of the year	**19,653,842**
Additions (on account of advance received from the customer during the year)	18,341,266
Revenue recognized that was included in advance received from customers balance at beginning of the year	1,613,820
Balance at the end of the year	**36,381,288**

The total of dissaggregated revenue of healthcare disclosed above would agree to the disclosures made in the operating segment.

Reconciliation of revenue recognised with the contract price is as follows:

Healthcare Services

Particulars	Year ended March 31, 2019
Contract price (as reflected in the invoice raised on the customer as per the terms of the contract with customer)	6,795,621,585
Reduction towards amounts payable to customer	-
	-
	-
Reduction towards variable components:	-
-Discounts granted to customers	318,490,351
-Customer loyalty points given to customers	8,909,364
	-
Reduction towards monies received on behalf of :	-
-Fee for Service Consultants	434,365,152
Reduction towards Inter-company eliminations	145,715,059
Revenue recognised in the profit & loss account	**5,888,141,659**

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Note 41 Financial instruments

(i) Capital management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the company is based on management's judgement of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The management and the Board of Directors monitors the return on capital to shareholders. The Company may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

(ii) Financial risk management

The Company's business activities are exposed to a variety of financials risks, namely Interest rate risk, credit risk and liquidity risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

A Interest 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 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 50 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.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:
Loss for the year ended March 31, 2019 would decrease/increase by ₹ 10,802,758 (for the year ended March 31, 2018: decrease / increase by ₹ 90,41,269). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

B 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.

Trade receivables
Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis.

Historical experience of collecting receivables is that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets. The Company does not have significant credit risk exposure to any single counter party.

Other financial assets
The Company maintain exposure in cash and cash equivalent, term deposits with banks. The Company's maximum exposure of credit risk as at March 31, 2019 and March 31, 2018 is the carrying value of each class of financial assets.

C Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilised credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2019 and March 31, 2018. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing short term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The table below provides details regarding the contractual maturities of significant financial liabilities as of March 31, 2019 and March 31, 2018

	March 31, 2019		
Particulars	**Trade payables**	**Other financial liabilities**	**Borrowings**
Less than 1 year	1,305,544,824	139,308,115	349,792,504
More than 1 year and less than 5 year	-	-	1,275,355,199
More than 5 year	-	35,444,978	861,891,984

	March 31, 2018		
Particulars	**Trade payables**	**Other financial liabilities**	**Borrowings**
Less than 1 year	1,086,068,609	392,202,316	121,182,136
More than 1 year and less than 5 year	-	-	964,008,948
More than 5 year	-	37,431,467	1,294,227,874

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Apollo Health and Lifestyle Limited

Note 42 Category-wise classification of Financial Instruments

The carrying and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows:

Particulars	Fair value Hierarchy	Carrying value		Fair value	
		As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets					
Measured at Amortised cost					
(i) Cash and cash equivalents	Level 2	165,467,606	195,086,833	165,467,606	195,086,833
(ii) Bank balances other than cash and cash equivalents	Level 2	19,832,629	467,776,814	19,832,629	467,776,814
(iii) Trade receivables	Level 2	640,594,550	517,825,524	640,594,550	517,825,524
(iv) Other financial assets *	Level 2	440,713,985	366,932,341	440,713,985	366,932,341
Measured at FVTOCI					
(i) Investment in equity instruments	Level 3	2,815,776	5,629,776	2,815,776	5,629,776
Measured at FVTPL					
(a) Mandatorily measured:					
(i) Current investments - Mutual funds	Level 1	66,894,152	108,518,828	66,894,152	108,518,828
Total Financial assets		**1,336,318,698**	**1,661,770,116**	**1,336,318,698**	**1,661,770,116**
Financial liabilities					
Measured at Amortised cost					
(i) Borrowings	Level 2	2,335,419,130	2,306,888,968	2,335,419,130	2,306,888,968
(ii) Trade payables	Level 2	1,305,544,824	1,086,068,609	1,305,544,824	1,086,068,609
(iii) Other financial liabilities **	Level 2	326,373,650	502,163,773	326,373,650	502,163,773
Total Financial liabilities		**3,967,337,604**	**3,895,121,350**	**3,967,337,604**	**3,895,121,350**

* Other financial assets includes Security deposits with the vendors, advances given to employees, interest receivable from related parties and banks, unbilled revenue.

** Other financial liabilities includes interest accrued on the long term debt, security deposits received from customers and payable on purchase of fixed assets, excluding current maturities of long term debt.

Note 43 Calculation of fair values

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2018.

Financial assets and liabilities measured at fair value as at balance sheet date.
The fair values of investments in unquoted equity investments has been estimated using a discounted cash flow model under income approach. The valuation requires management to make certain assumptions about model inputs, including forecast cash flows, discount rate and credit risk, the probabilities of the various estimates within range can be reasonably assessed and are used in management estimate of fair value for these unquoted investments.

Note 44 The Board of Directors of the Company in its meeting held on August 17, 2018 has given an approval to the "Scheme of arrangement" of the business. Pursuant to the restructuring plan, a new wholly owned subsidiary AHLL Diagnostics Ltd. (ADL) has been formed and the Diagnostics division of the Company will be sold by way of a slump sale to the newly incorporated Wholly owned subsidiary.

The Company is in the process of obtaining regulatory approval from National Company Law Tribunal for the restructuring plan. Based on the present status, Management is of the opinion that the procedural formalities will take 1 to 1.5 years, for the restructuring plan to be take place. Hence the transaction is not considered for disclosure under Ind AS- 105 – Non-Current Assets held for sale and Discontinued Operations.

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Apollo Health and Lifestyle Limited

Note 45 Fair value hierarchy

The fair value of financial instruments as referred to in Note 42 above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.
Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Company's financial assets and financial liabilities are measured at the fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial assets/ Financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique and key input	Significant unobservable input	Relationship of unobservable inputs to fair value
	March 31, 2019	March 31, 2018				
Investments in equity instrument at FVTOCI (unquoted) (Note iii)	2.59% of equity investment in M/s. Searchlight Health Private Limited engaged in providing infrastructure facilities to hospitals and others and domiciled in India ₹ 2,814,000	2.59% of equity investment in M/s. Searchlight Health Private Limited engaged in providing infrastructure facilities to hospitals and others and domiciled in India ₹ 5,628,000	Level 3	Discounted cash flow model under income approach was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee.	Long term growth rates, taking into account management's experience and knowledge of market conditions of the specific industry at 1.00%. Weighted average cost of capital (WACC) as determined ranging from 21% (As at March 31, 2018: 12.79%)	A slight increase in long term revenue growth rates used in isolation would result in increase in the fair value (Refer Note i below) A slight increase in the WACC used in isolation would result in decrease in the fair value (Refer Note ii below)

Notes
(i) If the Long-term growth rates used were 1% higher / lower while all other variables were held constant, the carrying amount of the shares would increase / (decrease) by ₹ 71,984 and ₹ (79,561) respectively.

(ii) A 1% increase / (decrease) in WACC or discount rate used while holding all other variables constant would (decrease) / increase the carrying amount of the unquoted equity investments by ₹ 167,894 and ₹ (186,292) respectively.

(iii): These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. Upon the application of Ind AS 109, the company has chosen to designate these investments in equity instruments as at FVTOCI irrevocably as the Management believes that this provides a more meaningful presentation for long term strategic investments, than reflecting changes in fair value immediately in profit or loss.

DELOITTE HASKINS & SELLS LLP CHARTERED ACCOUNTANTS

Apollo Health and Lifestyle Limited

Note 46 As per the Put option agreement entered into with International Finance Corporation (IFC) dated October 26, 2016, IFC has the right to exercise the put option on shares from the end of 8th year till the end of 12th year of the subscription either on Apollo Hospitals Enterprise Limited (the parent company) or on Apollo Health and Lifestyle Limited.

The management based on its assessment of the potential exercise of the options and per valuation of the Company, has assessed that these options, if exercised will be on the parent company, as the parent is a listed company, and accordingly, has determined the fair value of the option to be nil and as such, the instrument has been considered as equity.

Note 47 The financial statements are approved for issue by the Board of Directors on May 22, 2019.

For and on behalf of the Board of Directors

Sangita Reddy
Managing Director
(DIN - 00006285)

Krishnan Akhileswaran
Director
(DIN - 05299539)

Lalit Nagpal
Chief Financial Officer

D V Sivaram
Company Secretary
(Membership No: 15682)

DELOITTE HASKINS & SELLS LLP
CHARTERED ACCOUNTANTS

Place: Hyderabad
Date: May 22, 2019

C Chandra Sekhar
Chief Executive Officer

Apollo Health and Lifestyle Limited