

APOLLO HOSPITALS INTERNATIONAL LIMITED

CIN: U85110TN1997PLC039016

**Regd. Office: 19, Bishop Gardens, R. A. Puram,
Chennai – 28, Tamil Nadu – 600 028**



**Audited Standalone Financial Statements
for the year ended on 31st March, 2019**

Apollo Hospitals International Limited
Standalone Balance Sheet as at March 31, 2019

All amounts are in Rupees unless otherwise stated

Particular	Note No	As at 31-Mar-19	As at 43,190.00
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	825,250,712	896,193,764
(b) Capital work-in-progress	5	-	-
(c) Other Intangible assets	6.1	2,628,496	796,264
(d) Financial Assets			
(i) Investments			
a) Investments in Subsidiaries	7	251,246,800	201,000,000
b) Investments in Joint Ventures	7	33,350,000	33,350,000
(ii) Trade receivables	8	-	-
(iii) Other financial assets	9	64,859,710	64,710,797
(e) Deferred tax assets (Net)	19	103,008,376	123,115,988
(f) Other non-current assets	12	-	-
Total Non - Current Assets		1,280,344,094	1,319,166,813
Current assets			
(a) Inventories	10	32,708,299	75,857,466
(b) Financial assets			
(i) Trade receivables	8	436,661,325	412,348,288
(ii) Cash and cash equivalents	11.1	71,899,975	51,771,137
(iii) Bank balances other than (ii) above		9,548,476	12,534,246
(iv) Other financial assets	9	3,595,729	2,484,381
(c) Current Tax Assets (Net)	13	164,293,223	122,032,097
(d) Other current assets	12	140,620,581	121,494,534
		859,327,608	798,522,149
Assets classified as held for sale		-	-
Total current assets		859,327,608	798,522,149
Total assets		2,139,671,702	2,117,688,962
See accompanying notes to the financial statements			

In terms of our report attached
For, S.Viswanathan LLP
Chartered Accountants
Firm Regn. No: 004770S/S200025

For and on behalf of the Board of Directors

V C Krishnan
16/05/19
V C Krishnan
Partner
M No. 022167



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Director

Director

Deepak S. Tharane
Deepak S. Tharane
Chief Financial Officer

N. K. Vyas
Nikunj Vyas
Company Secretary

Place : Gandhinagar
Date : 16th May, 2019



Apollo Hospitals International Limited
Standalone Balance Sheet as at March 31, 2019

All amounts are in Rupees unless otherwise stated

Particular	Note No	As at 31-Mar-19	As at 31-Mar-18
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	1,006,030,680	1,006,030,680
(b) Convertible non-participating preference share capital		-	-
(c) Other equity	15	178,286,808	55,797,514
Total Equity		1,184,317,488	1,061,828,194
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	445,738,656	561,150,368
(ii) Other financial liabilities	17	1,819,586	1,794,586
(b) Provisions	18	18,317,987	18,066,053
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
Total Non - Current Liabilities		465,876,229	581,011,007
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	71,135,465	70,128,185
(ii) Trade payables	20	67,206,650	67,601,325
(iii) Other financial liabilities	17	123,030,247	124,251,726
(b) Provisions	18	10,902,372	12,253,505
(c) Current Tax Liabilities (Net)		-	-
(d) Other current liabilities	21	217,203,250	200,615,020
		489,477,985	474,849,761
Liabilities directly associated with assets classified as held for sale		-	-
Total Current Liabilities		489,477,985	474,849,761
Total Liabilities		955,354,214	1,055,860,768
Total Equity and Liabilities		2,139,671,702	2,117,688,962

See accompanying notes to the financial statements

In terms of our report attached
For, S.Viswanathan LLP
Chartered Accountants
Firm Regn. No: 004770S/S200025

V C Krishnan
Partner
M No. 022167



For and on behalf of the Board of Directors

Director

Director

Deepak S. Tharane
Chief Financial Officer

Nikunj Vyas
Company Secretary

Place : Gandhinagar
Date : 16th May, 2019



Apollo Hospitals International Limited
Standalone Statement of Profit and Loss for the period ended March 31, 2019
 All amounts are in Rupees except for earnings per share information

Particular		Note No.	Year ended March 31, 2019	Year ended March 31, 2018
I	Revenue from Operations	22	1,888,925,731	1,801,710,442
II	Other Income	23	16,688,790	5,938,669
III	Total Income (I+II)		1,905,614,521	1,807,649,111
IV	Expenses			
	Cost of materials consumed	24	607,955,085	532,551,158
	Purchases of Stock-in-trade		87,265,206	102,450,360
	Changes in inventory of stock-in-trade	25	4,772,096	29,622,080
	Employee benefit expense	26	313,267,380	309,514,326
	Finance costs	27	70,620,552	75,246,538
	Depreciation and amortisation expense	28	84,228,936	88,000,733
	Other expenses	29	553,653,764	543,284,361
	Total expenses (IV)		1,721,763,018	1,680,669,555
V	Share of profit / (loss) of associates		-	-
VI	Share of profit / (loss) of joint ventures		-	-
VII	Profit/(loss) before tax (III-IV+V+VI)		183,851,503	126,979,556
VIII	Tax expense			
	(1) Current tax	29.3	42,144,864	27,818,400
	(1.1) MAT Entitlement Availed	29.3	(42,144,864)	(27,818,400)
	(2) Deferred tax	29.3	61,993,230	42,817,602
			61,993,230	42,817,602
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		121,858,273	84,161,954
X	Profit/(loss) from discontinued operations before tax		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax)		-	-
XIII	Profit/(loss) for the period (IX+XII)		121,858,273	84,161,954
	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)		890,267	9,459,845
	(b) Equity instruments through other comprehensive income		-	-
	(c) Others (specify nature)		-	-
	(d) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		-	-
			890,267	9,459,845
A	(ii) Income tax relating to items that will not be reclassified to profit or loss		259,246	3,216,347
B	(i) Items that will be reclassified to profit or loss			
	(a) Exchange differences in translating the financial statements of foreign operations		-	-
	(b) Debt instruments through other comprehensive income		-	-
	(c) Others (specify nature)		-	-
	(d) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		-	-
B	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIV	Other comprehensive income for the period (A (i-ii)+B(i-ii))		631,021	6,243,498
XV	Total comprehensive income for the period (XIII+XIV)		122,489,294	90,405,452

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Apollo Hospitals International Limited
Standalone Statement of Profit and Loss for the period ended March 31, 2019
 All amounts are in Rupees except for earnings per share information

Particular	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to:			
Owners of the Company		122,489,293	90,405,451
Non controlling interests		-	-
		<u>122,489,293</u>	<u>90,405,451</u>
Other comprehensive income for the year attributable to:			
Owners of the Company		-	-
Non controlling interests		-	-
		<u>-</u>	<u>-</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		122,489,293	90,405,451
Non controlling interests		-	-
		<u>122,489,293</u>	<u>90,405,451</u>
Earnings per equity share (for continuing operation):	31		
Basic (in Rs.)		1.21	0.90
Diluted (in Rs.)		1.21	0.90

See accompanying notes to the financial statements

In terms of our report attached
 For, S.Viswanathan LLP
 Chartered Accountants
 Firm Regn. No: 004770S/S200025

For and on behalf of the Board of Directors

Handwritten signature: Krishnan
 16/05/19

V C Krishnan
 Partner
 M No. 022167



Handwritten signature

Director

Director

Handwritten signature: D. Tharane

Deepak S. Tharane
 Chief Financial Officer

Handwritten signature: N.K.V. Vyas

Nikunj Vyas
 Company Secretary

Place : Gandhinagar
 Date : 16th May, 2019

Apollo Hospitals International Limited
Standalone Cash Flow Statement as on March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from operating activities		
Profit before tax for the year	18,38,51,503	12,69,79,556
Adjustments for:		
Finance costs recognised in profit or loss	7,06,20,552	7,52,46,538
Interest Income recognised in profit or loss	(1,02,02,378)	(43,79,584)
Rental income recognised in profit or loss	(73,65,942)	(75,85,063)
Other income recognised in profit or loss	(3,83,156)	(4,96,231)
Net Profit or loss on Sale of Assets	1,13,206	(7,02,298)
Adjustments for OCI	8,90,267	94,59,845
Provisions for Doubtful Debts	1,32,94,778	66,51,136
Actual Bad Debt written off in profit or loss statement	6,70,607	30,75,078
Depreciation and amortisation of non-current assets	8,42,28,936	8,80,00,733
Net foreign exchange (gain)/loss	(61,03,255)	(3,63,120)
Movements in working capital:		
Increase in trade and other receivables		
(Increase)/decrease in amount due from customers	(3,21,75,166)	(11,09,48,935)
(Increase)/decrease in inventories	4,31,49,167	(2,42,62,414)
(Increase)/decrease in other assets	(1,91,26,050)	7,76,38,509
(Increase)/decrease in other financial assets	(12,60,260)	(28,75,903)
Decrease in trade and other payables		
Increase/(decrease) in amounts due to trade payables	(3,94,675)	38,31,792
Increase/(decrease) in provisions	(10,99,199)	6,47,533
(Decrease)/increase in other liabilities	1,70,19,257	(6,93,46,933)
(Decrease)/increase in other financial liabilities	(11,96,478)	(3,70,162)
Cash generated from operations	33,45,31,711	17,02,00,078
Income taxes (paid) / refunds	(8,44,05,990)	(42,99,816)
Net cash generated by operating activities	25,01,25,721	16,59,00,262
Cash flows from investing activities		
Interest received	1,02,02,378	43,79,584
Rental Income from properties & operating Lease	73,65,942	75,85,063
Other Income received	3,83,156	4,96,231
Investments in associates	(5,02,46,800)	(15,00,00,000)
Payments for property, plant and equipment	(1,21,82,851)	(14,57,36,721)
Proceeds from disposal of property plant and equipment	1,86,188	15,93,598
Payments for intangible assets	(32,34,657)	(2,32,199)
Net cash (used in)/generated by investing activities	(4,75,26,643)	(28,19,14,444)
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	-	15,00,00,000
Proceeds from borrowings	-	10,10,00,000
Repayment of borrowings & others	(12,29,15,662)	(11,23,46,787)
Interest paid	(6,35,47,628)	(6,51,94,934)
Net cash used in financing activities	(18,64,63,289)	7,34,58,279
Net increase/(decrease) in cash and cash equivalents	1,61,35,788	(4,25,55,903)
Cash and cash equivalents at the beginning of the year	(58,22,802)	3,67,30,537
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	2,565
Cash and cash equivalents at the end of the year	1,03,12,986	(58,22,802)



Apollo Hospitals International Limited
Standalone Cash Flow Statement as on March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents		
Available with company for day to day operations	7,06,08,033	5,09,68,086
Available with company as earmarked balances	1,08,40,418	1,33,37,297
Bank overdrafts	(7,11,35,465)	(7,01,28,185)
Balances as per statement of cash flows	1,03,12,986	(58,22,802)

In terms of our report attached
For S. Viswanathan LLP
Chartered Accountants
Firm Registration No: 00470S/S200025

V C Krishnan
16/05/19
V C Krishnan
Partner
M. No: 022167



Place : Gandhinagar
Date : 16th May, 2019

Deepak S. Tharane

Director

Director

Deepak S. Tharane
Chief Financial Officer

Nikunj Vyas
Company Secretary

Apollo Hospitals International Limited

Standalone Statement of Changes in Equity as on March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

a. Equity share capital

	<u>Amount</u>
Balance at April 1, 2017	856,030,680
Changes in equity share capital during the year	150,000,000
Balance at March 31, 2018	<u>1,006,030,680</u>
Changes in equity share capital during the year	-
Balance at March 31, 2019	<u>1,006,030,680</u>

b. Other Equity

	Securities premium reserve	Ind AS Transition Reserve	Retained earnings	Other Comprehensive Income	Sub -total carried forward
Balance at April 1, 2017	444,033,295	18,411,817	(495,389,919)	(1,663,130)	(34,607,937)
Profit for the year	-	-	84,161,954	-	84,161,954
Other comprehensive income for the year, net of income tax	-	-	-	6,243,498	6,243,498
Total comprehensive income for the year	-	-	84,161,954	6,243,498	90,405,452
Balance at March 31, 2018	<u>444,033,295</u>	<u>18,411,817</u>	<u>(411,227,965)</u>	<u>4,580,368</u>	<u>55,797,515</u>
Profit for the year	-	-	121,858,273	-	121,858,273
Other comprehensive income for the year, net of income tax	-	-	-	631,021	631,021
Total comprehensive income for the year	-	-	121,858,273	631,021	122,489,294
Balance at March 31, 2019	<u>444,033,295</u>	<u>18,411,817</u>	<u>(289,369,692)</u>	<u>5,211,389</u>	<u>178,286,809</u>

See accompanying notes to the Standalone financial statements



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1 General Information

Apollo Hospitals International Limited (AHIL), Ahmedabad is a tertiary care unit of the Apollo Hospitals Company, Chennai. The Hospital focuses on centers of excellence like Cardiac Sciences, Neuro Sciences, Orthopedics, Cancer, Emergency Medicine and Solid Organ Transplants besides the complete range of more than 35 allied medical disciplines under the same roof. AHIL is subsidiary of Apollo Hospitals Enterprise Limited ('the Company') which is a public Company incorporated in India.

2 Application of new and revised Ind ASs

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

3 Significant accounting policies

3.1 Statement of compliance

The Standalone financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

3.2 Basis of preparation and presentation

The Standalone financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, 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 Company 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 Standalone financial statements is determined on such a basis, 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.

The principal accounting policies are set out below.

3.3 Investments in associates and joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Standalone financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Standalone balance sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Company's share of losses of an associate or a joint venture exceeds the Company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.



The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Company reduces its ownership interest in an associate or a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with an associate or a joint venture of the Company, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Company's Standalone financial statements only to the extent of interests in the associate or joint venture that are not related to the Company.

3.4 Investment in Subsidiary

Investment in subsidiary are measured at cost less impairment if any.

3.5 Revenue recognition

3.5.1 Rendering of services

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theatre, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the estimated amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

The company earns revenue primarily from medical services.

The services rendered by the entity is in single geographical location with one type of service, mainly rendering medical services with a single type of customer who is normally referred to as a patient with defined contract duration, subject to severe exigencies unknown at the time of admission of the patient and involves only one type of sales channel which is hospital services directly to the patient.

Effective April 1, 2018 the company has applied Ind As 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 revenue recognition.

We have adopted the output methods which recognize revenue on the basis of direct measurements of the value to the customer on the basis of goods or services transferred to date, relative to the remaining goods or services promised under the contract.

The service revenues are presented net of related doctor fees in cases where the company is not the primary obligor and does not have the pricing latitude.

3.5.2 Sale of Goods

Pharmacy Sales are recognised when the risk and reward of ownership is passed to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of returns and discounts wherever applicable

3.5.3 Dividend and Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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.

3.5.4 Rental income

The Company's policy for recognition of revenue from operating leases is described in note 3.5.5 below.

3.5.5 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.

The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

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 Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Standalone balance sheet as a finance lease obligation.



Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 3.6 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

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. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.5.6 Foreign currencies

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.6 Borrowings and 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 Company 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 profit or loss in the period in which they are incurred.

3.7 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Standalone balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.8 Employee benefits

3.8.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), 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 is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. 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 Company 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.

The retirement benefit obligation recognised in the Standalone balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

3.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.8.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan. When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.

3.9 Taxation

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

3.9.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Standalone statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.9.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone financial statements and the corresponding tax bases used in the computation of taxable profit. 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 that 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 profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.9.3 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.10 Property, plant and equipment

Land and buildings mainly comprise hospitals and offices. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures, plant and medical equipment are stated at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Buildings (Freehold)	60 years
Plant and Medical Equipment	7-13 years
Surgical Instruments	3 years
Office Equipment - Others	5 years
Office Equipment - Computers	3 years
Vehicles	6 years



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

For transition to Ind AS, the company has continued with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, certain pre-operative costs have been charged off upon transition.

3.10.1 Intangible assets

3.10.2 Intangible assets acquired on a Standalone basis

Intangible assets with finite useful lives that are acquired on a Standalone basis are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. 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 on a Standalone basis are carried at cost less accumulated impairment losses.

3.10.3 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.

3.10.4 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

In the case of special software developed, the company has a policy of defining capitalization based on period of rests. The company is adopting a policy to amortize such capitalization in three years.

Computer Software	3 years
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3.10.5 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

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

3.11 Inventories

The inventories of all medicines, medicare items traded and dealt with by the Company are valued at cost. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the Net Realisable Value is not applicable. 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 GST wherever applicable, applying the FIFO method.

Stock of provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house only. 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 GST wherever applicable applying FIFO method.

Linen, crockery and cutlery are valued at cost and written off applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

Imported inventories are accounted for at the applicable exchange rates prevailing on the date of transaction.

3.12 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.12.1 Other Provisions

Other provisions (including third-party payments for malpractice claims) which are not covered by insurance and other costs for legal claims are recognised based on legal opinions and management judgment.

3.13 Financial Instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.14 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on fair value basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.14.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 3.14.3

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

3.14.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.14.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

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

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.



When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.14.4 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.15 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

3.16 Financial liabilities and equity instruments

3.16.1 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.16.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.16.3 Financial liabilities

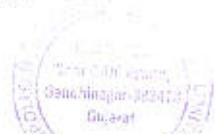
All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

3.16.4 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.



3.16.5 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

3.16.6 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.17. 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 twelve 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.

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.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The effect of adoption as on transition date would be insignificant on the financial statements.

3.17.1 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 company is in the process of evaluation of impact of such pronouncement.

3.17.2 Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that 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 recognized those past transactions or events.

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



3.17.3 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 recognize 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 recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncements.

Historical Cost convention

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2 Useful lives of property, plant and equipment

As described at 3.10 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of certain items of equipment should be shortened, due to developments in technology.

4.3 Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The business acquisitions made by the company are also accounted at fair values. The board of directors of the Company has set up a valuation committee, which is headed up by the Chief Financial Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the findings to the board of directors of the Company every year to explain the cause of fluctuations in the fair value of the assets and liabilities.

4.4 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 32

4.5 Litigations

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation arising at the reporting period

4.6 Revenue Recognition

Revenue from fees charged for inpatient and outpatient hospital/clinical services rendered to insured and corporate patients are subject to approvals for the insurance companies and corporates. Accordingly, the Company estimates the amounts likely to be disallowed by such companies based on past trends.

Estimations based on past trends are also required in determining the value of consideration from customers to be allocated to award credits for customers.

4.7 Basic Earnings Per Share:

Basic earnings per share is calculated by dividing:

- The profit or loss from the continuing operations attributable to the parent entity.
- By the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings Per Share:

Diluted earnings per share is calculated by dividing:

- The profit or loss from the continuing operations attributable to the parent entity.
- By the weighted average number of equity shares outstanding during the financial year assuming the conversion of all dilutive potential equity



4.8 Current versus Non Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.9 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

4.10 Bad Debts Policy

The Company is following a hybrid method with respect to the policy on bad debts. The company evaluates the debtors on an average on a monthly basis to arrive at a possible figure of defining bad debts based on the Expected Credit Loss method. The company based on the net value after this analysis follows the following basis for bad debts policy.

The Board of Directors approves the Bad Debt Policy, on the recommendation of the Audit Committee, after the review of debtors every year.

The standard policy for write off of bad debts is as given below subject to management inputs on the collectability of the same.

Ageing	Expected Credit loss (%)
Within the credit period	Nil
Less than 6 months past due	0%
6 months to 12 months past due	12.50%
1 to 2 years past due	30%
2 to 3 years years past due	50%
>3 years past due	100%



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Apollo Hospitals International Limited
Notes to the Standalone financial statements for the period ended March 31, 2019
 All amounts are in Rupees unless otherwise stated

5 Property, plant and equipment and capital work-in-progress

	As at 31/03/2019	As at 31/03/2018
Carrying amounts of:		
Land - Freehold	7,139,000	7,139,000
Buildings - Freehold	442,327,179	449,080,757
Buildings - Leasehold	-	-
Medical Equipment - Freehold	277,548,681	317,181,839
Plant and Machinery	47,797,162	53,994,059
Office Equipment	14,723,760	24,651,476
Furniture and Fixtures	31,055,830	38,029,180
Vehicles	4,659,099	6,117,454
	825,250,712	896,193,764
Capital work-in-progress	-	-
	825,250,712	896,193,764

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Medical Equipment & surgical Instruments	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
Cost or deemed cost									
Balance as at 01 April, 2017	7,139,000	566,690,913	-	599,721,877	203,406,621	64,014,262	97,030,980	14,999,209	1,553,002,863
Additions	-	622,874	-	123,442,521	4,404,057	11,856,790	4,887,251	523,228	145,736,724
Disposals	-	-	-	(26,847,563)	-	-	-	(471,888)	(27,319,472)
Transferred as consideration for acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Derecognised on disposal of a subsidiary	-	-	-	-	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-
Construction expenditure capitalised	-	-	-	-	-	-	-	-	-
Reclassified as held for sale	-	-	-	-	(37,046)	-	-	-	-
Others [describe]	-	-	-	-	207,773,633	75,873,572	101,918,231	34,525	1,671,420,111
Balance as at 31 March, 2018	7,139,000	567,313,787	-	696,316,815	207,773,633	75,873,572	101,918,231	15,085,073	1,671,420,111
Balance as at 01 April, 2018	7,139,000	567,313,787	-	696,316,815	207,773,633	75,873,572	101,918,231	15,085,073	1,671,420,111
Additions	-	-	-	10,033,928	230,125	1,511,819	353,179	53,800	12,482,851
Disposals	-	-	-	(1,827,766)	-	-	-	-	(1,827,766)
Transferred as consideration for acquisition of subsidiary	-	-	-	-	-	-	-	-	-
Derecognised on disposal of a subsidiary	-	-	-	-	-	-	-	-	-
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-
Construction expenditure capitalised	-	-	-	-	-	-	-	-	-
Reclassified as held for sale	-	-	-	-	-	-	-	-	-
Others [Reclassified FA]	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2019	7,139,000	567,313,787	-	704,522,976	208,003,758	77,385,391	102,271,410	15,138,873	1,681,775,196

Other



Apollo Hospitals International Limited
Notes to the Standalone financial statements for the period ended March 31, 2019
All amounts are in Rupees unless otherwise stated

5 Property, plant and equipment and capital work-in-progress

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Medical Equipment & surgical Instruments	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
II. Accumulated depreciation and impairment									
Balance as at 01 April, 2017	-	109,257,346	-	356,934,360	142,259,100	38,445,168	58,579,996	8,589,735	714,065,705
Eliminated on disposal of assets	-	-	-	(26,012,226)	-	-	-	(415,946)	(26,428,172)
Eliminated on disposal of a Subsidiary	-	-	-	-	-	-	-	-	-
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Impairment losses recognised in profit or loss	-	8,975,685	-	44,944,572	11,489,548	12,807,794	7,666,706	1,704,510	87,588,814
Depreciation expense	-	-	-	3,268,270	30,925	(30,865)	(2,357,651)	(910,680)	-
Others [describe]	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2018	-	118,233,031	-	379,134,975	153,779,574	51,222,097	63,889,051	8,967,620	775,226,347
Balance as at 01 April, 2018	-	118,233,031	-	379,134,975	153,779,574	51,222,097	63,889,051	8,967,620	775,226,347
Eliminated on disposal of assets	-	-	-	(1,528,372)	-	-	-	-	(1,528,372)
Eliminated on disposal of a Subsidiary	-	-	-	-	-	-	-	-	-
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Impairment losses recognised in profit or loss	-	-	-	-	-	-	-	-	-
Depreciation expense	-	6,753,577	-	49,367,692	6,427,022	11,439,534	7,326,529	1,512,154	82,826,509
Others [Reclassified]	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2019	-	124,986,608	-	426,974,295	160,206,596	62,661,631	71,215,580	10,479,774	856,524,484

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6 Intangible Assets

6.1 Other intangible Assets

	31-Mar-19	31-Mar-18		
Carrying amounts of :				
Capitalised development	-	-		
Computer software	2,628,496	796,264		
Non compete Fee	-	-		
Trademarks	-	-		
Others	-	-		
	2,628,496	796,264		
	Computer Software	Non-Compete Fees	Other Intangible	Total
Cost				
Balance as at 01 April, 2017	15,456,865	-	-	15,456,865
Additions from Standalone acquisitions	232,200	-	-	232,200
Additions through business combination	-	-	-	-
Additions from internal developments	-	-	-	-
Disposals or classified as held for sale	-	-	-	-
Others (decribe)	-	-	-	-
Balance as at 31 March, 2018	15,689,065	-	-	15,689,065
Balance as at 01 April, 2018	15,689,065	-	-	15,689,065
Additions from Standalone acquisitions	3,234,657	-	-	3,234,657
Additions through business combination	-	-	-	-
Additions from internal developments	-	-	-	-
Disposals or classified as held for sale	-	-	-	-
Others (decribe)	-	-	-	-
Balance as at 31 March, 2019	18,923,722	-	-	18,923,722
II. Accumulated depreciation and impairment				
Balance as at 1 April, 2017	14,480,882	-	-	14,480,882
Amortisation expense for the year	411,919	-	-	411,919
Disposals or classified as held for sale	-	-	-	-
Impairment losses recognised / (Reversed) in Statement of Profit and Loss	-	-	-	-
Reversals of impairment losses recognised in profit or loss	-	-	-	-
Others [describe]	-	-	-	-
Balance as at 31 March, 2018	14,892,801	-	-	14,892,801
Balance as at 01 April, 2018	1,402,425	-	-	1,402,425
Amortisation expense for the year	1,402,425	-	-	1,402,425
Disposals or classified as held for sale	-	-	-	-
Impairment losses recognised / (Reversed) in Statement of Profit and Loss	-	-	-	-
Reversals of impairment losses recognised in profit or loss	-	-	-	-
Others [describe]	-	-	-	-
Balance as at 31 March, 2019	16,295,226	-	-	16,295,226

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7 Investments in subsidiaries & associates

7.1 Break-up of investments in subsidiaries & associates

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts*	QTY	Amounts*
Quoted Investments (all fully paid)				
Investments in Equity Instruments	-	-	-	-
Total Aggregate Quoted Investments (A)	-	-	-	-
Unquoted Investments (all fully paid)				
Apollo CVHF Limited	10,000,000	251,246,800	8,790,037	201,000,000
Apollo-Amrish Oncology Services Pvt Ltd	1,855,000	33,350,000	1,855,000	33,350,000
Total Aggregate Unquoted Investments (B)	11,855,000	284,596,800	10,645,037	234,350,000
Total Investments Carrying Value (A) + (B)	11,855,000	284,596,800	10,645,037	234,350,000
Aggregate book value of quoted investments		-		-
Aggregate market value of quoted investments		-		-
Aggregate carrying value of unquoted investments		-		-
Aggregate amount of impairment in value of investments in associates		-		-

7.2 Details of material associates

Details of each of the Company's material associates at the end of the reporting period are as follows:

Name of associate	Principal Activity	Place of Incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31-Mar-19	As at 31-Mar-18
Apollo-Amrish Oncology Services Pvt Ltd	Healthcare	Ahmedabad	50.0%	50.0%
Apollo CVHF Limited	Healthcare	Ahmedabad	66.7%	50.5%

All of the above associates are accounted for using the equity method in these Standalone financial statements.

7.3 Summarised financial information of material associates and Subsidiary

Summarised financial information in respect of each of the Company's material associates is set out below.

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind ASs adjusted by the Company for equity accounting purposes.

	As at 31-Mar-19	As at 31-Mar-18
Apollo-Amrish Oncology Services Pvt Ltd		
Non-current assets	88,753,632	104,107,498
Current assets	149,336,397	141,847,030
Non-current liabilities	88,984,219	97,013,577
Current liabilities	309,110,013	321,599,649
Revenue	419,623,991	394,315,912
Profit or loss from continuing operations	12,859,333	(23,178,415)
Post-tax profit (loss) from discontinued operations	-	-
Profit (loss) for the year	12,859,333	(23,178,415)
Other comprehensive income for the year	(204,840)	(61,514)
Total comprehensive income for the year	12,654,493	(23,239,929)
Dividends received from the associate during the year	-	-
Apollo CVHF Limited		
Non-current assets	375,859,380	113,955,690
Current assets	20,266,396	115,367,957
Non-current liabilities	175,367,458	15,359,423
Current liabilities	46,779,466	12,497,761
Revenue	22,419,138	4,819,353
Profit or loss from continuing operations	(77,734,411)	(42,768,817)
Post-tax profit (loss) from discontinued operations	-	-
Profit (loss) for the year	(77,734,411)	(42,768,817)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(77,734,411)	(42,768,817)
Dividends received from the associate during the year	-	-



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8 Trade receivables

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Trade receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	480,959,090	-	442,669,708
Unsecured, considered doubtful	-	-	-	-
Secured, considered doubtful	-	-	-	-
Allowance for doubtful debts (expected credit loss allowance)	-	(30,012,943)	-	(17,118,165)
Allowance for disallowances (expected credit loss allowance)	-	(14,284,822)	-	(13,203,254)
	-	436,661,325	-	412,348,288

- i. Confirmations of balances from Debtors, Creditors are yet to be received in a few cases though the Company has sent letters of confirmation to them. The balances adopted are as appearing in the books of accounts of the Company.
- ii. Sundry Debtors represent the debt outstanding on sale of pharmaceutical products, hospital services and project consultancy fees and is considered good. The Company holds no other securities other than the personal security of the debtors.
- iii. Advances and deposits represent the advances recoverable in cash or in kind or for value to be realised. The amounts of these advances and deposits are considered good for which the Company holds no security other than the personal security of the debtors.

8.1 Trade receivables

Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The entity's exposure to credit risk in relation to trade receivables is low.

The average credit period on sales of services is 30-60 days from the date of the invoice.

The Company has used a practical expedient by computing the expected credit loss allowance for receivables excluding Group Company and Tanzania. A direct confirmation is obtained from Tanzania Government confirming the Receivable amount outstanding. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

No single customer represents 10% or more of the company's total revenue during the year ended March 31, 2019 and March 31, 2018. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Ageing

	Expected Credit loss (%)	
	As at March 31, 2019	As at 31st March, 2018
Within the credit period		
Less than 6 months past due	0.00%	0.00%
6 months to 12 months past due	12.50%	12.50%
1 to 2 years past due	30.00%	30.00%
2 to 3 years years past due	50.00%	50.00%
>3 years past due	100.00%	100.00%

Movement in the expected credit loss allowance

	Year ended 31-Mar-19	Year ended 31-Mar-18
Balance at beginning of the year	(30,321,419)	(19,759,483)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(13,976,346)	(10,561,936)
Balance at end of the year	(44,297,765)	(30,321,419)

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

9 Other Financial Assets

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Security deposits	14,787,930	-	14,359,286	-
Operating lease receivable	-	3,595,729	-	2,484,381
Prepaid Rent	50,071,780	-	50,351,511	-
	64,859,710	3,595,729	64,710,797	2,484,381

10 Inventories

	As at 31-Mar-19	As at 31-Mar-18
	a) Inventories (lower of cost and net realisable value)	
Medicines	6,437,265	11,209,362
Lab materials & Other Consumables	26,271,033	64,648,104
	32,708,299	75,857,466



11.1 Cash and cash equivalents

For the purposes of the Standalone statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the Standalone statement of cash flows can be reconciled to the related items in the Standalone balance sheet as follows:

	As at 31-Mar-19	As at 31-Mar-18
Cheques, drafts on hand & escrow a/c.	46,476,627	24,453,158
Cash on hand	3,201,551	2,603,534
Current Account	22,221,798	24,570,810
Foreign Currency in hand	-	143,834
Cash and cash equivalents as per balance sheet	71,899,975	51,771,137
Cash and bank balances included in a disposal Company held for sale	-	-
Cash and cash equivalents as per Standalone statement of cash flows	71,899,975	51,771,137

11.2 Bank balances other than (note no. 11.1) above

	As at 31-Mar-19	As at 31-Mar-18
Balances with Banks		
Earmarked balances with banks (unpaid dividend)	-	-
Earmarked balances with banks (Others)	-	-
Balances with banks to the extent held as margin money	9,548,476	12,534,246
Other bank balances	-	-
	9,548,476	12,534,246

12 Other Assets

Prepaid Expenses
Other Advances & Current Assets

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Prepaid Expenses	-	10,352,500	-	11,688,757
Other Advances & Current Assets	-	130,268,081	-	109,805,777
	-	140,620,581	-	121,494,534

13 Current Tax Assets (Net)

TDS Receivable
Advance Tax
Less : Provision for Tax
TOTAL

	31-Mar-19	31-Mar-18
TDS Receivable	234,256,487	149,850,497
Advance Tax	-	-
Less : Provision for Tax	(69,963,264)	(27,818,400)
TOTAL	164,293,223	122,032,097

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14 Equity Share Capital

	As at 31 March 2019	As at 31 March 2018
Equity share capital	-	-
Authorised Share capital :		
10,87,50,000 Equity Shares of Rs. 10/- each	1,087,500,000	1,087,500,000
10,87,50,000 Equity Shares of Rs. 10/- each (Previous Year as at 31st March, 2018)		
11,04,000 Preference Shares of Rs.10/- each	11,040,000	11,040,000
11,04,000 Preference Shares of Rs.10/- each (Previous Year as at 31st March, 2018)		
Issued and subscribed capital comprises:		
10,06,03,068 Equity shares of Rs.10/- each fully paid up	1,006,030,680	1,006,030,680
10,06,03,068 Equity shares of Rs.10/- each fully paid up		
	<u>1,006,030,680</u>	<u>1,006,030,680</u>

14.1 Fully paid equity shares

	Number of shares	Share capital (Amount)
Balance at March 31, 2017	85,603,068	856,030,680
Shares Issued during the year	15,000,000	150,000,000
Balance at March 31, 2018	<u>100,603,068</u>	<u>1,006,030,680</u>
Shares Issued during the period	-	-
Balance at March 31, 2019	<u>100,603,068</u>	<u>1,006,030,680</u>

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.
The fair value of shares issued for consulting services was determined by reference to the market rate for similar consulting services.

The shares bought back in the current year were cancelled immediately.

14.2 Details of shares held by the holding company, its subsidiaries and associates

Particulars	Number of shares	Share capital
As at March 31, 2018		
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	303,402,660
Subsidiaries of the holding company		
Associates of the holding company		
As at March 31, 2019		
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	303,402,660
Subsidiaries of the holding company		
Associates of the holding company		

14.3 Details of shares held by each shareholder holding more than 5% 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
Fully paid equity shares				
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	30%	30,340,266	30%
Apollo Home Healthcare India Ltd & its nominees	19,961,265	20%	19,961,265	20%
IRM Trust & its nominees	50,301,531	50%	50,301,531	50%

15 Other equity

	Note	As at 31-Mar-19	As at 31-Mar-18
Securities premium reserve	15.1	444,033,295	444,033,295
Retained earnings	15.2	(289,369,692)	(411,227,965)
Other Comprehensive Income	15.3	5,211,369	4,580,368
Ind AS Transition Reserve		18,411,817	18,411,817
		<u>178,286,809</u>	<u>55,797,515</u>



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Apollo Hospitals International Limited
Notes to the Standalone financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

	As at 31-Mar-19	As at 31-Mar-18
15.1 Securities premium reserve		
Balance at beginning of year (Securities premium reserve)	444,033,295	444,033,295
Balance at end of year	444,033,295	444,033,295
15.2 Retained earnings		
Balance at beginning of year	(411,227,965)	(495,389,919)
Profit attributable to owners of the Company	121,858,273	84,161,954
Balance at end of year	(289,369,692)	(411,227,965)
15.3 Other Comprehensive Income		
Balance at beginning of year	4,580,368	(1,663,130)
Movement in OCI(Net) during the year	631,021	6,243,498
Balance at end of year	5,211,389	4,580,368

16 Borrowings

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unsecured - at amortised cost				
Cummulative Redeemable Preference Shares	136,800,745	-	130,272,000	-
Secured - at amortised cost				
(i) Term loans				
from banks (Refer note (vi) below)	308,937,911	-	430,878,368	-
(ii) Loans repayable on demand	-	71,135,465	-	70,128,185
Total	445,738,656	71,135,465	561,150,368	70,128,185

16.1 Summary of borrowing arrangements

(i) Redeemable Preference shares were amended in 2016-2017 for a cumulative non -discretionary dividend of 9% per annum. These redeemable preference shares do not contain any equity component.

(ii) The terms of repayment of term loans and other loans are stated below.

As at March 31, 2019

Particulars	Principal Outstanding as at 31st March, 2019	Principal Outstanding as at 31st March, 2018	Terms of repayment	Rate of Interest Mar 19	Rate of Interest 31 Mar 18
	Yes Bank	185,334,240		235,821,007	As per the fixed repayment over 2 Years
Yes Bank	100,177,895	100,177,895	As per the fixed repayment over 6 Years	9.95%	9.35%
HDFC Bank	144,000,000	216,000,000	As per the fixed repayment over 2 Years	10.20%	9.75%

(i) The Company has availed Two Rupee Term Loans of Rs. 310 million and INR 100.10 Mio from YES Bank Limited, which are repayable in thirty six quarterly instalments, commencing from 26th Mar-13 and 24th Jul-17 respectively. The loans are secured by first pari passu charge on all present and future movable and immovable fixed assets of the company along with minimum cover of 1.75 times the value of the outstanding considering movable & immovable assets (subject to 1.5 times cover considering immovable assets). The company repaid Rs. 50.49 million during the current financial year 18-19.

(ii) The Company has Rupee Term Loans of Rs 409.50 million from HDFC Bank Limited, which are repayable in 28 quarterly instalments, commencing from 2nd Mar 2015. The loans are secured by first pari passu charge on all present and future movable and immovable fixed assets of the company along with minimum cover of 1.75 times the value of the outstanding considering movable & immovable assets. The company repaid Rs. 72.00 million during the current financial year 18-19.



Apollo Hospitals International Limited
Notes to the Standalone financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

17 Other financial liabilities

Non-current

- a) Interest accrued
b) Current maturities of long-term debts
c) Security Deposits
Total

As at March 31, 2019		As at March 31, 2018	
Non Current	Current	Non Current	Current
-	3,660,247	-	4,450,700
-	119,370,000	-	119,801,026
1,819,586	-	1,794,586	-
1,819,586	123,030,247	1,794,586	124,251,725

18 Provisions

- Employee benefits
Total

As at March, 2019		As at March 31, 2018	
Non Current	Current	Non Current	Current
18,317,987	10,902,372	18,066,053	12,253,505
18,317,987	10,902,372	18,066,053	12,253,505

19 Deferred tax balances

- Deferred Tax Assets
Deferred Tax Liabilities
MAT Credit Entitlement
Total

As at	As at
31-Mar-19	31-Mar-18
124,889,743	213,868,468
(110,021,523)	(136,747,772)
88,140,156	45,995,292
103,008,376	123,115,988

For the period ended on 31st March, 2019

Particulars / Details of Deferred tax balances	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Property Plant and Equipment	(136,747,771)	26,726,248	-	-	(110,021,523)
Financial assets at Amortized Cost	1,336,303	(572,937)	-	-	763,366
Others Assets	13,155,912	(11,817,997)	-	-	1,337,914
Retirement Benefit Plans	(4,063,700)	10,781,594	259,246	-	8,977,140
Business Loss carried forward under Income Tax	201,817,042	(99,172,377)	-	-	102,444,665
Provision for doubtful debts	6,812,415	6,203,574	-	-	13,015,989
Financial liabilities at Amortized Cost	(4,989,504)	5,340,175	-	-	350,671
Total - A	77,120,696	(62,511,721)	259,246	-	14,868,221
Minimum Alternate Tax Credit (B)	45,995,292	42,144,864	-	-	88,140,156
Total (C)= (A+B)	123,115,988	(20,366,857)	259,246	-	103,008,377

2017-18

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Property Plant and Equipment	(140,322,303)	3,574,531	-	-	(136,747,771)
Financial assets at Amortized Cost	1,332,328	3,975	-	-	1,336,303
Others Assets	14,987,539	(1,831,627)	-	-	13,155,912
Retirement Benefit Plans	(847,353)	-	(3,216,347)	-	(4,063,700)
Business Loss carried forward under Income Tax	248,701,311	(47,084,269)	-	-	201,617,042
Provision for doubtful debts	3,158,192	3,654,223	-	-	6,812,415
Financial liabilities at Amortized Cost	(3,855,069)	(1,134,435)	-	-	(4,989,504)
Total - A	123,154,646	(42,817,602)	(3,216,347)	-	77,120,696
Minimum Alternate Tax Credit (B)	18,176,892	27,818,400	-	-	45,995,292
Total (C)= (A+B)	141,331,537	(14,999,202)	(3,216,347)	-	123,115,988



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22 Revenue from Operations

The following is an analysis of the Company's revenue for the year from continuing operations (excluding other income-see note 23)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Revenue from rendering of healthcare services	1,697,555,192	1,607,817,542
(b) Revenue from sales at pharmacies	140,201,388	137,616,888
(c) Fees and Collections	22,173,510	19,267,734
(d) Other operating revenues	28,995,641	37,008,278
	1,888,925,731	1,801,710,442

23 Other Income**a) Interest income**

	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Bank Deposits & Others	10,202,378	4,379,584
	10,202,378	4,379,584

b) Dividend Income**Dividends from equity investments**

All dividends from equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each reporting period.

c) Other non-operating income (net of expenses directly attributable to such income)

Finance lease contingent rental income

Others (aggregate of immaterial items)

-	-
383,156	1,198,529
383,156	1,198,529

d) Other gains and losses

Net foreign exchange gains/ (losses)

6,103,255	360,556
6,103,255	360,556

(a+b+c+d)

16,688,790	5,938,669
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24 Cost of materials Consumed

	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock	64,648,104	10,763,611
Add: Purchases	569,578,014	586,435,651
	634,226,118	597,199,262
Less: Closing stock	(26,271,033)	(64,648,104)
Cost of materials consumed	607,955,085	532,551,158

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25 Changes in inventories of finished goods, work-in-progress and stock-in-trade - Pharmacy

	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of the year:		
Stock-in-trade (end of the year)	6,437,266	11,209,362
	6,437,266	11,209,362
Inventories at the beginning of the year:		
Stock-in-trade (beginning of the year)	11,209,362	40,831,442
	11,209,362	40,831,442
Net (Increase) / decrease	4,772,096	29,622,080

26 Employee benefits expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	271,432,234	266,651,253
Contribution to provident and other funds	14,191,926	13,442,666
Bonus	7,102,200	7,201,307
Staff welfare expenses	20,541,020	22,219,100
	313,267,380	309,514,326

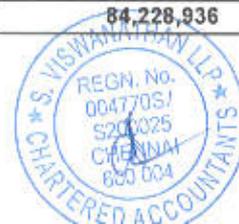
27 Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Continuing operations		
(a) Interest costs :-		
Interest on bank overdrafts and loans (other than those from related parties)	55,366,956	58,695,949
Interest on obligations under finance leases	-	-
Interest on convertible notes	-	-
Interest on interest-free government loans	-	-
Other interest expense	8,180,672	6,498,985
Total interest expense for financial liabilities not classified as at FVTPL	63,547,628	65,194,934
Less: amounts included in the cost of qualifying assets	-	-
	63,547,628	65,194,934
(b) Amortized interest cost on redeemable preference shares	7,072,924	10,051,604
(c) Exchange differences regarded as an adjustment to borrowing costs	-	-
(d) Other borrowing costs :-		
Unwinding of discount on costs to sell non-current assets classified as held for sale	-	-
	70,620,552	75,246,538

28 Depreciation and amortisation expense

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment pertaining to continuing operations	82,826,511	87,588,814
Depreciation of investment property		-
Amortisation of intangible assets	1,402,425	411,919
Total depreciation and amortisation pertaining to continuing operations	84,228,936	88,000,733
Depreciation of property, plant and equipment pertaining to discontinued operations	-	-
Total depreciation and amortisation expense	84,228,936	88,000,733

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29 Other expenses		
Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Power and fuel	44,486,742	41,212,943
Water Charges	2,958,934	2,827,955
Rent	4,524,131	4,711,169
<u>Repairs & Maintenance Expenses</u>		
<i>Repairs to Buildings, Machinery & Others</i>	17,500,350	19,375,880
<i>Repairs to Medical Equipments</i>	2,012,951	5,197,069
<i>Repairs to Vehicles</i>	743,106	1,105,654
<i>Annual maintainance Charges</i>	18,321,430	14,205,756
Insurance	2,462,340	2,082,282
Retainer fees to Doctors	210,548,904	186,771,332
<u>Outsource Charges</u>		
<i>House Keeping Expenses</i>	41,095,257	48,985,345
<i>Food & Beverages Expenses</i>	36,965,167	36,102,363
<i>Bio Medical Maintenance</i>	9,894,610	10,142,145
<i>Security Charges</i>	13,341,973	13,921,362
<i>Outsourcing Expenses - IT</i>	878,823	-
<i>Outsourcing Expenses</i>	7,991,673	4,877,090
Rates and Taxes, excluding taxes on income	5,581,985	4,904,716
Other operating & administrative Expenses	4,704,033	27,709,332
Communication & Telephone Expenses	2,777,288	3,118,276
Director Sitting Fees	560,500	237,840
Advertisement, Publicity & Marketing	72,273,473	70,480,643
Travelling & Conveyance	17,040,450	14,132,776
Legal & Professional Fees	9,648,927	8,276,473
Continuing Medical Education & Hospitality Expenses	3,126,880	2,495,107
Seminar Expenses	4,025,752	2,337,565
Books & Periodicals	520,746	343,355
Provision for Bad Debts	13,294,778	6,651,136
Bad Debts Written off	670,607	3,075,078
Loss on Sale of Asset	113,206	-
Miscellaneous expenses	1,483,538	3,994,046
	549,548,554	539,274,688
29.1 Payments to auditors		
a) For audit	826,000	590,000
b) For taxation matters & other services	147,500	155,000
c) For reimbursement of expenses	59,494	152,296
	1,032,994	897,296
29.2 Expenditure incurred for corporate social responsibility	3,072,216	3,112,377
29.3 Income taxes relating to continuing operations		
	Year ended March 31, 2019	Year ended March 31, 2018
Current tax		
In respect of the current year (Current tax)	42,144,864	27,818,400
In respect of prior years	-	-
Others	-	-
	42,144,864	27,818,400
Less : MAT Entitlement credit	(42,144,864)	(27,818,400)
Net Current tax	-	-



Apollo Hospitals International Limited

Notes to the Standalone financial statements for the period ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

Deferred tax		
In respect of the current year (Deferred tax)	61,993,230	42,817,602
In respect of prior years	-	-
	61,993,230	42,817,602
Total income tax expense(Before MAT Entitlement Credit) recognised in the current year relating to continuing operations	104,138,094	70,636,002

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax from continuing operations	183,851,502	126,979,555
Income tax expense calculated at 29.12% (2017-2018: 34.61%)	53,537,558	43,947,624
Effect of Difference between Tax rate and MAT Rate	(13,917,559)	(17,332,709)
Effect of Expenses/Income Permanently not deductible or claimable for Income tax	3,394,910	5,471,965
Effect of previously unrecognised and unused tax losses and deductible temporary differences on deferred tax assets unconsidered earlier.	61,123,185	38,549,122
	104,138,094	70,636,002
Income tax expense recognised in profit or loss (relating to continuing operations) - before MAT Entitlement credits	104,138,094	70,636,002

The tax rate used for the year ended F.Y. 2018-19 is 29.12% and for F.Y. 2017-2018 is 34.61%. Reconciliations above is the corporate tax rate of 29.12% (FY 2018-19) and (for FY 2017-18 34.61%) payable by corporate entities in India on taxable profits under the Indian tax law.

As, Finance Act, 2019, the tax rate for companies having turnover in FY 2016-17 less than 250 crores, the tax rate would be 25% plus surcharge and cess. accordingly in FY 2018-19, rate applied is 29.12%

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Apollo Hospitals International Limited

Notes to the Standalone financial statements for the period ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

30 Segment information

30.1 Products and services from which reportable segments derive their revenues

The Directors of the company are directly involved in the operations of the Company, including the subsidiaries. Accordingly, the Board of Directors has been identified as the Chief Operating Decision Maker (CODM).

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the model of healthcare services delivered. The directors of the Company have chosen to organise the Company around differences in products and services. Accordingly, hospitals, pharmacies, and Nursing Institute have been identified as the reporting segments.

The Company operates in mainly in India, and the drugs sold in the pharmacies, are regulated under the Drug Control Act, which applies uniformly all over India. The accounting policies adopted for segment reporting are in line with the accounting policies adopted in Standalone 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 allocable to segments on a reasonable basis, have been included under "unallocable expenses".

b. Inter segment revenue and expenses are eliminated.

The Company has disclosed this Segment Reporting in Standalone Financial Statements as per Ind AS 108

30.2 Segment revenues and results

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

	Segment Revenue		Segment Profit	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Health care	1,719,579,391	1,637,755,257	214,498,578	179,059,209
Pharmacy	140,201,388	137,616,888	41,068,456	43,624,554
Nursing Institute	22,368,510	19,342,734	1,513,908	146,145
Total	1,882,149,289	1,794,714,879	257,080,941	222,829,907
Less: Inter Segment Revenue	(589,500)	(589,500)	(589,500)	(589,500)
Total for continuing operations	1,881,559,789	1,794,125,379	256,491,441	222,240,407
Other income			24,054,732	13,523,732
Central administration costs and directors' salaries			(26,074,118)	(33,538,045)
Finance costs			(70,620,552)	(75,246,538)
Profit before tax (continuing operations)			183,851,503	126,979,556

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, share of profit of joint ventures, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

30.3 Segment assets and liabilities

	As at 31 March 2019	As at 31 March 2018
Segment Assets		
Health care	1,676,198,484	1,738,801,091
Pharmacy	6,260,521	14,449,905
Nursing Institute	8,322,675	8,055,870
Total Segment Assets	1,690,781,680	1,761,306,866
Assets relating to and operations (now discontinued)	-	-
Unallocated	448,890,023	356,382,097
Standalone total assets	2,139,671,702	2,117,688,962
Segment liabilities		
Health care	940,771,017	1,033,354,990
Pharmacy	6,260,521	14,449,905
Nursing Institute	8,322,675	8,055,870
Total Segment liabilities	955,354,212	1,055,860,765
Liab relating to and operations (now discontinued)	-	-
Unallocated	-	-
Standalone total liabilities	955,354,212	1,055,860,765

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than investments in associates, investments in joint ventures, other investments, loans, other financial assets and current and deferred tax assets, which assets are reported under "Healthcare".
- all liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities which liabilities are reported under "Healthcare".



Apollo Hospitals International Limited

Notes to the Standalone financial statements for the period ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

30.4 Other segment information

	Depreciation		Addition to Non Current Assets	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Health care	83,485,539	87,242,958	15,370,093	143,910,796
Pharmacy	81,370	81,370	-	183,001
Nursing Institute	662,027	676,405	47,415	1,875,123
	84,228,936	88,000,733	15,417,508	145,968,920

In addition to the depreciation and amortisation reported above, impairment losses of Rs.Nil were recognised in respect of property, plant and equipment and goodwill, respectively. These impairment losses were attributable to the following reportable segments.

Impairment losses recognised for the year in respect of property, plant and equipment

Health care	Nil
Pharmacy	Nil
Nursing Institute	Nil
	Nil

30.5 Revenue from major products and services

	31-Mar-19	31-Mar-18
The following is an analysis of the Company's revenue from continuing operations from its major products and ser		
Health care	1,719,579,391	1,637,755,257
Pharmacy	140,201,388	137,616,888
Nursing Institute	22,368,510	19,342,734
Less: Inter Segment Revenue	(589,500)	(589,500)
	1,881,559,789	1,794,125,379
Other Income	24,054,732	13,523,732
	1,905,614,521	1,807,649,111

30.6 Information about major customers

No single customers contributed 10% or more to the Company's revenue for both 2018-2019 and 2017-2018.

31 Earnings per Share

	31-Mar-19	31-Mar-18
Basic earnings per share		
From continuing operations	1.21	0.90
From discontinued operations	-	-
Total basic earnings per share	1.21	0.90
Diluted earnings per share		
From continuing operations	1.21	0.90
From discontinued operations	-	-
Total diluted earnings per share	1.21	0.90

31.1 Basic earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit for the year attributable to owners of the Company	121,858,273	84,161,954
Dividends paid on convertible non-participating preference Shares	-	-
Earnings used in the calculation of basic earnings per share	121,858,273	84,161,954
Profit for the year from discontinued operations attributable to owners of the Company	-	-
Others [describe]	-	-
Earnings used in the calculation of basic earnings per share from continuing operations	121,858,273	84,161,954
Weighted average number of equity shares for the purposes of basic earnings per share	100,603,068	93,103,068

31.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	121,858,273	84,161,954
Interest on convertible notes (after tax at 30%)	-	-
Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attri	121,858,273	84,161,954
Others [describe]	-	-
Earnings used in the calculation of diluted earnings pershare from continuing operations	121,858,273	84,161,954

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share

Shares deemed to be issued for no consideration in respect of:

- employee options
- partly paid equity shares
- convertible notes
- others [describe]

Weighted average number of equity shares used in the calculation of diluted earnings per share

100,603,068

93,103,068



32 Employee benefit plans

32.1 Defined contribution plans

The employees of the Company's are members of a state-managed retirement benefit plan operated by the government. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contributions.

The total expense of Rs.90,81,236/- (out of which Rs.62,54,592/- towards pension fund and Rs.28,26,644/- towards PF, has been recognised for the year in profit or loss (for the year ended March 31, 2018: Rs.1,27,35,456/- out of which Rs.88,41,227/- towards Pension fund contribution and Rs.38,94,229/- for PF)

represents contributions paid / payable to these plans by the Company at rates specified in the rules of the plans.

32.2 Defined benefit plans

The company contributes all ascertained liabilities with respect to gratuity to a fund under a Group Gratuity Scheme of LIC of India whose Plan Assets are managed by LIC of India. The company provides for gratuity, a defined benefit retiring plan covering eligible employees. The Gratuity Plan provides a lumpsum payment to the vested employees at retirement / death / incapacitation / termination of employment based on the respective employees salary and tenure of employment with the company

These plans typically expose the Company to actuarial risks such as shown below:

Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long-term nature of the plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the Fund.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2019

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at	
	31-Mar-19	31-Mar-18
Discount rate(s)	7.79%	7.85%
Expected rate(s) of salary increase	7.00%	7.00%
Attrition Rate	4.00%	3.00%
Retirement Age	58	58
Pre-retirement mortality		
Average longevity at retirement age for current beneficiaries of the plan (years)*		
Males	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Females	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)*		
Males	NA	NA
Females	NA	NA

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others (please describe)



Amounts recognised in Standalone statement of profit and loss in respect of These defined benefit plans are as follows.

	31-Mar-19	31-Mar-18
Service cost: •		
Current service cost	4,609,530	6,005,840
Past service cost and (gain)/loss from settlements	-	-
Net interest expense	(4,989)	668,130
Components of defined benefit costs recognised in profit or loss	4,604,541	6,673,970

Expenses recognised in Other Comprehensive Income

Return on plan assets (excluding amounts included in net interest expense)	401,156.00	286,924.00
Actuarial (gains) / losses arising from changes in demographic assumptions	217,699.00	(535,744.00)
Actuarial (gains) / losses arising from changes in financial assumptions	191,780	(7,040,993)
Actuarial (gains) / losses arising from experience adjustments	(1,700,902)	(2,170,032)
Others [describe]	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	(890,267)	(9,459,845)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Standalone statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Standalone balance sheet arising from the entity's obligation in respect of its defined benefit plans is as

	31-Mar-19	31-Mar-18
Present value of funded defined benefit obligation	(30,124,892)	(28,825,971)
Fair value of plan assets	32,586,905	28,889,523
Funded status	2,462,013	63,552
Restrictions on asset recognised	-	-
Others [describe]	-	-
Net liability arising from defined benefit obligation	2,462,013	63,552

Change in Defined Benefit Obligation

	31-Mar-19	31-Mar-18
Opening defined benefit obligation	28,825,971	32,143,533
Current service cost	4,609,530	6,005,840
Interest cost	2,262,839	2,462,195
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	217,699	(535,744)
Actuarial gains and losses arising from changes in financial assumptions	191,780	(7,040,993)
Actuarial gains and losses arising from experience adjustments	(1,700,902)	(2,170,032)
Others [describe]	-	-
Past service cost, including losses/(gains) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(4,282,025)	(2,038,828)
Others [describe]	-	-
Closing defined benefit obligation	30,124,892	28,825,971

Changes in Fair value of Plan Assets

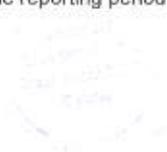
	Year ended 31-Mar-19	Year ended 31-Mar-18
Opening fair value of plan assets	28,889,523	23,421,210
Interest income	2,267,828	1,794,065
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(401,156)	(286,924)
Others [describe]	-	-
Contributions from the employer	6,112,735	6,000,000
Contributions from plan participants	-	-
Assets distributed on settlements	-	-
Assets acquired in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(4,282,025)	(2,038,828)
Other [describe]	-	-
Closing fair value of plan assets	32,586,905	28,889,523



The fair value of the plan assets for the India and overseas plan at the end of the reporting period for each category, are as follows

	31-Mar-19	31-Mar-18
- Insurance Fund	32,586,905	28,889,523
Total	32,586,905	28,889,523

[Handwritten signature]



Maturity Analysis of Projected Benefit Obligation: From the Fund

Projected benefits payable in future years from the date of reporting	31-Mar-19	31-Mar-18
1st Following Year	1,277,067	985,369
2nd Following Year	1,350,658	983,666
3rd Following Year	1,764,400	1,145,358
4th Following Year	2,474,244	1,503,016
5th Following Year	1,791,501	2,082,867
Sum of 6 to 10 Years	11,141,442	9,130,374
Sum of Years 11 and above	66,969,021	83,284,833

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption		Decrease in assumption	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discount rate	100 basis points	100 basis points	-2,960,166	-3,280,109	3,501,870	3,947,908
Salary growth rate	100 basis points	100 basis points	3,459,824	3,919,079	-3,006,129	-3,332,251
Employee Turnover	100 basis points	100 basis points	167,028	218,743	-199,305	-264,825

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study. Main strategic choices that are formulated in the actuarial and technical policy document of the Fund are:

- Asset mix based on 25% equity instruments, 50% debt instruments and 25% investment properties;
- Interest rate sensitivity caused by the duration of the defined benefit obligation should be reduced by 30% by the use of debt instruments in combination
- Maintaining an equity buffer that gives a 97.5% assurance that assets are sufficient within the next 12 months.

There has been no change in the process used by the Company to manage its risks from prior periods.

The Company has employee benefit schemes by way of Privilege & Sick Leave encashment which are unfunded. These are actuarially valued every year and the liability thereof for Sick leave is INR 61,82,749/- and that for Privilege Leave is INR 1,36,75,894/-. The assumptions are the same as considered in Group Gratuity benefit (disclosed above).

33 Financial instruments**33.1 Capital management**

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in borrowing notes) offset by cash and bank balances and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's risk management committee reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company is initiating efforts to reduce the gearing ratio.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

	As at 31 March 2019	As at 31 March 2018
Debt (i)	516,874,121	631,278,553
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	(71,899,975)	(51,771,137)
Net Debt	444,974,146	579,507,416
Total Equity	1,184,317,489	1,061,828,195
Net debt to equity ratio	0.38	0.55

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in notes.



33.2 Categories of financial instruments

	As at 31 March 2019	As at 31 March 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments	-	-
(ii) Derivative instruments other than designated hedge accounting relationships	-	-
(b) Designated as at FVTPL Measured at amortised cost	-	-
(i) Mutual Fund investments		
Measured at amortised cost		
(a) Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	71,899,975	51,771,137
(b) Other financial assets at amortised cost (including trade receivables in a disposal Company held for sale)	440,257,054	414,832,669
Measured at FVTOCI		
(a) Debt instruments	-	-
(b) Investments in equity instruments designated upon initial cognition	-	-
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
(a) Held for trading	-	-
(b) Designated as at FVTPL upon initial recognition	-	-
(c) Derivative instruments other than in designated hedge accounting relationships	-	-
Measured at amortised cost (including trade payables balance in a disposal Company held for sale)		
Borrowings	516,874,121	631,278,553
Trade Payables and others	190,236,897	191,853,051
Financial assets designated as at FVTPL		
Carrying amount of financial assets designated as at FVTPL	-	-
Cumulative changes in fair value attributable to changes in credit risk	-	-
Changes in fair value attributable to changes in credit risk recognised during the year	-	-

33.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporate Treasury function reports quarterly to the Company's senior management and board of directors, that monitors risks and policies implemented to mitigate risk exposures.

33.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The company's finance team manages these risk by effective financial management.

33.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Trade Receivables (In USD)
 Trade Receivables (In INR)

Assets as at	
31/03/2019	31/03/2018
1,922,400	1,524,232
133,491,422	99,181,755



Foreign currency sensitivity analysis

The Company is mainly exposed to currency dollars.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rs. 7,07,03,618/- against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	2018-19		2017-18	
	+ 10%	- 10%	+ 10%	- 10%
Impact on Profit or Loss for the year	13,349,142	(13,349,142)	9,918,176	(9,918,176)
Impact on Equity for the year	13,349,142	(13,349,142)	9,918,176	(9,918,176)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

33.6 Interest rate risk management

The Company is exposed to interest rate risk because entities in the 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, and by the use of interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments 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:

- * profit for the year ended March 31, 2019 would decrease/ increase by INR 2.76 Million (for the year ended March 31, 2018: increase by INR 3.96 Million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings; and
- * other comprehensive income for the year ended March 31, 2019 would not have been impacted (for the year ended March 31, 2018: would not have been impacted)

33.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is considered low. Before accepting any new credit customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed annually. The outstanding with the debtors is reviewed periodically.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

34 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. 34below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.

34.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Weighted average effective interest rate(%)	3 months to 1 year	1 Year to 5 years	> 5 years
March 31, 2019				
Non-interest bearing		-	-	-
Variable interest rate instruments	9.50%	104,024,436	294,227,013	52,991,666
Fixed interest rate instruments	10.90%	-	-	-
		104,024,436	294,227,013	52,991,666



Apollo Hospitals International Limited

Notes to the Standalone financial statements for the period ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

March 31, 2018

Non-interest bearing		-	-	-
Variable interest rate instruments *	9.50%*	85,074,940	393,359,377	92,590,624
Fixed interest rate instruments *	10.90%	279,250	-	-
		<u>85,354,190</u>	<u>393,359,377</u>	<u>92,590,624</u>

* These are not cumulative

** Existing Average interest rate

The carrying amounts of the above are as follows:

	As at 31-Mar-19	As at 31-Mar-18
Non-interest bearing		
Variable interest rate instruments	414,096,271	550,121,114
Fixed interest rate instruments	-	428,895
	<u>414,096,271</u>	<u>550,550,009</u>

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

34.2 Financing facilities

Particulars	As at 31-Mar-19	As at 31-Mar-18
Secured bank overdraft facility:		
- amount used	71,135,465	70,128,185
- amount unused	108,864,535	109,871,815
	<u>180,000,000</u>	<u>180,000,000</u>



Apollo Hospitals International Limited
Notes to the Standalone financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

34.3 Fair value of financial assets and financial liabilities that are not

The company considers that the carrying amounts of financial assets and financial liabilities recognised in the Standalone financial statements approximate their fair values.

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Financial assets at amortised cost:				
- loans to related parties	-	-	-	-
- trade receivables	436,661,325	436,661,325	412,348,288	412,348,288
- Cash and Cash Equivalents	71,899,975	71,899,975	51,771,137	51,771,137
- Other Financial Assets	68,455,439	68,455,439	67,195,178	67,195,178
Financial liabilities				
Financial liabilities held at amortised cost:				
- convertible notes (including interest accrued)	-	-	-	-
- perpetual notes	-	-	-	-
- bank loans	380,073,376	380,073,376	501,006,553	501,006,553
- Cumulative Redeemable Preference Shares	136,800,745	136,800,745	130,272,000	130,272,000
- loans from related parties	-	-	-	-
- Other Financial Liabilities	123,030,247	123,030,247	126,046,311	126,046,311
- trade payables	67,206,650	67,206,650	67,601,325	67,601,325

35 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

35.1 List of Related Parties

	Relationship
Apollo Hospitals Enterprise Limited	Holding Company
Cadila Pharmaceuticals Ltd	Entities having significant influence
Green Channel Travels Services Private Limited	Entities having significant influence
IRM Enterprises Private Limited	Entities having significant influence
Stemcyte India Therapeutics Private Limited	Entities having significant influence
Apollo Sindoori Hotels Limited	Entities having significant influence
Faber Sindoori Management Services Private Limited	Entities having significant influence
Indraprastha Medical Corporation Limited	Entities having significant influence
Apollo Health and Lifestyle Limited	Entities having significant influence
MedSmart Logistics Private Limited	Entities having significant influence
Dhruvi Pharma Private Limited	Entities having significant influence
Apollo Munich Health Insurance Co. Ltd.	Entities having significant influence
Apollo Amrith Oncology Services Pvt Ltd	Joint Venture
Apollo CVHF Limited	Subsidiary

35.2 Trading transactions

Particulars during the year, Company entities entered into the following trading transactions with related parties that are not members of the Company:

Particulars	Purchase		Service Rendered (Income from sponsor etc)		Service Availed (Description to be given)		Reimbursement of Exp incurred on behalf of RPT		Reimbursement of Exp incurred by RPT on our behalf		Other Income (Rent, Interest, Others etc.)		Outstanding Payable		Outstanding Receivable	
	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19
Apollo Hospitals Enterprise Limited	821,734	792,615	1,252,912	-	-	-	195,273	933,753	77,896,207	33,666,328	17,378	-	73,438,164	64,610,243	36,613	213,306
Cadila Pharmaceuticals Limited	12,124,373	6,570,372	1,644,558	2,633,668	-	-	-	-	-	-	-	-	1,645,497	1,171,255	1,315,208	2,418,383
Green Channel Travels Services Private Limited	-	-	-	-	9,201,853	6,304,264	-	-	-	-	-	-	679,243	152,058	-	-
IRM Enterprises Private Limited	-	-	-	-	51,300	44,175	-	-	-	-	190,330	110,566	3,100	3,100	-	12,000
Stemcyte India Therapeutics Private Limited	-	-	-	-	36,200	-	2,477,424	2,305,071	-	-	4,238,946	3,825,251	-	-	1,217,904	500,125
Apollo Sindoori Hotels Limited	-	-	-	-	39,227,167	30,345,200	123,513	115,450	1,536,330	952,016	-	-	5,160,667	6,244,128	-	-
Faber Sindoori Management Services Private Limited	-	-	-	-	9,382,510	9,362,652	-	41,176	-	-	-	-	815,246	797,419	-	-
Indraprastha Medical Corporation Limited	-	-	-	-	-	-	-	-	52,530	-	-	-	-	264,262	218,196	-
Apollo Health and Lifestyle Limited	-	-	617,713	381,300	-	-	-	-	-	-	-	-	-	-	2,588,364	1,770,645
Apollo Amrith Oncology Services Pvt Ltd	-	-	34,664,753	31,821,664	-	24,072,930	12,608,755	55,658,294	-	28,764	-	12,683,200	-	-	121,254,002	88,756,000
Apollo CVHF Limited	-	-	-	-	-	-	2,386,275	2,252,579	-	-	-	-	-	-	777,268	-
MedSmart Logistics Private Limited	50,207,408	33,484,235	-	-	-	-	-	-	-	-	-	-	8,747,278	2,314,210	-	-
Dhruvi Pharma Private Limited	176,461,932	75,356,464	-	-	-	-	-	-	-	-	-	-	17,455,134	12,418,530	-	-
Apollo Munich Health Insurance Co. Ltd.	-	-	30,044,561	21,573,735	-	-	-	-	-	-	-	-	-	-	3,004,032	3,710,393

Other



Apollo Hospitals International Limited
Notes to the Standalone financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

Service Availed from RPT:

- Booking of Air tickets from Green Channel Travels Services Private Limited
- Food & Beverage services from IRM Enterprises Private Limited
- F&B-Manpower services from Apollo Sindoori Hotels Limited
- Biomedical-Manpower services from Faber Sindoori Management Services Private Limited
- Outsource Lab investigation to StemCyte India Therapeutics Private Limited

36 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Employee Benefits	10,210,746	10,869,807
	<u>10,210,746</u>	<u>10,869,807</u>

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

37 Commitments

Particulars	31-Mar-19	31-Mar-18
Commitments for the acquisition of property, plant and equipment	5,343,218	1,320,409

The Company's share of the capital commitments made jointly with other joint venturers relating to its joint venture, is as follows:

Particulars	31-Mar-19	31-Mar-18
Commitments to contribute funds for the acquisition of property, plant and equipment	5,343,218	1,320,409
Commitments to provide loans	-	-
Commitments to acquire other venturer's ownership interest when a particular event occurs or does not occur in the future (please specify what the particular event is)	-	-
Others (please specify)	-	-

38 Contingent liabilities

Particulars	31-Mar-19	31-Mar-18
a) Claims against the Company not acknowledged as debt	66,027,000	59,527,000
(b) Guarantees excluding financial guarantees	-	-
(d) Other money for which the company is contingently liable		
Customs Duty	-	-
Service Tax	17,616,820	17,904,795
Value Added Tax	-	-
Income Tax	-	-
EPCG	-	-
(e) Other money for which the company is contingently liable		
- Contingent liabilities incurred by the Company arising from its interests in joint ventures & subsidiaries (Letter of Comfort to YES Bank for Credit Facilities of Apollo-Amrith Oncology Services Pvt. Ltd & Apollo CVHF Limited)	166,405,956	70,000,000
- Contingent liabilities incurred by the Company arising from its interests in associates (please disclose the	-	-
- Company's share of associates' contingent liabilities (ii)	-	-
- Company's share of joint venture's contingent liabilities	-	-

(i) A number of contingent liabilities have arisen as a result of the Company's interest in its joint venture. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Company as an investor is liable. The extent to which an outflow of funds will be required is dependent on the future operations of the joint venture being more or less favourable than currently expected. The Company is not contingently liable for the liabilities of other venturers in its joint venture.

(ii) The amount disclosed represents the Company's share of contingent liabilities of associates. The extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected.

(iii) The guarantees included above excludes financial guarantees given to banks by the Company to secure the financing facilities obtained by the subsidiaries and other Company companies.



39 Events after the reporting period

There are no reportable events occurring after the balance sheet date.

40 Approval of financial statements

The financial statements were approved for issue by the board of directors on 16-05-2019

41 Earnings in Foreign Currency

Particulars	31-Mar-19	31-Mar-18
(1) Earnings in Foreign Currency		
Income from Hospital Services	75,583,712	78,422,114
(2) Expenditure in Foreign Currency		
Travelling & Marketing Expenses	8,335,863	2,782,324
Professional charges (Pre & followup care fees)	1,036,191	784,732
(3) Volume of Imports in Foreign Currency - Capital Goods	-	44,103,547
(4) Imported Materials	-	-

(Consumptions relates to items used for healthcare services only)



APOLLO HOSPITALS INTERNATIONAL LIMITED

CIN: U85110TN1997PLC039016

Regd. Office: 19, Bishop Gardens, R. A. Puram,
Chennai – 28, Tamil Nadu – 600 028



Audited Consolidated Financial Statements
for the year ended on 31st March, 2019

Apollo Hospitals International Limited
Consolidated Balance Sheet as at March 31, 2019

All amounts are in Rupees unless otherwise stated

Particular	Note No	As at 31-Mar-19	As at 31-Mar-18
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	5	1,196,917,014	896,217,930
(b) Capital work-in-progress	5	-	110,785,074
(c) Other Intangible assets	6.1	3,542,324	796,264
(d) Financial Assets			
(i) Investments			
a) Investments in Subsidiaries	7	-	-
b) Investments in Joint Ventures	7	-	-
(ii) Other financial assets	9	68,138,960	67,857,247
(e) Deferred tax assets (Net)	19	103,008,376	123,115,988
(f) Other non-current assets	12	-	-
Total Non - Current Assets		1,371,606,674	1,198,772,503
Current assets			
(a) Inventories	10	37,571,302	75,857,466
(b) Financial assets			
(ii) Trade receivables	8	436,991,326	412,348,288
(ii) Cash and cash equivalents	11.1	83,860,003	62,116,581
(iii) Bank balances other than (ii) above		9,548,476	92,534,246
(vi) Other financial assets	9	3,761,905	4,402,118
(c) Current Tax Assets (Net)	13	164,996,009	123,153,981
(d) Other current assets	12	141,048,168	143,477,428
		877,777,189	913,890,108
Assets classified as held for sale		-	-
Total current assets		877,777,189	913,890,108
Total assets		2,249,383,863	2,112,662,611

See accompanying notes to the financial statements

In terms of our report attached
For, S.Viswanathan LLP
Chartered Accountants
Firm Regn. No: 004770S/S200025

For and on behalf of the Board of Directors

VC Krishnan
16/05/19

V C Krishnan
Partner
M No. 022167



Arush

Director

Director

Deepak S. Tharane
Deepak S. Tharane
Chief Financial Officer

N.K. Vyas
Nikunj Vyas
Company Secretary

Place : Gandhinagar
Date : 16th May, 2019



Apollo Hospitals International Limited
Consolidated Balance Sheet as at March 31, 2019

All amounts are in Rupees unless otherwise stated

Particular	Note No	As at 31-Mar-19	As at 31-Mar-18
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	1,006,030,680	1,006,030,680
(b) Convertible non-participating preference share capital		-	-
(c) Other equity	15	8,711,238	(49,238,073)
Equity attributable to owners of the Company		1,014,741,918	956,792,607
Non-controlling interests		58,957,625	72,152,053
Total Equity		1,073,699,543	1,028,944,660
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	594,097,590	561,150,368
(iii) Other financial liabilities	17	28,670,984	17,154,009
(b) Provisions	18	18,475,113	18,066,053
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
Total Non - Current Liabilities		641,243,687	596,370,430
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	71,135,465	70,128,185
(ii) Trade payables	20	74,503,555	67,601,325
(iii) Other financial liabilities	17	124,270,715	124,251,725
(b) Provisions	18	13,355,658	1,954,519
(c) Current Tax Liabilities (Net)		-	-
(d) Other current liabilities	21	251,175,240	223,411,766
		534,440,633	487,347,520
Liabilities directly associated with assets classified as held for sale		-	-
Total Current Liabilities		534,440,633	487,347,520
Total Liabilities		1,175,684,320	1,083,717,950
Total Equity and Liabilities		2,249,383,863	2,112,662,611

See accompanying notes to the financial statements

In terms of our report attached
For, S.Viswanathan LLP
Chartered Accountants
Firm Regn. No: 004770S/S200025

For and on behalf of the Board of Directors

V C Krishnan
16/05/19
V C Krishnan
Partner
M No. 022167



[Signature]

Director

Director

[Signature]
Deepak S. Tharane
Chief Financial Officer

[Signature]
Nikunj Vyas
Company Secretary

Place : Gandhinagar
Date : 16th May, 2019



Apollo Hospitals International Limited
Consolidated Statement of Profit and Loss for the period ended March 31, 2019
All amounts are in Rupees except for earnings per share information

Particular	Note No.	Year ended	Year ended
		March 31, 2019	March 31, 2018
I Revenue from Operations	22	1,908,069,512	1,801,710,442
II Other Income	23	18,924,397	10,758,021
III Total Income (I+II)		1,926,993,909	1,812,468,463
IV Expenses			
Cost of materials consumed	24	615,480,061	532,551,158
Purchases of Stock-in-trade		88,518,853	102,450,360
Changes in inventory of stock-in-trade	25	3,566,326	29,622,080
Employee benefit expense	26	328,294,136	311,918,868
Finance costs	27	75,077,210	75,246,538
Depreciation and amortisation expense	28	91,673,443	88,046,567
Other expenses	29	618,266,788	588,422,154
Total expenses (IV)		1,820,876,817	1,728,257,724
V Share of profit / (loss) of associates		-	-
VI Share of profit / (loss) of joint ventures		-	-
VII Profit/(loss) before tax (III-IV+V+VI)		106,117,092	84,210,740
VIII Tax expense			
(1) Current tax	29.3	42,144,864	27,818,400
(1.1) MAT Entitlement Availed	29.3	(42,144,864)	(27,818,400)
(2) Deferred tax	29.3	61,993,230	42,817,602
		61,993,230	42,817,602
IX Profit (Loss) for the period from continuing operations (VII-VIII)		44,123,862	41,393,138
X Profit/(loss) from discontinued operations before tax		-	-
XI Tax Expense of discontinued operations		-	-
XII Profit/(loss) from Discontinued operations (after tax)		-	-
XIII Profit/(loss) for the period (IX+XII)		44,123,862	41,393,138
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit liabilities / (asset)		890,267	9,459,845
(b) Equity instruments through other comprehensive income		-	-
(c) Others (specify nature)		-	-
(d) Share of other comprehensive income in associates and joint ventures, to the extent not to be reclassified to profit or loss		-	-
		890,267	9,459,845
A (ii) Income tax relating to items that will not be reclassified to profit or loss		259,246	3,216,347
B (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		-	-
(b) Debt instruments through other comprehensive income		-	-
(c) Others (specify nature)		-	-
(d) Share of other comprehensive income in associates and joint ventures, to the extent that may be reclassified to profit or loss		-	-
B (ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XIV Other comprehensive income for the period (A (i-ii)+B(i-ii))		631,021	6,243,498
XV Total comprehensive income for the period (XIII+XIV)		44,754,883	47,636,636



Apollo Hospitals International Limited
Consolidated Statement of Profit and Loss for the period ended March 31, 2019
 All amounts are in Rupees except for earnings per share information

Particular	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
Profit for the year attributable to:			
Owners of the Company		70,032,741	56,900,281
Non controlling interests		(25,908,879)	(15,507,143)
		<u>44,123,862</u>	<u>41,393,138</u>
Other comprehensive income for the year attributable to:			
Owners of the Company		631,021	6,243,498
Non controlling interests		-	-
		<u>631,021</u>	<u>6,243,498</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		70,663,762	63,143,779
Non controlling interests		(25,908,879)	(15,507,143)
		<u>44,754,883</u>	<u>47,636,636</u>
Earnings per equity share (for continuing operation):			
Basic (in Rs.)	31	0.44	0.44
Diluted (in Rs.)		0.44	0.44

See accompanying notes to the financial statements

In terms of our report attached
 For, S.Viswanathan LLP
 Chartered Accountants
 Firm Regn. No: 004770S/S200025

For and on behalf of the Board of Directors

V C Krishnan
 16/05/19
V C Krishnan
 Partner
 M No. 022167

[Signature]
 Director



[Signature]
Deepak S. Tharane
 Chief Financial Officer

[Signature]
N. K. Vyas
 Company Secretary

Place : Gandhinagar
 Date : 16th May, 2019



Apollo Hospitals International Limited
Consolidated Cash Flow Statement as on March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Cash flows from operating activities		
Profit before tax for the year	10,61,17,092	8,42,10,740
Adjustments for:		
Finance costs recognised in profit or loss	7,50,77,210	7,52,46,538
Interest Income recognised in profit or loss	(1,24,37,985)	(91,98,936)
Rental income recognised in profit or loss	(73,65,942)	(75,85,063)
Other income recognised in profit or loss	(3,83,156)	(4,96,231)
Net Profit or loss on Sale of Assets	1,13,206	(7,02,298)
Adjustments for OCI	8,90,267	94,59,845
Provisions for Doubtful Debts	1,32,94,778	86,51,136
Actual Bad Debt written off in profit or loss statement	6,70,607	30,75,078
Depreciation and amortisation of non-current assets	9,16,73,443	8,80,46,567
Net foreign exchange (gain)/loss	(61,03,255)	(3,63,120)
Movements in working capital:		
Increase in trade and other receivables		
(Increase)/decrease in amounts due from customers	(3,25,05,167)	(11,09,48,935)
(Increase)/decrease in inventories	3,82,86,164	(2,42,62,414)
(Increase)/decrease in other assets	24,29,257	6,63,01,516
(Increase)/decrease in other financial assets	3,58,501	(59,77,353)
Decrease in trade and other payables		
Increase/(decrease) in amounts due to trade payables	69,02,230	38,31,792
Increase/(decrease) in provisions	1,18,10,199	8,21,463
(Decrease)/increase in other liabilities	2,81,94,501	(5,70,84,883)
(Decrease)/increase in other financial liabilities	1,15,35,964	(3,70,162)
Cash generated from operations	32,85,57,911	12,06,55,279
Income taxes (paid) / refunds	(8,39,86,892)	(47,81,751)
Net cash generated by operating activities	24,45,71,019	11,58,73,528
Cash flows from investing activities		
Interest received	1,24,37,985	91,98,936
Rental Income from properties & operating Lease	73,65,942	75,85,063
Other Income received	3,83,156	4,96,231
Payments for property, plant and equipment	(28,04,24,095)	(25,14,74,130)
Proceeds from disposal of property plant and equipment	1,86,188	15,93,598
Payments for intangible assets	(42,08,809)	(2,32,199)
Net cash (used in)/generated by investing activities	(26,42,59,634)	(23,28,32,500)
Cash flows from financing activities		
Proceeds from issue of equity instruments of the Company	-	15,00,00,000
Proceeds from borrowings	14,90,35,800	10,10,00,000
Repayment of borrowings & others	(12,29,15,662)	(11,23,46,787)
Interest paid	(6,86,81,152)	(6,51,94,934)
Net cash used in financing activities	(4,25,61,013)	7,34,58,279
Net increase/(decrease) in cash and cash equivalents	(6,22,49,628)	(4,35,00,694)
Cash and cash equivalents at the beginning of the year	8,45,22,642	12,80,20,772
Effects of exchange rate changes on the balance of cash held in foreign currencies	-	2,564
Cash and cash equivalents at the end of the year	2,22,73,015	8,45,22,642



Apollo Hospitals International Limited
Consolidated Cash Flow Statement as on March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and cash equivalents		
Available with company for day to day operations	8,25,68,061	6,13,13,530
Available with company as earmarked balances	1,08,40,418	9,33,37,297
Bank overdrafts	(7,11,35,465)	(7,01,28,185)
Balances as per statement of cash flows	2,22,73,015	8,45,22,642

In terms of our report attached
For S. Viswanathan LLP
Chartered Accountants
Firm Registration No: 00470S/S200025

V C Krishnan
16/05/19

V C Krishnan
Partner
M. No: 022167



Place : Gandhinagar
Date : 16th May, 2019

Krishnan

Director

Director

Deenak S. Tharane
Chief Financial Officer

Nikunj Vyas
Company Secretary

Apollo Hospitals International Limited
Consolidated Statement of Changes in Equity as on March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

a. Equity share capital

	<u>Amount</u>
Balance at April 1, 2017	856,030,680
Changes in equity share capital during the year	150,000,000
Balance at March 31, 2018	1,006,030,680
Changes in equity share capital during the year	-
Balance at March 31, 2019	1,006,030,680

b. Other Equity

	Securities premium reserve	Ind AS Transition Reserve	Retained earnings	Other Comprehensive Income	Sub -total carried forward
Balance at April 1, 2017	444,033,295	18,411,817	(535,504,638)	(1,663,130)	(74,722,656)
Profit for the year	-	-	56,900,281	-	56,900,281
Add: Adjustment towards non-controlling interest	-	-	3,348,536	-	3,348,536
Add: Adjustment towards Securities Premium of non-controlling interest	-	-	(41,007,733)	-	(41,007,733)
Other comprehensive income for the year, net of income tax	-	-	-	6,243,498	6,243,498
Total comprehensive income for the year	-	-	19,241,085	6,243,498	25,484,583
Balance at March 31, 2018	444,033,295	18,411,817	(516,263,553)	4,580,368	(49,238,073)
Profit for the year	-	-	70,032,741	-	70,032,741
Add: Adjustment towards Securities Premium of non-controlling interest	-	-	(12,714,452)	-	(12,714,452)
Other comprehensive income for the year, net of income tax	-	-	-	631,021	631,021
Total comprehensive income for the year	-	-	57,318,289	631,021	57,949,310
Balance at March 31, 2019	444,033,295	18,411,817	(458,945,263)	5,211,389	8,711,238

See accompanying notes to the Consolidated financial statements



1 General Information

Apollo Hospitals International Limited (AHIL), Ahmedabad ("the Holding Company") and its subsidiary (together "the Group") are tertiary care unit of the Apollo Hospitals Company, Chennai. The Hospital focuses on centers of excellence like Cardiac Sciences, Neuro Sciences, Orthopedics, Cancer, Emergency Medicine and Solid Organ Transplants besides the complete range of more than 35 allied medical disciplines under the same roof. AHIL is subsidiary of Apollo Hospitals Enterprise Limited ("the Company") which is a public Company incorporated in India.

2 Application of new and revised Ind ASs

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

3 Significant accounting policies

3.1 Statement of compliance

The Consolidated financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

3.2 Basis of preparation and presentation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, 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 Company 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 Consolidated financial statements is determined on such a basis, 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.

The principal accounting policies are set out below.

3.3 Investments in associates and joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these Consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the Consolidated balance sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Company's share of losses of an associate or a joint venture exceeds the Company's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate or joint venture), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Company determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.



The Company discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Company retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Company measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Company accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Company reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Company continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Company reduces its ownership interest in an associate or a joint venture but the Company continues to use the equity method, the Company reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Company entity transacts with an associate or a joint venture of the Company, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Company's Consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Company.

3.4 Investment in Subsidiary

Investment in subsidiary are measured at cost less impairment if any.

3.5 Revenue recognition

3.5.1 Rendering of services

Healthcare Services

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theatre, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used. Revenue is recorded and recognised during the period in which the hospital service is provided, based upon the estimated amounts due from patients and/or medical funding entities. Unbilled revenue is recorded for the service where the patients are not discharged and invoice is not raised for the service.

The company earns revenue primarily from medical services.

The services rendered by the entity is in single geographical location with one type of service, mainly rendering medical services with a single type of customer who is normally referred to as a patient with defined contract duration, subject to severe exigencies unknown at the time of admission of the patient and involves only one type of sales channel which is hospital services directly to the patient.

Effective April 1, 2018 the company has applied Ind As 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 revenue recognition.

We have adopted the output methods which recognize revenue on the basis of direct measurements of the value to the customer on the basis of goods or services transferred to date, relative to the remaining goods or services promised under the contract.

The service revenues are presented net of related doctor fees in cases where the company is not the primary obligor and does not have the pricing latitude.

3.5.2 Sale of Goods

Pharmacy Sales are recognised when the risk and reward of ownership is passed to the customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of returns and discounts wherever applicable

3.5.3 Dividend and interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. 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.

3.5.4 Rental income

The Company's policy for recognition of revenue from operating leases is described in note 3.6.1 below.

3.6 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.

3.6.1 The Company as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

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 Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.



3.6.2 The Company as lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Consolidated balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 3.11 below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

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. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3.7 Foreign currencies

In preparing the financial statements of each individual Company entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

3.8 Borrowings and 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 Company 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 profit or loss in the period in which they are incurred.

3.9 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3.10 Employee benefits

3.10.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

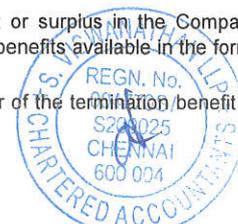
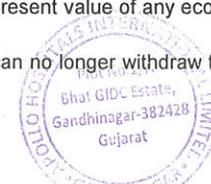
For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), 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 is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. 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 Company 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.

The retirement benefit obligation recognised in the Consolidated balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.



3.10.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

3.10.3 Contributions from employees or third parties to defined benefit plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan. When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

- If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset).
- If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

3.11 Taxation

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

3.11.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.11.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. 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 that 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 profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.11.3 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. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.12 Property, plant and equipment

Land and buildings mainly comprise hospitals and offices. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the Consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures, plant and medical equipment are stated at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred

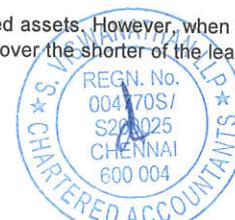
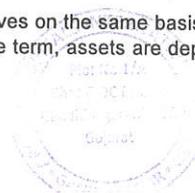
Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Dhan



Buildings (Freehold)	60 years
Plant and Medical Equipment	7-13 years
Surgical Instruments	3 years
Office Equipment - Others	5 years
Office Equipment - Computers	3 years
Vehicles	6 years

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

For transition to Ind AS, the company has continued with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, certain pre-operative costs have been charged off upon transition.

3.13 Intangible assets

3.13.1 Intangible assets acquired on a Standalone basis

Intangible assets with finite useful lives that are acquired on a Standalone basis are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. 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 on a Standalone basis are carried at cost less accumulated impairment losses.

3.13.2 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.

3.13.3 Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

In the case of special software developed, the company has a policy of defining capitalization based on period of rests. The company is adopt to amortize such capitalization in three years.

Computer Software	3 years
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3.14 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

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

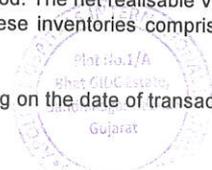
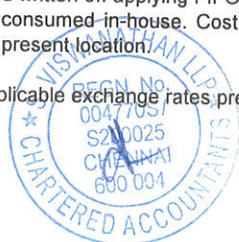
3.15 Inventories

The inventories of all medicines, medicare items traded and dealt with by the Company are valued at cost. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the Net Realisable Value is not applicable. 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 GST wherever applicable, applying the FIFO method.

Stock of provisions, stores (including lab materials and other consumables), stationeries and housekeeping items are stated at cost. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house only. 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 GST wherever applicable applying FIFO method.

Linen, crockery and cutlery are valued at cost and written off applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

Imported inventories are accounted for at the applicable exchange rates, prevailing on the date of transaction.



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3.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.16.1 Other Provisions

Other provisions (including third-party payments for malpractice claims) which are not covered by insurance and other costs for legal claims are recognised based on legal opinions and management judgment.

3.17 Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.18 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on fair value basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.18.1 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 3.22.5

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets;
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

3.18.2 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

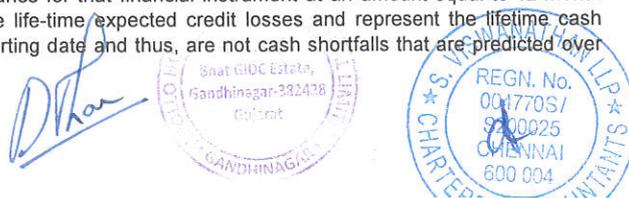
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

3.18.3 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

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

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.



If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.18.4 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

3.19 Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

3.20 Financial liabilities and equity instruments

3.20.1 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.20.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

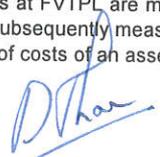
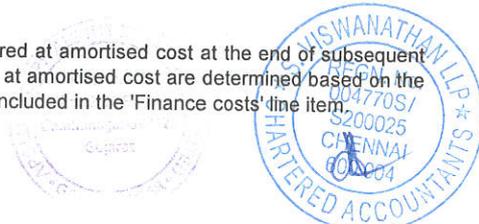
3.20.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

3.20.4 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.21 Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

3.22 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.23 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 twelve 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.

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.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted. The Company has elected certain available practical expedients on transition.

The effect of adoption as on transition date would be insignificant on the financial statements.

3.23.1 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 company is in the process of evaluation of impact of such pronouncement.

3.23.2 Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that 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 recognized those past transactions or events.

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



3.23.3 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 recognize 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 recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The company is in the process of evaluation of impact of such pronouncements.

Historical Cost convention

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

4.1 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2 Useful lives of property, plant and equipment

As described at 3.16 above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. During the current year, the directors determined that the useful lives of certain items of equipment should be shortened, due to developments in technology.

4.3 Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The business acquisitions made by the company are also accounted at fair values. The board of directors of the Company has set up a valuation committee, which is headed up by the Chief Financial Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the findings to the board of directors of the Company every year to explain the cause of fluctuations in the fair value of the assets and liabilities.

4.4 Employee Benefits

The cost of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 32

4.5 Litigations

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation arising at the reporting period

4.6 Revenue Recognition

Revenue from fees charged for inpatient and outpatient hospital/clinical services rendered to insured and corporate patients are subject to approvals for the insurance companies and corporates. Accordingly, the Company estimates the amounts likely to be disallowed by such companies based on past trends.

Estimations based on past trends are also required in determining the value of consideration from customers to be allocated to award credits for customers.

4.7 Basic Earnings Per Share:

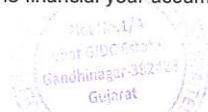
Basic earnings per share is calculated by dividing:

- The profit or loss from the continuing operations attributable to the parent entity.
- By the weighted average number of equity shares outstanding during the financial year.

Diluted Earnings Per Share:

Diluted earnings per share is calculated by dividing:

- The profit or loss from the continuing operations attributable to the parent entity.
- By the weighted average number of equity shares outstanding during the financial year assuming the conversion of all dilutive potential equity



4.8 CURRENT VERSUS NON-CURRENT CLASSIFICATION

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

4.9 Cash and cash equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

4.10 Bad Debts Policy

The Company is following a hybrid method with respect to the policy on bad debts. The company evaluates the debtors on an average on a month to arrive at a possible figure of defining bad debts based on the Expected Credit Loss method. The company based on the net value after this follows the following basis for bad debts policy.

The Board of Directors approves the Bad Debt Policy, on the recommendation of the Audit Committee, after the review of debtors every year. The standard policy for write off of bad debts is as given below subject to management inputs on the collectability of the same.

Ageing	Expected Credit loss (%)
Within the credit period	Nil
Less than 6 months past due	0%
6 months to 12 months past due	12.50%
1 to 2 years past due	30%
2 to 3 years years past due	50%
>3 years past due	100%



Apollo Hospitals International Limited
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All amounts are in Rupees unless otherwise stated

5 Property, plant and equipment and capital work-in-progress

	As at 31/03/2019	As at 31/03/2018
Carrying amounts of:		
Land - Freehold	7,139,000	7,139,000
Buildings - Freehold	442,327,179	449,080,757
Buildings - Leasehold	70,618,835	-
Medical Equipment - Freehold	436,777,123	317,181,839
Plant and Machinery	140,587,414	53,994,059
Office Equipment	28,874,244	24,675,642
Furniture and Fixtures	63,561,129	38,029,180
Vehicles	7,032,090	6,117,454
	1,196,917,014	896,217,930
	-	110,785,074
Capital work-in-progress	1,196,917,014	1,007,003,004

Description of Assets	Buildings - Freehold		Buildings - Leasehold		Medical Equipment & surgical instruments	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Medical Equipment & surgical instruments						
Cost or deemed cost										
Balance as at 01 April, 2017										
Additions	7,139,000	566,690,913	-	599,721,877	203,406,621	64,014,262	97,030,980	14,999,209	1,553,002,863	
Disposals	-	622,874	-	123,442,521	4,404,057	11,926,790	4,887,251	523,228	145,806,721	
Transferred as consideration for acquisition of subsidiary	-	-	-	(26,847,583)	-	-	-	(471,889)	(27,319,472)	
Derecognised on disposal of a subsidiary	-	-	-	-	-	-	-	-	-	
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	
Construction expenditure capitalised	-	-	-	-	-	-	-	-	-	
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	
Others [describe]	-	-	-	-	(37,046)	2,520	-	34,525	-	
Balance as at 31 March, 2018	7,139,000	567,313,787	-	696,316,815	207,773,633	75,943,572	101,918,231	15,085,073	1,671,490,111	
Balance as at 01 April, 2018										
Additions	7,139,000	567,313,787	-	696,316,815	207,773,633	75,943,572	101,918,231	15,085,073	1,671,490,111	
Disposals	-	-	71,394,564	173,087,517	94,518,802	16,342,782	33,400,700	2,464,804	391,209,170	
Transferred as consideration for acquisition of subsidiary	-	-	-	(1,827,766)	-	-	-	-	(1,827,766)	
Derecognised on disposal of a subsidiary	-	-	-	-	-	-	-	-	-	
Acquisitions through business combinations	-	-	-	-	-	-	-	-	-	
Construction expenditure capitalised	-	-	-	-	-	-	-	-	-	
Reclassified as held for sale	-	-	-	-	-	-	-	-	-	
Others [Reclassified FA]	-	-	-	-	-	-	-	-	-	
Balance as at 31 March, 2019	7,139,000	567,313,787	71,394,564	867,576,566	302,292,435	92,286,354	135,318,931	17,549,877	2,060,871,515	



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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
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5 Property, plant and equipment and capital work-in-progress

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Medical Equipment & surgical instruments	Plant and Machinery	Office Equipment	Furniture and Fixtures	Vehicles	Total
II. Accumulated depreciation and impairment									
Balance as at 01 April, 2017	-	109,257,346	-	356,934,360	142,259,100	38,445,168	58,579,996	8,589,735	714,065,705
Eliminated on disposal of assets	-	-	-	(26,012,226)	-	-	-	(415,946)	(26,428,172)
Eliminated on disposal of a Subsidiary	-	-	-	-	-	-	-	-	-
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Impairment losses recognised in profit or loss	-	-	-	-	-	-	-	-	-
Depreciation expense	-	8,975,685	-	44,944,572	11,489,548	12,853,628	7,666,706	1,704,510	87,634,648
Others [describe]	-	-	-	3,268,270	30,926	(30,865)	(2,357,651)	(910,680)	-
Balance as at 31 March, 2018	-	118,233,031	-	379,134,975	153,779,574	51,267,931	63,889,051	8,967,620	775,272,181
Balance as at 01 April, 2018	-	118,233,031	-	379,134,975	153,779,574	51,267,931	63,889,051	8,967,620	775,272,181
Eliminated on disposal of assets	-	-	-	(1,528,372)	-	-	-	-	(1,528,372)
Eliminated on disposal of a Subsidiary	-	-	-	-	-	-	-	-	-
Eliminated on reclassification as held for sale	-	-	-	-	-	-	-	-	-
Impairment losses recognised in profit or loss	-	-	-	-	-	-	-	-	-
Depreciation expense	-	6,753,577	775,729	53,192,840	7,925,447	12,144,180	7,868,751	1,550,168	90,210,692
Others [Reclassified]	-	-	-	-	-	-	-	-	-
Balance as at 31 March, 2019	-	124,986,608	775,729	430,799,443	161,705,021	63,412,110	71,757,802	10,517,788	863,954,501

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6 Intangible Assets

6.1 Other intangible Assets

	31-Mar-19	31-Mar-18
Carrying amounts of :		
Capitalised development	-	-
Computer software	3,542,324	796,264
Non compete Fee	-	-
Trademarks	-	-
Others	-	-
	3,542,324	796,264

	Computer Software	Non-Compete Fees	Other Intangible	Total
Cost				
Balance as at 01 April, 2017	15,456,865	-	-	15,456,865
Additions from Standalone acquisitions	232,199	-	-	232,199
Additions through business combination	-	-	-	-
Additions from internal developments	-	-	-	-
Disposals or classified as held for sale	-	-	-	-
Others (decribe)	-	-	-	-
Balance as at 31 March, 2018	15,689,065	-	-	15,689,065
Balance as at 01 April, 2018	15,689,065	-	-	15,689,065
Additions from Standalone acquisitions	4,208,809	-	-	4,208,809
Additions through business combination	-	-	-	-
Additions from internal developments	-	-	-	-
Disposals or classified as held for sale	-	-	-	-
Others (decribe)	-	-	-	-
Balance as at 31 March, 2019	19,897,874	-	-	19,897,874
II. Accumulated depreciation and impairment				
Balance as at 1 April, 2017	14,480,882	-	-	14,480,882
Amortisation expense for the year	411,919	-	-	411,919
Disposals or classified as held for sale	-	-	-	-
Impairment losses recognised / (Reversed) in Statement of Profit and Loss	-	-	-	-
Reversals of impairment losses recognised in profit or loss	-	-	-	-
Others [describe]	-	-	-	-
Balance as at 31 March, 2018	14,892,801	-	-	14,892,801
Balance as at 01 April, 2018				
Amortisation expense for the year	1,462,749	-	-	1,462,749
Disposals or classified as held for sale	-	-	-	-
Impairment losses recognised / (Reversed) in Statement of Profit and Loss	-	-	-	-
Reversals of impairment losses recognised in profit or loss	-	-	-	-
Others [describe]	-	-	-	-
Balance as at 31 March, 2019	16,355,550	-	-	16,355,550

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7 Investments in subsidiaries & associates

7.1 Break-up of investments in subsidiaries & associates

Particular	As at March 31, 2019		As at March 31, 2018	
	QTY	Amounts*	QTY	Amounts*
Quoted Investments (all fully paid)				
Investments in Equity Instruments	-	-	-	-
Total Aggregate Quoted Investments (A)	-	-	-	-
Unquoted Investments (all fully paid)				
Apollo-Amrish Oncology Services Pvt Ltd	1,855,000	33,350,000	1,855,000	33,350,000
Add: Share of Losses Reserves of Associates	(1,855,000)	(33,350,000)	(1,855,000)	(33,350,000)
Total Aggregate Unquoted Investments (B)	-	-	-	-
Total Investments Carrying Value (A) + (B)	-	-	-	-

Note: In line with the Equity Method of Consolidation, the share of losses only to the extent of the Investment Value has been considered. The share of profit for the year are INR 6.33 Mio (share of cumulative accumulated losses including FY19 : INR 96.99 Mio).

7.2 Details of material associates

Details of each of the Company's material associates at the end of the reporting period are as follows:

Name of associate	Principal Activity	Place of Incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Company	
			As at 31-Mar-19	As at 31-Mar-18
Apollo-Amrish Oncology Services Pvt Ltd	Healthcare	Ahmedabad	50.0%	50.0%
Apollo CVHF Limited	Healthcare	Ahmedabad	66.7%	63.7%

All of the above associates are accounted for using the equity method in these consolidated financial statements.

7.3 Summarised financial information of material associates and Subsidiary

Summarised financial information in respect of each of the Company's material associates is set out below.

The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind ASs adjusted by the Company for equity accounting purposes.

	As at 31-Mar-19	As at 31-Mar-18
Apollo-Amrish Oncology Services Pvt Ltd		
Non-current assets	88,753,632	104,107,498
Current assets	149,336,397	141,847,030
Non-current liabilities	88,984,219	97,013,577
Current liabilities	309,110,013	321,599,649
Revenue	419,623,991	394,315,912
Profit or loss from continuing operations	12,859,333	(23,178,415)
Post-tax profit (loss) from discontinued operations	-	-
Profit (loss) for the year	12,859,333	(23,178,415)
Other comprehensive income for the year	(204,840)	(61,514)
Total comprehensive income for the year	12,654,493	(23,239,929)
Dividends received from the associate during the year	-	-
Apollo CVHF Limited		
Non-current assets	375,859,380	113,955,690
Current assets	20,266,396	115,367,957
Non-current liabilities	175,367,458	15,359,423
Current liabilities	46,779,466	12,497,761
Revenue	22,419,138	4,819,353
Profit or loss from continuing operations	(77,734,411)	(42,768,817)
Post-tax profit (loss) from discontinued operations	-	-
Profit (loss) for the year	(77,734,411)	(42,768,817)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	(77,734,411)	(42,768,817)
Dividends received from the associate during the year	-	-



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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

8 Trade receivables

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Trade receivables				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	481,289,091	-	442,669,708
Unsecured, considered doubtful	-	-	-	-
Secured, considered doubtful	-	-	-	-
Allowance for doubtful debts (expected credit loss allowance)	-	(30,012,943)	-	(17,118,165)
Allowance for disallowances (expected credit loss allowance)	-	(14,284,822)	-	(13,203,254)
	-	436,991,326	-	412,348,288

i. Confirmations of balances from Debtors, Creditors are yet to be received in a few cases though the Company has sent letters of confirmation to them. The balances adopted are as appearing in the books of accounts of the Company.

ii. Sundry Debtors represent the debt outstanding on sale of pharmaceutical products, hospital services and project consultancy fees and is considered good. The Company holds no other securities other than the personal security of the debtors.

iii. Advances and deposits represent the advances recoverable in cash or in kind or for value to be realised. The amounts of these advances and deposits are considered good for which the Company holds no security other than the personal security of the debtors.

8.1 Trade receivables

Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The entity's exposure to credit risk in relation to trade receivables is low.

The average credit period on sales of services is 30-60 days from the date of the invoice.

The Company has used a practical expedient by computing the expected credit loss allowance for receivables excluding Group Company and Tanzania. A direct confirmation is obtained from Tanzania Government confirming the Receivable amount outstanding. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

No single customer represents 10% or more of the company's total revenue during the year ended March 31, 2019 and March 31, 2018. Therefore the customer concentration risk is limited due to the large and unrelated customer base.

Ageing

	Expected Credit loss (%)	
	As at March 31, 2019	As at 31st March, 2018
Within the credit period		
Less than 6 months past due	0.00%	0.00%
6 months to 12 months past due	12.50%	12.50%
1 to 2 years past due	30.00%	30.00%
2 to 3 years years past due	50.00%	50.00%
>3 years past due	100.00%	100.00%

Movement in the expected credit loss allowance

	Year ended 31-Mar-19	Year ended 31-Mar-18
Balance at beginning of the year	(30,321,419)	(19,759,483)
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	(13,976,346)	(10,561,936)

Balance at end of the year

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

	(44,297,765)	(30,321,419)
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9 Other Financial Assets

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Security deposits	18,067,180	-	17,505,736	-
Operating lease receivable	-	3,595,729	-	2,484,381
Interest Receivable	-	166,176	-	1,917,737
Prepaid Rent	50,071,780	-	50,351,511	-
	68,138,960	3,761,905	67,857,247	4,402,118

10 Inventories

a) Inventories (lower of cost and net realisable value)

	As at 31-Mar-19	As at 31-Mar-18
Medicines	7,643,036	11,209,362
Lab materials & Other Consumables	29,928,266	64,648,104
	37,571,302	75,857,466

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Apollo Hospitals International Limited

Notes to the Consolidated financial statements for the year ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

11.1 Cash and cash equivalents

For the purposes of the Consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the reporting period as shown in the Consolidated statement of cash flows can be reconciled to the related items in the Consolidated balance sheet as follows:

	As at 31-Mar-19	As at 31-Mar-18
Cheques, drafts on hand & escrow a/c.	46,476,627	24,483,234
Cash on hand	3,453,600	12,918,902
Current Account	33,929,777	24,570,610
Foreign Currency in hand	-	143,834
Cash and cash equivalents as per balance sheet	83,860,003	62,116,581
Cash and bank balances included in a disposal Company held for sale	-	-
Cash and cash equivalents as per Consolidated statement of cash flows	83,860,003	62,116,581

11.2 Bank balances other than (note no. 11.1) above

	As at 31-Mar-19	As at 31-Mar-18
Balances with Banks		
Earmarked balances with banks (unpaid dividend)	-	-
Earmarked balances with banks (Others)	-	-
Balances with banks to the extent held as margin money	9,548,476	92,534,246
Other bank balances	-	-
	9,548,476	92,534,246

12 Other Assets

	31-Mar-19		31-Mar-18	
	Non Current	Current	Non Current	Current
Prepaid Expenses	-	10,949,106	-	11,688,757
Other Advances & Current Assets	-	130,099,062	-	131,788,671
	-	141,048,168	-	143,477,428

13 Current Tax Assets (Net)

	31-Mar-19	31-Mar-18
TDS Receivable	234,959,273	150,972,381
Advance Tax	-	-
Less : Provision for Tax	(69,963,264)	(27,818,400)
TOTAL	164,996,009	123,153,981



14 Equity Share Capital

	As at 31 March 2019	As at 31 March 2018
Equity share capital	-	-
Authorised Share capital :		
10,87,50,000 Equity Shares of Rs. 10/- each	1,087,500,000	1,087,500,000
10,87,50,000 Equity Shares of Rs. 10/- each (Previous Year as at 31st March, 2018)		
11,04,000 Preference Shares of Rs.10/- each	11,040,000	11,040,000
11,04,000 Preference Shares of Rs.10/- each (Previous Year as at 31st March, 2018)		
Issued and subscribed capital comprises:		
10,06,03,068 Equity shares of Rs.10/- each fully paid up	1,006,030,680	1,006,030,680
10,06,03,068 Equity shares of Rs.10/- each fully paid up (Previous Year)		
	<u>1,006,030,680</u>	<u>1,006,030,680</u>

14.1 Fully paid equity shares

	Number of shares	Share capital (Amount)
Balance at March 31, 2017	85,603,068	856,030,680
Shares Issued during the year	15,000,000	150,000,000
Balance at March 31, 2018	100,603,068	1,006,030,680
Shares Issued during the period	-	-
Balance at March 31, 2019	<u>100,603,068</u>	<u>1,006,030,680</u>

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends. The fair value of shares issued for consulting services was determined by reference to the market rate for similar consulting services. The shares bought back in the current year were cancelled immediately.

14.2 Details of shares held by the holding company, its subsidiaries and associates

Particulars	Number of shares	Share capital
As at March 31, 2018		
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	303,402,660
Subsidiaries of the holding company		
Associates of the holding company		
As at March 31, 2019		
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	303,402,660
Subsidiaries of the holding company		
Associates of the holding company		

14.3 Details of shares held by each shareholder holding more than 5% 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
Fully paid equity shares				
Apollo Hospitals Enterprise Ltd & its nominees	30,340,266	30%	30,340,266	30%
Apollo Home Healthcare India Ltd & its nominees	19,961,265	20%	19,961,265	20%
IRM Trust & its nominees	50,301,531	50%	50,301,531	50%

15 Other equity

Note	As at 31-Mar-19	As at 31-Mar-18
Securities premium reserve	444,033,295	444,033,295
Retained earnings	(458,945,263)	(516,263,553)
Other Comprehensive Income	5,211,389	4,580,368
Ind AS Transition Reserve	18,411,817	18,411,817
	<u>8,711,238</u>	<u>(49,238,073)</u>

15.1 Securities premium reserve

	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of year (Securities premium reserve)	444,033,295	444,033,295
Balance at end of year	<u>444,033,295</u>	<u>444,033,295</u>



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15.2 Retained earnings

	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of year	(516,263,553)	(535,504,638)
Profit attributable to owners of the Company	70,032,741	56,900,281
Add: Adjustment towards non-controlling interest	-	3,348,536
Add: Adjustment towards Securities Premium of non-controlling interest	(12,714,452)	(41,007,733)
Others	-	-
Balance at end of year	(458,945,263)	(516,263,553)

15.3 Other Comprehensive Income

	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of year	4,580,368	(1,663,130)
Movement in OCI(Net) during the year	631,021	6,243,498
Balance at end of year	5,211,389	4,580,368

15.4 Non-Controlling Interest

	As at 31-Mar-19	As at 31-Mar-18
Balance at beginning of year	72,152,053	50,000,000
Profit/(Loss) during the year	(25,908,879)	(15,507,143)
Add: Adjustment towards Securities Premium of non-controlling interest	12,714,452	41,007,733
Add: Adjustment towards non-controlling interest	-	(3,348,536)
Balance at end of year	58,957,625	72,152,053

16 Borrowings

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unsecured - at amortised cost				
Cummulative Redeemable Preference Shares	136,800,745	-	130,272,000	-
Secured - at amortised cost				
(i) Term loans				
from banks (Refer note (vi) below)	457,296,845	-	430,878,368	-
(i) Loans repayable on demand	-	71,135,465	-	70,128,185
Total	594,097,590	71,135,465	561,150,368	70,128,185

16.1 Summary of borrowing arrangements

(i) Redeemable Preference shares were amended in 2016-2017 for a cumulative non -discretionary dividend of 9% per annum. These redeemable preference shares do not contain any equity component.

(ii) The terms of repayment of term loans and other loans are stated below.

As at March 31, 2019

Particulars	Principal Outstanding as at 31st March, 2019	Principal Outstanding as at 31st March, 2018	Terms of repayment	Rate of Interest	
				31 Mar 19	31 Mar 18
Yes Bank	185,334,240	235,821,007	As per the fixed repayment over 2 Years	9.95%	9.40%
Yes Bank	100,177,895	100,177,895	As per the fixed repayment over 8 Years	9.95%	9.35%
HDFC Bank	144,000,000	216,000,000	As per the fixed repayment over 2 Years	10.20%	9.75%
Yes Bank	148,358,934	-	As per the fixed repayment over 9 Years	9.80%	-

(i) The group has availed Two Rupee Term Loans of Rs. 310 million and INR 100.10 Mio from YES Bank Limited, which are repayable in thirty six quarterly instalments, commencing from 26th Mar-13 and 24th Jul-17 respectively. The loans are secured by first pari passu charge on all present and future movable and immovable fixed assets of the company along with minimum cover of 1.75 times the value of the outstanding considering movable & immovable assets (subject to 1.5 times cover considering immovable assets). The company repaid Rs.50.49 million during the current financial year 18-19.

(ii) The group has Rupee Term Loans of Rs 409.50 million from HDFC Bank Limited, which are repayable in 28 quarterly instalments, commencing from 2nd Mar 2015. The loans are secured by first pari passu charge on all present and future movable and immovable fixed assets of the company along with minimum cover of 1.75 times the value of the outstanding considering movable & immovable assets. The company repaid Rs.72.00 million during the current financial year 18-19.

(iii) The group has availed one Rupee Term Loans of Rs. 161.14 Million from YES Bank Limited, which are repayable in 28 quarterly instalments, commencing from January 2022. The loans are secured by first pari passu charge on all present and future movable and immovable fixed assets of the company along with minimum cover of 1.25 times the value of the outstanding considering movable & immovable assets. The company has not commenced repayment and it is in Moratorium period.



Apollo Hospitals International Limited
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(Amounts in INR Rupees unless otherwise stated)

17 Other financial liabilities

Non-current

	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
a) Interest accrued	-	4,900,715	-	4,450,700
b) Current maturities of long-term debts	-	119,370,000	-	119,801,026
c) Security Deposits	1,819,586	-	1,794,586	-
d) Non Current Deferred Rent	26,851,398	-	15,359,423	-
Total	28,670,984	124,270,715	17,154,009	124,251,725

18 Provisions

	As at March, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Employee benefits	18,475,113	13,355,658	18,066,053	1,954,519
Total	18,475,113	13,355,658	18,066,053	1,954,519

19 Deferred tax balances

	As at 31-Mar-19	As at 31-Mar-18
Deferred Tax Assets	124,889,743	213,868,468
Deferred Tax Liabilities	(110,021,523)	(136,747,772)
MAT Credit Entitlement	88,140,156	45,995,292
Total	103,008,376	123,115,988

For the period ended on 31st March, 2019

Particulars / Details of Deferred tax balances	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Property Plant and Equipment	(136,747,771)	26,726,248	-	-	(110,021,523)
Financial assets at Amortized Cost	1,336,303	(572,937)	-	-	763,366
Others Assets	13,155,912	(11,817,997)	-	-	1,337,914
Retirement Benefit Plans	(4,063,700)	10,781,594	259,246	-	6,977,140
Business Loss carried forward under Income Tax	201,617,042	(99,172,377)	-	-	102,444,665
Provision for doubtful debts	6,812,415	6,203,574	-	-	13,015,989
Financial liabilities at Amortized Cost	(4,989,504)	5,340,175	-	-	350,671
Total - A	77,120,696	(62,511,721)	259,246	-	14,868,221
Minimum Alternate Tax Credit (B)	45,995,292	42,144,864	-	-	88,140,156
Total (C)= (A+B)	123,115,988	(20,366,857)	259,246	-	103,008,377

2017-18

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in other comprehensive income	Recognised directly in equity	Closing Balance
Property Plant and Equipment	(140,322,303)	3,574,531	-	-	(136,747,771)
Financial assets at Amortized Cost	1,332,328	3,975	-	-	1,336,303
Others Assets	14,987,539	(1,831,627)	-	-	13,155,912
Retirement Benefit Plans	(847,353)	-	(3,216,347)	-	(4,063,700)
Business Loss carried forward under Income Tax	248,701,311	(47,084,269)	-	-	201,617,042
Provision for doubtful debts	3,158,192	3,654,223	-	-	6,812,415
Financial liabilities at Amortized Cost	(3,855,069)	(1,134,435)	-	-	(4,989,504)
Total - A	123,154,645	(42,817,602)	(3,216,347)	-	77,120,696
Minimum Alternate Tax Credit (B)	18,176,892	27,818,400	-	-	45,995,292
Total (C)= (A+B)	141,331,537	(14,999,202)	(3,216,347)	-	123,115,988

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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

20 Trade Payables

	As at 31-Mar-19	As at 31-Mar-18
Trade Payable-MSME	4,337,854	1,818,781
Trade payables - Other than MSME	70,165,701	65,782,544
Total	74,503,555	67,601,325

(i) The average credit period on purchases of goods ranges from immediate payments to credit period of 30 TO 60 DAYS 30-45 Days 30-45 Days

Due to Micro, Small and Medium Enterprises

Particulars

	As At 31-Mar-19	As At 31-Mar-18
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
- Principal	4,337,854	1,818,781
- Interest	-	-
The amount of interest paid by the buyer as per the MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

21 Other current liabilities

	As at 31-Mar-19	As at 31-Mar-18
(a) Revenue received in advance		
Deferred revenue arising from government grant	-	651,171
(b) Amount due to customers	8,870,153	10,052,535
(c) Statutory Dues	15,476,450	17,956,877
(d) Outstanding & Other Expense Payable	226,828,637	194,751,183
Total	251,175,240	223,411,765



Apollo Hospitals International Limited

Notes to the Consolidated financial statements for the year ended March 31, 2019

(Amounts in INR Rupees unless otherwise stated)

22 Revenue from Operations

The following is an analysis of the Company's revenue for the year from continuing operations (excluding other income-see note 23)

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
(a) Revenue from rendering of healthcare services	1,715,669,413	1,607,817,542
(b) Revenue from sales at pharmacies	141,152,383	137,616,888
(c) Fees and Collections	22,173,510	19,267,734
(d) Other operating revenues	29,074,206	37,008,278
	1,908,069,512	1,801,710,442

23 Other Income

a) Interest income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest on Bank Deposits & Others	12,437,985	9,198,936
	12,437,985	9,198,936

b) Dividend Income

Dividends from equity investments

All dividends from equity investments designated as at FVTOCI recognised for both the years relate to investments held at the end of each

c) Other non-operating income (net of expenses directly attributable to such income)

Finance lease contingent rental income

Others (aggregate of immaterial items)

	-	-
	383,156	1,198,529
	383,156	1,198,529

d) Other gains and losses

Net foreign exchange gains/ (losses)

	6,103,255	360,556
	6,103,255	360,556

(a+b+c+d)

	18,924,397	10,758,021
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24 Cost of materials Consumed

	Year ended March 31, 2019	Year ended March 31, 2018
Opening stock	64,648,104	10,763,611
Add: Purchases	580,760,223	586,435,651
	645,408,328	597,199,262
Less: Closing stock	(29,928,266)	(64,648,104)
Cost of materials consumed	615,480,061	532,551,158

25 Changes in inventories of finished goods, work-in-progress and stock-in-trade - Pharmacy

	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of the year:		
Stock-in-trade (end of the year)	7,643,036	11,209,362
Inventories at the beginning of the year:		
Stock-in-trade (beginning of the year)	11,209,362	40,831,442
Net (increase) / decrease	3,566,326	29,622,080



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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

26 Employee benefits expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and wages	285,390,008	269,055,795
Contribution to provident and other funds	14,884,134	13,442,666
Bonus	7,102,200	7,201,307
Staff welfare expenses	20,917,794	22,219,100
	328,294,136	311,918,868

27 Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Continuing operations		
(a) Interest costs :-		
Interest on bank overdrafts and loans (other than those from related parties)	58,640,216	58,695,949
Interest on obligations under finance leases	-	-
Interest on convertible notes	-	-
Interest on interest-free government loans	-	-
Other interest expense	9,364,069	6,498,985
Total interest expense for financial liabilities not classified as at FVTPL	68,004,286	65,194,934
Less: amounts included in the cost of qualifying assets	-	-
	68,004,286	65,194,934
(b) Amortized interest cost on redeemable preference shares	7,072,924	10,051,604
(c) Exchange differences regarded as an adjustment to borrowing costs	-	-
(d) Other borrowing costs :-		
Unwinding of discount on costs to sell non-current assets classified as held for sale	-	-
	75,077,210	75,246,538

28 Depreciation and amortisation expense

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation of property, plant and equipment pertaining to continuing operations	90,210,694	87,634,648
Depreciation of investment property		-
Amortisation of intangible assets	1,462,749	411,919
Total depreciation and amortisation pertaining to continuing operations	91,673,443	88,046,567
Depreciation of property, plant and equipment pertaining to discontinued operations	-	-
Total depreciation and amortisation expense	91,673,443	88,046,567

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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

29 Other expenses

Particulars

Year ended March 31, 2019 **Year ended March 31, 2018**

Power and fuel	46,921,174	41,526,693
Water Charges	2,958,934	2,827,955
Rent	48,247,074	48,092,027
<u>Repairs & Maintenance Expenses</u>		
<i>Repairs to Buildings, Machinery & Others</i>	17,713,987	19,375,880
<i>Repairs to Medical Equipments</i>	2,012,951	5,197,069
<i>Repairs to Vehicles</i>	743,106	1,105,654
<i>Annual maintainance Charges</i>	18,321,430	14,205,756
Insurance	2,620,344	2,088,032
Retainer fees to Doctors	217,488,435	186,771,332
<u>Outsource Charges</u>		
<i>House Keeping Expenses</i>	43,866,675	48,985,345
<i>Food & Beverages Expenses</i>	38,431,064	36,102,363
<i>Bio Medical Maintenance</i>	9,894,610	10,142,145
<i>Security Charges</i>	15,853,997	13,921,362
<i>Outsourcing Expenses - IT</i>	878,823	-
<i>Outsourcing Expenses</i>	8,211,359	5,630,152
Rates and Taxes, excluding taxes on income	7,993,332	4,904,716
Other operating & administrative Expenses	4,704,033	27,709,332
Communication & Telephone Expenses	2,907,022	3,125,642
Director Sitting Fees	560,500	237,840
Advertisement, Publicity & Marketing	72,471,798	70,480,643
Travelling & Conveyance	17,363,672	14,302,016
Legal & Professional Fees	10,167,060	8,367,606
Continuing Medical Education & Hospitality Expenses	3,193,880	2,495,107
Seminar Expenses	4,025,752	2,337,565
Books & Periodicals	520,746	343,355
Provision for Bad Debts	13,294,778	6,651,136
Bad Debts Written off	670,607	3,075,078
Loss on Sale of Asset	113,206	-
Miscellaneous expenses	1,804,730	4,233,680
	613,955,078	584,235,481

29.1 Payments to auditors

a) For audit	1,032,500	767,000
b) For taxation matters & other services	147,500	155,000
c) For reimbursement of expenses	59,494	152,296
	1,239,494	1,074,296

29.2 Expenditure incurred for corporate social responsibility

3,072,216 3,112,377

29.3 Income taxes relating to continuing operations

Current tax

In respect of the current year (Current tax)
In respect of prior years
Others

Less : MAT Entitlement credit

Net Current tax

Deferred tax

In respect of the current year (Deferred tax)
In respect of prior years

Total income tax expense(Before MAT Entitlement Credit) recognised in the current year relating to continuing operations

	Year ended March 31, 2019	Year ended March 31, 2018
	42,144,864	27,818,400
	-	-
	-	-
	42,144,864	27,818,400
	(42,144,864)	(27,818,400)
	-	-
	61,993,230	42,817,602
	-	-
	61,993,230	42,817,602
	104,138,094	70,636,002



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Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax from continuing operations of Consolidated	106,117,091	84,210,739
Income tax expense calculated at 29.12% (2017-2018: 34.61%)	30,901,297	29,145,337
Effect of Difference between Tax rate and MAT Rate	(8,033,064)	(11,494,766)
Effect of Expenses/Income Permanently not deductible or claimable for Income tax	3,394,910	5,471,965
Effect of previously unrecognised and unused tax losses and deductible temporary differences on deferred tax assets unconsidered earlier and on account of loss of subsidiary on which no deferred tax asset is created as the entity has commenced its operations only in the current year.	77,874,951	47,513,466
	<u>104,138,094</u>	<u>70,636,002</u>
Income tax expense recognised in profit or loss (relating to continuing operations) - before MAT Entitlement credits	104,138,094	70,636,002
	<u>-</u>	<u>-</u>

The tax rate used for the year ended F.Y. 2018-19 is 29.12% and for F.Y. 2017-2018 is 34.61%. Reconciliations above is the corporate tax rate of 29.12% (FY 2018-19) and (for FY 2017-18 34.61%) payable by corporate entities in India on taxable profits under the Indian tax law.

As, Finance Act, 2019, the tax rate for companies having turnover in FY 2016-17 less than 250 crores, the tax rate would be 25% plus surcharge and cess, accordingly in FY 2018-19, rate applied is 29.12%



30 Segment information

Products and services from which reportable segments derive their revenues

The Directors of the company are directly involved in the operations of the Company, including the subsidiaries. Accordingly, the Board of Directors has been identified as the Chief Operating Decision Maker (CODM).

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the model of healthcare services delivered. The directors of the Company have chosen to organise the Company around differences in products and services. Accordingly, hospitals, pharmacies, and Nursing Institute have been identified as the operating segments.

The Company operates in mainly in India, and the drugs sold in the pharmacies, are regulated under the Drug Control Act, which applies uniformly all over the Country.

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 allocable to segments on a reasonable basis, have been included under "unallocable expenses".

b. Inter segment revenue and expenses are eliminated.

The Company has disclosed this Segment Reporting in Consolidated Financial Statements as per Ind AS 108

30.1 Segment revenues and results

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

	Segment Revenue		Segment Profit	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Health care	1,738,733,362	1,637,755,257	138,773,450	179,059,209
Pharmacy	141,152,383	137,616,888	41,201,658	43,624,554
Nursing Institute	22,368,510	19,342,734	1,513,908	146,145
Total	1,902,254,255	1,794,714,879	181,489,016	222,829,907
Less: Inter Segment Revenue	(1,629,250)	(589,500)	(589,500)	(589,500)
Total for continuing operations	1,900,625,005	1,794,125,379	180,899,516	222,240,407
Other income			26,368,904	13,523,732
Central administration costs and directors' salaries			(26,074,118)	(33,538,045)
Finance costs			(75,077,210)	(75,246,538)
Profit before tax (continuing operations)			106,117,092	126,979,556

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the profit before tax earned by each segment without allocation of central administration costs and directors' salaries, share of profit of associates, share of profit of joint ventures, other income, as well as finance costs. This is the measure reported to the chief operating decision maker for the purposes of

30.2 Segment assets and liabilities

	As at	
	31 March 2019	31 March 2018
Segment Assets		
Health care	2,070,304,877	1,738,801,091
Pharmacy	8,279,905	14,449,905
Nursing Institute	8,322,675	8,055,870
Total Segment Assets	2,086,907,456	1,761,306,866
Assets relating to and operations (now discontinued)	-	-
Unallocated	448,890,023	356,382,097
Consolidated total assets	2,535,797,479	2,117,688,962
Segment liabilities		
Health care	1,160,898,556	1,033,354,990
Pharmacy	8,279,905	14,449,905
Nursing Institute	8,322,675	8,055,870
Total Segment liabilities	1,177,501,135	1,055,860,765
Liab relating to and operations (now discontinued)	-	-
Unallocated	-	-
Consolidated total liabilities	1,177,501,135	1,055,860,765

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than investments in associates, investments in joint ventures, other investments, loans, other financial assets and current and deferred tax assets, which assets are reported under "Healthcare".
- all liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities which liabilities are reported under "Healthcare".



30.3 Other segment information	Depreciation		Addition to Non Current Assets	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Health care	90,915,519	87,242,958	394,061,545	143,910,796
Pharmacy	95,898	81,370	334,867	183,001
Nursing Institute	662,027	676,405	47,415	1,875,123
	91,673,443	88,000,733	394,443,827	145,968,920

In addition to the depreciation and amortisation reported above, impairment losses of Rs.Nil were recognised in respect of property, plant and equipment and goodwill, respectively. These impairment losses were attributable to the following reportable segments.

Impairment losses recognised for the year in respect of property, plant and equipment

Health care	Nil
Pharmacy	Nil
Nursing Institute	Nil
	Nil

30.4 Revenue from major products and services

The following is an analysis of the Company's revenue from continuing operations from its major products and services.

	31-Mar-19	31-Mar-18
Health care	1,738,733,362	1,637,755,257
Pharmacy	141,152,383	137,616,888
Nursing Institute	22,368,510	19,342,734
Less: Inter Segment Revenue	(1,629,250)	(589,500)
	1,900,625,005	1,794,125,379
Other Income	26,368,904	13,523,732
	1,926,993,909	1,807,649,111

30.5 Information about major customers

No single customers contributed 10% or more to the Company's revenue for both 2018-2019 and 2017-2018.

31 Earnings per Share

	31-Mar-19	31-Mar-18
Basic earnings per share		
From continuing operations	0.44	0.44
From discontinued operations	-	-
Total basic earnings per share	0.44	0.44
Diluted earnings per share		
From continuing operations	0.44	0.44
From discontinued operations	-	-
Total diluted earnings per share	0.44	0.44

31.1 Basic earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.

Profit for the year attributable to owners of the Company	44,123,861	41,393,137
Dividends paid on convertible non-participating preference Shares	-	-
Earnings used in the calculation of basic earnings per share	44,123,861	41,393,137
Profit for the year from discontinued operations attributable to owners of the Company	-	-
Others [describe]	-	-
Earnings used in the calculation of basic earnings per share from continuing operations	44,123,861	41,393,137

Weighted average number of equity shares for the purposes of basic earnings per share

100,603,068	93,103,068
-------------	------------

31.2 Diluted earnings per share

The earnings used in the calculation of diluted earnings per share are as follows.

Earnings used in the calculation of basic earnings per share	44,123,861	41,393,137
Interest on convertible notes (after tax at 30%)	-	-
Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attr	44,123,861	41,393,137
Others [describe]	-	-
Earnings used in the calculation of diluted earnings pershare from continuing operations	44,123,861	41,393,137

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Weighted average number of equity shares used in the calculation of basic earnings per share

Shares deemed to be issued for no consideration in respect of:

- employee options
- partly paid equity shares
- convertible notes
- others [describe]

Weighted average number of equity shares used in the calculation of diluted earnings per share

100,603,068	93,103,068
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32 Employee benefit plans

32.1 Defined contribution plans

The employees of the Company's are members of a state-managed retirement benefit plan operated by the government. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contributions.

The total expense of Rs.97,43,715/- (out of which Rs.62,54,592/- towards pension fund and Rs.34,89,123/- towards PF, has been recognised for the year in profit or loss (for the year ended March 31, 2018: Rs.1,27,35,456/- out of which Rs.88,41,227/- towards Pension fund contribution and Rs.38,94,229/- for PF)represents contributions paid / payable to these plans by the Company at rates specified in the rules of the plans.

32.2 Defined benefit plans

The company contributes all ascertained liabilities with respect to gratuity to a fund under a Group Gratuity Scheme of LIC of India whose Plan Assets are managed by LIC of India. The company provides for gratuity, a defined benefit retiring plan covering eligible employees. The Gratuity Plan provides a lumpsum payment to the vested employees at retirement / death / incapacitation / termination of employment based on the respective employees salary and tenure of employment with the company

These plans typically expose the Company to actuarial risks such as shown below:

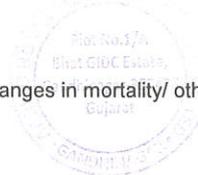
Investment risk	The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yields at the end of the reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments. Further, the overseas plan has a relatively balanced investment in equity securities, debt instruments and real estates. Due to the long-term nature of the plan liabilities, the board of the overseas Fund considers it appropriate that a reasonable portion of the plan assets should be invested in equity securities and in real estate to leverage the return generated by the Fund.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2019

The principal assumptions used for the purposes of the actuarial valuations were as follows.

	Valuation as at	
	31-Mar-19	31-Mar-18
Discount rate(s)	7.79%	7.85%
Expected rate(s) of salary increase	7.00%	7.00%
Attrition Rate	4.00%	3.00%
Retirement Age	58	58
Pre-retirement mortality		
Average longevity at retirement age for current beneficiaries of the plan (years)*		
Males	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Females	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Average longevity at retirement age for current employees (future beneficiaries of the plan) (years)*		
Males		NA
Females		NA

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others (please describe)



Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
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Amounts recognised in Consolidated statement of profit and loss in respect of These defined benefit plan	31-Mar-19	31-Mar-18
Service cost: •		
Current service cost	4,675,046	6,005,840
Past service cost and (gain)/loss from settlements	5,687	-
Net interest expense	(4,989)	668,130
Components of defined benefit costs recognised in profit or loss	4,675,744	6,673,970

Expenses recognised in Other Comprehensive Income

Return on plan assets (excluding amounts included in net interest expense)	401,156.00	286,924.00
Actuarial (gains) / losses arising from changes in demographic assumptions	217,699.00	(535,744.00)
Actuarial (gains) / losses arising from changes in financial assumptions	191,780	(7,040,993)
Actuarial (gains) / losses arising from experience adjustments	(1,700,902)	(2,170,032)
Others [describe]	-	-
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
Total	(890,267)	(9,459,845)

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the Consolidated statement of profit and loss.
The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the Consolidated balance sheet arising from the entity's obligation in respect of its defined benefit plans is as

	31-Mar-19	31-Mar-18
Present value of funded* defined benefit obligation	(30,053,689)	(28,825,971)
Fair value of plan assets	32,586,905	28,889,523
Funded status	2,533,216	63,552
Restrictions on asset recognised	-	-
Others [describe]	-	-
Net liability arising from defined benefit obligation	2,533,216	63,552

Change in Defined Benefit Obligation

	31-Mar-19	31-Mar-18
Opening defined benefit obligation	28,825,971	32,143,533
Current service cost	4,675,046	6,005,840
Interest cost	2,262,839	2,462,195
Remeasurement (gains)/losses:		
Actuarial gains and losses arising from changes in demographic assumptions	217,699	(535,744)
Actuarial gains and losses arising from changes in financial assumptions	191,780	(7,040,993)
Actuarial gains and losses arising from experience adjustments	(1,700,902)	(2,170,032)
Others [describe]	-	-
Past service cost, including losses/(gains) on curtailments	5,687	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(4,282,025)	(2,038,828)
Others [describe]	-	-
Closing defined benefit obligation	30,196,095	28,825,971

Changes in Fair value of Plan Assets

	Year ended 31-Mar-19	Year ended 31-Mar-18
Opening fair value of plan assets	28,889,523	23,421,210
Interest income	2,267,828	1,794,065
Remeasurement gain (loss):		
Return on plan assets (excluding amounts included in net interest expense)	(401,156)	(286,924)
Others [describe]	-	-
Contributions from the employer	6,112,735	6,000,000
Contributions from plan participants	-	-
Assets distributed on settlements	-	-
Assets acquired in a business combination	-	-
Exchange differences on foreign plans	-	-
Benefits paid	(4,282,025)	(2,038,828)
Other [describe]	-	-
Closing fair value of plan assets	32,586,905	28,889,523

The fair value of the plan assets for the India and overseas plan at the end of the reporting period for each category, are as follows

	31-Mar-19	31-Mar-18
- Insurance Fund	32,586,905	28,889,523
Total	32,586,905	28,889,523



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Maturity Analysis of Projected Benefit Obligation: From the Fund

	31-Mar-19	31-Mar-18
Projected benefits payable in future years from the date of reporting		
1st Following Year	1,279,470	985,369
2nd Following Year	1,357,567	983,666
3rd Following Year	1,764,400	1,145,358
4th Following Year	2,474,244	1,503,016
5th Following Year	1,791,501	2,082,867
Sum of 6 to 10 Years	11,164,802	9,130,374
Sum of Years 11 and above	67,235,047	83,284,833

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Increase in assumption		Decrease in assumption	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Discount rate	100 basis points	100 basis points	-2,898,731	-3,280,109	3,418,721	3,947,906
Salary growth rate	100 basis points	100 basis points	3,543,192	3,919,079	-3,067,267	-3,332,251
Employee Turnover	100 basis points	100 basis points	237,975	218,743	-269,700	-264,825

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Each year an Asset-Liability-Matching study is performed in which the consequences of the strategic investment policies are analysed in terms of risk-and-return profiles. Investment and contribution policies are integrated within this study. Main strategic choices that are formulated in the actuarial and technical policy document of the Fund are:

- Asset mix based on 25% equity instruments, 50% debt instruments and 25% investment properties;
- Interest rate sensitivity caused by the duration of the defined benefit obligation should be reduced by 30% by the use of debt instruments in combination
- Maintaining an equity buffer that gives a 97.5% assurance that assets are sufficient within the next 12 months.

There has been no change in the process used by the Company to manage its risks from prior periods.

* The subsidiary liability is unfunded.

The Company has employee benefit schemes by way of Privilege & Sick Leave encashment which are unfunded. These are actuarially valued every year and the liability thereof for Sick leave is INR 61,82,749/- and that for Privilege Leave is INR 1,37,75,368/-. The assumptions are the same as considered in Group Gratuity benefit (disclosed above).

33 Financial instruments

33.1 Capital management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as detailed in borrowing notes) offset by cash and bank balances and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

The Company's risk management committee reviews the capital structure of the Company on a semi-annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Company is initiating efforts to reduce the gearing ratio.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

	As at 31 March 2019	As at 31 March 2018
Debt (i)	665,233,055	631,278,553
Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	(83,860,003)	(62,116,581)
Net Debt	581,373,052	569,161,972
Total Equity	1,073,699,543	1,028,944,660
Net debt to equity ratio	0.54	0.55

(i) Debt is defined as long-term and short-term borrowings (excluding derivative, financial guarantee contracts and contingent consideration), as described in notes.



33.2 Categories of financial instruments

Financial assets	As at 31 March 2019	As at 31 March 2018
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments	-	-
(ii) Derivative instruments other than designated hedge accounting relationships	-	-
(b) Designated as at FVTPL Measured at amortised cost		
(i) Mutual Fund investments	-	-
Measured at amortised cost		
(a) Cash and bank balances (including cash and bank balances in a disposal Company held for sale)	83,860,003	62,116,581
(b) Other financial assets at amortised cost (including trade receivables in a disposal Company held for sale)	440,753,231	416,750,406
Measured at FVTOCI		
(a) Debt instruments	-	-
(b) Investments in equity instruments designated upon initial recognition	-	-
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)		
(a) Held for trading	-	-
(b) Designated as at FVTPL upon initial recognition	-	-
(c) Derivative instruments other than in designated hedge accounting relationships	-	-
Measured at amortised cost (including trade payables balance in a disposal Company held for sale)		
Borrowings	665,233,055	631,278,553
Trade Payables and others	198,774,270	191,853,051
Financial assets designated as at FVTPL		
Carrying amount of financial assets designated as at FVTPL	-	-
Cumulative changes in fair value attributable to changes in credit risk	-	-
Changes in fair value attributable to changes in credit risk recognised during the year	-	-

33.3 Financial risk management objectives

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Corporate Treasury function reports quarterly to the Company's senior management and board of directors, that monitors risks and policies implemented to mitigate risk exposures.

33.4 Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The company's finance team manages these risk by effective financial management.

33.5 Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Trade Receivables (In USD)
Trade Receivables (In INR)



Assets as at	
31/03/2019	31/03/2018
1,922,400	1,524,232
133,491,422	99,181,755

Foreign currency sensitivity analysis

The Company is mainly exposed to currency dollars.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rs. 7,07,03,618/- against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rs. strengthens 10% against the relevant currency. For a 10% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

	2018-19		2017-18	
	+ 10%	- 10%	+ 10%	- 10%
Impact on Profit or Loss for the year	13,349,142	(13,349,142)	9,918,176	(9,918,176)
Impact on Equity for the year	13,349,142	(13,349,142)	9,918,176	(9,918,176)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

33.6 Interest rate risk management

The Company is exposed to interest rate risk because entities in the 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, and by the use of interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments 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:

- profit for the year ended March 31, 2019 would decrease/ increase by INR 2.92 Million (for the year ended March 31, 2018: increase by INR 3.96 Million). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings; and
- other comprehensive income for the year ended March 31, 2019 would not have been impacted (for the year ended March 31, 2018: would not have been impacted)

33.7 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Majority of the Company's transactions are earned in cash or cash equivalents. The trade receivables comprise mainly of receivables from Insurance Companies, Corporate customers and Government Undertakings. The Insurance Companies are required to maintain minimum reserve levels and the Corporate Customers are enterprises with high credit ratings. Accordingly, the Company's exposure to credit risk in relation to trade receivables is considered low. Before accepting any new credit customer, the Company uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed annually. The outstanding with the debtors is reviewed periodically.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

34 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. 34below sets out details of additional undrawn facilities that the Company has at its disposal to further reduce liquidity risk.



34.1 Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Weighted average effective interest rate(%)	3 months to 1 year	1 Year to 5 years	> 5 years
March 31, 2019				
Non-interest bearing		-	-	-
Variable interest rate instruments *	9.50%*	104,024,436	340,352,305	155,902,173
Fixed interest rate instruments *	10.90%	-	-	-
		<u>104,024,436</u>	<u>340,352,305</u>	<u>155,902,173</u>
March 31, 2018				
Non-interest bearing		-	-	-
Variable interest rate instruments *	9.50%*	85,074,940	393,359,377	92,590,624
Fixed interest rate instruments *	10.90%	279,250	-	-
		<u>85,354,190</u>	<u>393,359,377</u>	<u>92,590,624</u>

* These are not cumulative

** Existing Average interest rate

The carrying amounts of the above are as follows:

	As at 31-Mar-19	As at 31-Mar-18
Non-interest bearing		
Variable interest rate instruments	562,455,206	550,121,114
Fixed interest rate instruments	-	428,895
	<u>562,455,206</u>	<u>550,550,009</u>

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

34.2 Financing facilities

Particulars	As at 31-Mar-19	As at 31-Mar-18
Secured bank overdraft facility:		
- amount used	71,135,465	70,128,185
- amount unused	108,864,535	109,871,815
	<u>180,000,000</u>	<u>180,000,000</u>



Apollo Hospitals International Limited
Notes to the Consolidated financial statements for the year ended March 31, 2019
(Amounts in INR Rupees unless otherwise stated)

34.3 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The company considers that the carrying amounts of financial assets and financial liabilities recognised in the Consolidated financial statements approximate their fair values.

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Financial assets at amortised cost:				
- loans to related parties	-	-	-	-
- trade receivables	436,991,326	436,991,326	412,348,288	412,348,288
- Cash and Cash Equivalents	83,860,003	83,860,003	62,116,581	62,116,581
- Other Financial Assets	71,900,865	71,900,865	72,259,365	72,259,365
Financial liabilities				
Financial liabilities held at amortised cost:				
- convertible notes (including interest accrued)	-	-	-	-
- perpetual notes	-	-	-	-
- bank loans	528,432,310	528,432,310	501,006,553	501,006,553
- Cumulative Redeemable Preference Shares	136,800,745	136,800,745	130,272,000	130,272,000
- loans from related parties	-	-	-	-
- Other Financial Liabilities	124,270,715	124,270,715	126,046,311	126,046,311
- trade payables	74,503,555	74,503,555	67,601,325	67,601,325

35 Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties are disclosed below.

35.1 List of Related Parties

	Relationship
Apollo Hospitals Enterprise Limited	Holding Company
Cadila Pharmaceuticals Ltd	Entities having significant influence
Green Channel Travels Services Private Limited	Entities having significant influence
IRM Enterprises Private Limited	Entities having significant influence
Stemcyte India Therapeutics Private Limited	Entities having significant influence
Apollo Sindoori Hotels Limited	Entities having significant influence
Faber Sindoori Management Services Private Limited	Entities having significant influence
Indraprastha Medical Corporation Limited	Entities having significant influence
Apollo Health and Lifestyle Limited	Entities having significant influence
MedSmart Logistics Private Limited	Entities having significant influence
Dhruvi Pharma Private Limited	Entities having significant influence
Apollo Munich Health Insurance Co. Ltd.	Entities having significant influence

35.2 Trading transactions

Particulars during the year, Company entities entered into the following trading transactions with related parties that are not members of the Company:

Related party transactions

Particulars	Purchase		Service Rendered (Income from operation etc)		Service Availed (description to be given)*		Reimbursement of Exps incurred on behalf of RPT		Reimbursement of Exps incurred by RPT on our behalf		Other Income (Rent, Interest, Others etc.)		Outstanding Payable		Outstanding Receivable	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Apollo Hospitals Enterprise Limited	623,943	782,615	1,252,812	-	-	-	185,273	933,753	27,886,527	33,356,308	17,378	-	73,411,323	64,810,343	39,813	213,986
Cadila Pharmaceuticals Limited	10,434,318	6,570,372	1,944,568	2,633,685	-	-	-	-	-	-	-	-	1,797,621	1,171,255	1,819,208	2,418,383
Green Channel Travels Services Private Limited	-	-	-	-	9,253,816	6,904,264	-	-	-	-	-	-	678,243	152,039	-	-
IRM Enterprises Private Limited	-	-	-	-	51,800	44,175	-	-	-	-	110,330	119,595	3,100	3,100	-	10,030
Stemcyte India Therapeutics Private Limited	-	-	-	-	36,000	-	2,477,424	2,305,871	-	-	4,328,946	3,625,251	-	-	1,017,904	500,125
Apollo Sindoori Hotels Limited	-	-	-	-	40,936,926	36,343,280	123,919	115,458	1,936,390	852,018	-	-	3,621,842	6,244,128	-	-
Faber Sindoori Management Services Private Limited	-	-	-	-	9,882,510	9,962,652	-	41,178	-	-	-	-	813,346	797,419	-	-
Indraprastha Medical Corporation Limited	-	-	-	-	-	-	-	-	53,580	-	-	-	-	264,262	316,198	-
Apollo Health and Lifestyle Limited	-	-	817,719	681,380	-	-	-	-	-	-	-	-	-	-	2,588,664	1,770,945
MedSmart Logistics Private Limited	51,262,880	33,494,235	-	-	-	-	-	-	-	-	-	-	-	9,195,896	7,314,010	-
Dhruvi Pharma Private Limited	180,101,834	75,558,454	-	-	-	-	-	-	-	-	-	-	-	18,865,110	10,418,590	-
Apollo Munich Health Insurance Co. Ltd.	-	-	30,044,591	21,579,795	-	-	-	-	-	-	-	-	-	-	3,004,022	3,710,392

Service Availed from RPT:

- Booking of Air tickets from Green Channel Travels Services Private Limited
- Food & Beverage services from IRM Enterprises Private Limited
- F&B-Manpower services from Apollo Sindoori Hotels Limited
- Biomedical-Manpower services from Faber Sindoori Management Services Private Limited
- Outsource Lab Investigation to StemCyte India Therapeutics Private Limited



36 Compensation of key management personnel

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Employee Benefits	10,210,746	10,869,807
	<u>10,210,746</u>	<u>10,869,807</u>

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

37 Operating lease arrangements

37.1 The Company as lessee

Leasing arrangement

Operating leases relate to leases of land with lease terms of between 5-10 yrs . All operating lease contracts over 5 years contain clauses for 5-yearly market rental review .The Company does not have an option to purchase the leased land at the expiry of the lease periods.

Payments recognised as an expense

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
Minimum lease payments	38,806,338	38,806,338
	<u>38,806,338</u>	<u>38,806,338</u>

Non-cancellable operating lease commitments

Particulars

	31-Mar-19	31-Mar-18
Not later than 1 year	29,701,056	27,314,364
Later than 1 year and not later than 5 years	161,086,649	156,524,565
Later than 5 years	524,876,194	559,139,334
	<u>715,663,899</u>	<u>742,978,263</u>

Liabilities recognised in respect of non-cancellable operating leases

38 Commitments

Particulars	31-Mar-19	31-Mar-18
Commitments for the acquisition of property, plant and equipment	5,843,218	1,320,409

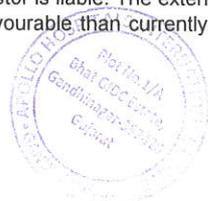
The Company's share of the capital commitments made jointly with other joint venturers relating to its joint venture, is as follows:

Particulars	31-Mar-19	31-Mar-18
Commitments to contribute funds for the acquisition of property, plant and equipment	5,843,218	1,320,409
Commitments to provide loans	-	-
Commitments to acquire other venturer's ownership interest when a particular event occurs or does not occur in the future (please specify what the particular event is)	-	-
Others (please specify)	-	-

39 Contingent liabilities

Particulars	31-Mar-19	31-Mar-18
a) Claims against the Company not acknowledged as debt	66,027,000	59,527,000
(b) Guarantees excluding financial guarantees	-	-
(d) Other money for which the company is contingently liable		
Customs Duty	-	-
Service Tax	-	-
Value Added Tax	17,616,820	17,904,795
Income Tax	-	-
EPCG	-	-
(e) Other money for which the company is contingently liable		
- Contingent liabilities incurred by the Company arising from its interests in joint ventures & subsidiaries (Letter of Comfort to YES Bank for Credit Facilities of Apollo-Amrsh Oncology Services Pvt. Ltd & Apollo CVHF Limited)	166,405,956	70,000,000
- Contingent liabilities incurred by the Company arising from its interests in associates (please disclose the	-	-
- Company's share of associates' contingent liabilities (ii)	-	-
- Company's share of joint venture's contingent liabilities	-	-

(i) A number of contingent liabilities have arisen as a result of the Company's interest in its joint venture. The amount disclosed represents the aggregate amount of such contingent liabilities for which the Company as an investor is liable. The extent to which an outflow of funds will be required is dependent on the future operations of the joint venture being more or less favourable than currently expected. The Company is not contingently liable for the liabilities of other venturers in its joint venture.



Apollo Hospitals International Limited**Notes to the Consolidated financial statements for the year ended March 31, 2019**

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(ii) The amount disclosed represents the Company's share of contingent liabilities of associates. The extent to which an outflow of funds will be required is dependent on the future operations of the associates being more or less favourable than currently expected.

(iii) The guarantees included above excludes financial guarantees given to banks by the Company to secure the financing facilities obtained by the subsidiaries and other Company companies.

40 Events after the reporting period

There are no reportable events occurring after the balance sheet date.

41 Approval of financial statements

The financial statements were approved for issue by the board of directors on _16-05-2019

42 Earnings in Foreign Currency

Particulars	31-Mar-19	31-Mar-18
(1) Earnings in Foreign Currency		
Income from Hospital Services	75,583,712	78,422,114
(2) Expenditure in Foreign Currency		
Travelling & Marketing Expenses	8,335,863	2,782,324
Professional charges (Pre & followup care fees)	1,036,191	784,732
(3) Volume of Imports in Foreign Currency - Capital Goods	-	44,103,547
(4) Imported Materials	-	-

(Consumptions relates to items used for healthcare services only)

