

**APOLLO HOME HEALTHCARE LIMITED**

**SEVENTH ANNUAL REPORT**

**2020 - 2021**

**APOLLO HOME HEALTHCARE LIMITED**  
**CIN: U85100TN2014PLC095340**

**ANNUAL REPORT 2020-21**

**BOARD OF DIRECTORS**

1. Mrs. Shobana Kamineni
2. Mrs. Sangita Reddy
3. Mr. Harshad Reddy
4. Mr. V. Subramanian
5. Mr. Pavan Krishnamurthy
6. Dr Indira Jayakumar
7. Mr. Shivram Sethuraman

**REGISTERED OFFICE**

3<sup>rd</sup> Floor, Ali Towers,  
#55, Greams Road,  
Thousand Lights , Chennai 600 006.  
Tel: 044-28290956  
Email: reach@apollohomecare.com  
Website: www.apollohomecare.com

**ADMINISTRATIVE OFFICE**

D.No. 8-2-293/82/L, Plot No.253/A, 2nd & 3rd Floor,  
Venkateswara Colony, Road No:12 | Banjara Hills,  
Hyderabad, Telangana – 500034.

**BANKERS**

HDFC Bank Ltd  
ICICI BANK

**AUDITORS**

M/s. Basha & Narasimhan  
Chartered Accountants  
Chennai - 600 018.



**Independent Auditors Report on Financial Statements**

To  
The Members of  
APOLLO HOME HEALTHCARE LIMITED

**Report on the Audit of Financial Statements**

**Opinion**

We have audited the financial statements of Apollo Home Healthcare Limited (“the Company”), which comprise the balance sheet as at 31st March 2021, the statement of profit and loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significant in our audit of the financial statements of the current period. As per our professional judgement, there are no significant key audit matters.



## **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As there are no material misstatements in regard of other information referred herein, we have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Indian accounting standards (Ind AS), including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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



if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. With respect to detailed description on auditors responsibilities and exercise of professional judgment and professional scepticism.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A , statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B.
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



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

**Place: Chennai**  
**Date: 05-06-2021**



**For BASHA & NARASIMHAN**  
**Chartered Accountants**  
**Firm's Registration No: 006031S**

*S.P. Basha Saheb*  
**S.P. Basha Saheb**  
**Partner**  
**Membership No: 023417**  
**UDIN: 21023417AAAAEU7356**

**“ANNEXURE - A” TO THE INDEPENDENT AUDITORS’ REPORT  
(Referred to in paragraph 1 under ‘Report on Other Legal and  
Regulatory Requirements’ section of our report of even date)**

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) In respect of Fixed Assets
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) The Company has considered depreciation rates in respect of fixed assets in line with Schedule II of Companies Act, 2013 linking with useful life specified therein.
  - c) As explained to us, all the fixed assets have been physically verified by the Management during the year. No material discrepancies were noticed on such verification.
  
- ii) In respect of Inventories
  - a) Inventories have been physically verified during the year by the management.
  - b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
  
- iii) In respect of Loans:

As informed to us, the company has not granted any loans, secured or unsecured to companies or other parties covered in the register maintained under section 189 of the Companies Act. Accordingly, the Clause 3(iii) (a) and 3 (iii) (b) of the Order are not applicable to the Company.
  
- iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
  
- v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
  
- vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.



- vii)
- a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Cess, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.
  - b) According to the information and explanation given to us, there are no dues of income tax, GST outstanding on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government.
- ix) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised by way of Initial Public Offer or Further Public Offer.
- x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration if paid or provided is in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 of the Order are not applicable to the Company.
- xiii) In our opinion, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.





- xv) According to the information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with them which will come under the purview of section 192 of the Companies Act, 2013.
- xvi) As the Company is not in non-banking financial services, this clause is not applicable.

**Place: Chennai**  
**Date: 05-06-2021**



**For BASHA & NARASIMHAN**  
**Chartered Accountants**  
**Firm's Registration No: 006031S**

*S.P. Basha Saheb*

**S.P. Basha Saheb**  
**Partner**

**Membership No: 023417**  
**UDIN: 21023417AAAAEU7356**

**“ANNEXURE - B” TO THE INDEPENDENT AUDITORS’ REPORT**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of Apollo Home Health Care limited as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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



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

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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



## Opinion

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

**Place: Chennai**  
**Date: 05-06-2021**



**For BASHA & NARASIMHAN**  
**Chartered Accountants**  
**Firm's Registration No: 006031S**

*S.P. Basha Saheb*

**S.P. Basha Saheb**  
**Partner**

**Membership No: 023417**  
**UDIN: 21023417AAAAEU7356**

**“ANNEXURE - C” TO THE INDEPENDENT AUDITORS’ REPORT**  
**(Referred to in Auditor’s Responsibilities for the Audit of the Financial Statements)**

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

- a. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**Place: Chennai**  
**Date: 05-06-2021**



**For BASHA & NARASIMHAN**  
**Chartered Accountants**  
**Firm's Registration No: 006031S**

**S.P. Basha Saheb**  
**Partner**

**Membership No: 023417**  
**UDIN: 21023417AAAAEU7356**

**APOLLO HOME HEALTHCARE LIMITED**

**Balance Sheet as at 31st March 2021**

	Particulars	Note No	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
<b>I</b>	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	3	55,67,268	49,84,313
	(b) Other non-current assets	3.1	2,36,38,014	-
	(c) Tax Asset	4	30,10,959	12,52,989
	(d) Deferred tax assets (Net)	4.1	55,61,642	43,09,355
	(e) Financial Assets	5	62,32,325	54,47,517
	<b>Total Non - Current Assets</b>		<b>4,40,10,208</b>	<b>1,59,94,175</b>
	<b>Current assets</b>			
	(a) Inventories	6	14,32,034	8,50,889
	(b) Financial assets			
	(i) Trade receivables	7	7,86,63,944	3,65,10,327
	(ii) Cash and cash equivalents	8	44,85,375	31,15,944
	(iii) Other Financial Assets	8.1	18,20,339	4,70,564
	(c) Other current assets	9	17,88,849	8,32,560
	<b>Total Current Assets</b>		<b>8,81,90,542</b>	<b>4,17,80,283</b>
	<b>Total Assets</b>		<b>13,22,00,750</b>	<b>5,77,74,458</b>
<b>II</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	(a) Equity Share capital	10	23,86,87,200	23,86,87,200
	(b) Other equity	11	(33,67,43,338)	(35,29,52,379)
	<b>Equity attributable to owners of the Company</b>		<b>(9,80,56,138)</b>	<b>(11,42,65,179)</b>
	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other non-current liabilities	11.1	2,55,39,552	-
	<b>Total Non - Current Liabilities</b>		<b>2,55,39,552</b>	<b>-</b>
	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Trade payables	12	16,20,97,150	11,07,02,729
	(ii) Borrowings	12.1	2,03,17,084	4,21,04,832
	(b) Provisions	13	1,81,40,652	1,51,75,167
	(c) Other current liabilities	14	41,62,450	40,56,910
	<b>Total Current Liabilities</b>		<b>20,47,17,336</b>	<b>17,20,39,638</b>
	<b>Total Liabilities</b>		<b>23,02,56,888</b>	<b>17,20,39,638</b>
	<b>Total Equity and Liabilities</b>		<b>13,22,00,750</b>	<b>5,77,74,458</b>

The accompanying Notes 1-21 form an integral part of Financial Statements

For and on behalf of the Board of Directors

for **BASHA & NARASIMHAN**

Chartered Accountants

Firm's Registration No. 0060315

S.P.Basha Saheb

Partner

Membership No: 023417

Place : Chennai

Date : 05th Jun 2021



**Sangita Reddy**

Director

DIN: 00006285

**Harshad Reddy**

Director

DIN: 02364798

## APOLLO HOME HEALTHCARE LIMITED

### Statement of Profit and Loss for the year ended 31st March 2021

	Particulars	Note No.	For the year ended 31.03.2021 Rs.	For the year ended 31.03.2020 Rs.
I	Revenue from Operations	15	55,26,84,567	45,09,30,325
II	Other Income	16	1,18,447	61,214
<b>III</b>	<b>Total Income</b>		<b>55,28,03,014</b>	<b>45,09,91,539</b>
<b>IV</b>	<b>Expenses</b>			
	Cost of materials consumed		12,05,10,930	6,84,47,482
	Changes in inventory of stock-in-trade		(5,81,146)	21,603
	Employee benefit expense	17	25,77,56,712	29,12,51,027
	Finance costs	18	91,73,715	77,84,537
	Depreciation and amortisation expense	19	71,95,066	13,18,009
	Other expenses	20	14,30,68,934	11,89,97,776
<b>V</b>	<b>Total expenses</b>		<b>53,71,24,211</b>	<b>48,78,20,434</b>
	<b>Profit/(loss) before exceptional items and tax</b>		<b>1,56,78,804</b>	<b>(3,68,28,895)</b>
	Exceptional Items		-	-
	<b>Profit/(loss) before tax</b>		<b>1,56,78,804</b>	<b>(3,68,28,895)</b>
	Tax expense:			
	(1) Current tax	21	7,76,415	-
	(2) Deferred tax & MAT Credit Entitlement	21	(20,28,702)	(5,53,686)
			(12,52,287)	(5,53,686)
	<b>Profit/(loss) for the period</b>		<b>1,69,31,091</b>	<b>(3,62,75,209)</b>
	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)		-	-
	<b>Total other comprehensive income</b>		-	-
	<b>Total comprehensive income for the Year</b>		<b>1,69,31,091</b>	<b>(3,62,75,209)</b>
	<b>Earnings per equity share</b>			
	Basic (in Rs.)		0.71	(1.52)
	Diluted (in Rs.)		0.71	(1.52)

The accompanying Notes 1-21 form an integral part of Financial Statements

for **BASHA & NARASIMHAN**  
Chartered Accountants  
Firm's Registration No. 0060315

S.P.Basha Saheb  
Partner  
Membership No: 023417  
Place : Chennai  
Date : 05th Jun 2021



For and on behalf of the Board of Directors

**Sangita Reddy**  
Director  
DIN: 00006285

**Harshad Reddy**  
Director  
DIN: 02364798



## APOLLO HOME HEALTHCARE LIMITED

Cash Flow Statement for the year ended 31st March 2021

	Particulars	31.03.2021 Rs.	31.03.2020 Rs.
<b>A</b>	<b>Cash Flow from operating activities</b>		
	Net profit/ (Loss) after tax and extraordinary items	1,69,31,091	(3,68,28,895)
	Adjustment for:		
	Depreciation & Amortization	71,95,066	13,18,009
	Loss on disposal of assets	19,936	20,307
	Finance Cost	21,52,430	-
	Operating profit/(Loss) before working capital changes	2,62,98,523	(3,54,90,579)
	Adjustment for :-		
	Trade Receivables	(4,21,53,617)	(2,00,35,138)
	Inventories	(5,81,146)	21,603
	Other Non-current Assets	(37,95,064)	(7,80,619)
	Other Financial Assets	(13,49,775)	-
	Other Current Assets	(9,56,289)	(87,886)
	Trade payables	5,13,94,421	32,74,530
	Provisions	29,65,485	14,52,084
	Other Current Liabilities	1,05,540	25,600
	<b>Net cash from operating activities</b>	<b>3,19,28,077</b>	<b>(5,16,20,405)</b>
<b>B</b>	<b>Cash flow from Investing activities</b>		
	Purchase of fixed assets	(21,13,324)	(7,84,095)
	Loss on Sale of Fixed Assets	(19,936)	(20,307)
	Sale of Fixed Assets	3,16,282	23,308
	<b>Net cash used in Investing activities</b>	<b>(18,16,978)</b>	<b>(7,81,094)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Repayment of lease liability	(69,53,920)	-
	Borrowings	(2,17,87,748)	4,21,04,832
	<b>Net cash from financing activities</b>	<b>(2,87,41,668)</b>	<b>4,21,04,832</b>
	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>13,69,431</b>	<b>(1,02,96,667)</b>
	Opening Cash and cash equivalents	31,15,944	1,34,12,611
	Closing Cash and cash equivalents	44,85,375	31,15,944
	<b>Component of Cash and cash equivalents</b>	<b>13,69,431</b>	<b>(1,02,96,667)</b>
	Cash on Hand	42,374	8,941
	Balance with Banks	44,43,001	31,07,003
		44,85,375	31,15,944

The accompanying Notes 1-21 form an integral part of Financial Statements

for **BASHA & NARASIMHAN**

Chartered Accountants

Firm's Registration No. 0060315

S.P.Basha Saheb

Partner

Membership No: 023417

Place : Chennai

Date : 05th June 2021



For and on behalf of the Board of Directors

**Sangita Reddy**

Director

DIN: 00006285

**Harshad Reddy**

Director

DIN: 02364798

**APOLO HOME HEALTHCARE LIMITED**  
Notes to the Financial Statements for the year ended 31st March 2021

**3. Property, Plant and Equipment - As of 31.03.2021**

Fixed Assets	Gross Block				Depreciation				Net Block	
	As at 1.04.2020	Additions	Deletions	As at 31.03.2021	As at 1.04.2020	For the Period	On disposals	As at 31.03.2021	As at 31.03.2021	As at 1.04.2020
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets :</b>										
Medical Equipment	29,99,749	-		29,99,749	8,80,265	2,19,003		10,99,268	19,00,491	21,19,486
Furniture and Fixtures	12,90,824	11,360		13,02,184	8,87,746	2,20,046		11,07,792	1,94,393	4,03,079
Vehicles	21,36,639	4,63,457	8,56,382	17,43,714	11,34,887	2,44,619	5,41,445	8,38,060	9,05,655	10,01,753
Office equipment	81,71,818	16,38,507	26,900	97,83,425	67,11,825	5,30,419	25,555	72,16,697	25,66,730	14,59,995
<b>Total</b>	<b>1,45,99,029</b>	<b>21,13,324</b>	<b>8,83,282</b>	<b>1,58,29,071</b>	<b>96,14,723</b>	<b>12,14,087</b>	<b>5,67,000</b>	<b>1,02,61,817</b>	<b>55,67,269</b>	<b>49,84,313</b>
<b>Previous year</b>	<b>1,39,09,065</b>	<b>7,84,095</b>	<b>94,131</b>	<b>1,45,99,029</b>	<b>83,67,528</b>	<b>13,18,009</b>	<b>70,822</b>	<b>96,14,723</b>	<b>49,84,313</b>	<b>55,41,537</b>



**APOLLO HOME HEALTHCARE LIMITED**

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

3.1	Other non-current assets	As at 31.03.2021	
		Non Current	Current
	Right of Use Asset	2,36,38,014	-

4	Tax Assets	As at 31.03.2021		As at 31.03.2020	
		Rs.		Rs.	
		Non Current	Current	Non Current	Current
	Tax refund receivable	30,10,959	-	12,52,989	-

4.1	Deferred tax balances	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Deferred Tax Assets	55,61,642	43,09,355
	Deferred Tax Liabilities	-	-
	<b>Net Deferred Tax</b>	<b>55,61,642</b>	<b>43,09,355</b>

5	Financial Assets	As at 31.03.2021		As at 31.03.2020	
		Rs.		Rs.	
		Non Current	Current	Non Current	Current
	Security Deposits	62,32,325	-	54,47,517	-
	<b>Total</b>	<b>62,32,325</b>	<b>-</b>	<b>54,47,517</b>	<b>-</b>

6	Inventories	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Inventories (lower of cost and net realisable value)		
	Stock in Trade - Medicines	14,32,034	8,50,889

Cost of materials consumed	For the year ended 31.03.2021	For the year ended 31.03.2020
Opening Stock	8,50,889	8,72,492
Add: Purchases	12,10,92,076	6,84,25,878
Less: Closing stock	14,32,034	8,50,889
<b>Total</b>	<b>12,05,10,930</b>	<b>6,84,47,482</b>

Changes in inventory of medical consumables and drugs	For the year ended 31.03.2021	For the year ended 31.03.2020
Inventories at the beginning of the year	8,50,889	8,72,492
Inventories at the closing of the year	14,32,034	8,50,889
<b>Total</b>	<b>(5,81,146)</b>	<b>21,603</b>



**APOLLO HOME HEALTHCARE LIMITED**

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

7	Trade receivables	As at 31.03.2021		As at 31.03.2020	
		Rs.		Rs.	
		Non Current	Current	Non Current	Current
	Trade receivables:				
	Unsecured, considered good	-	7,86,63,944	-	3,65,10,327
	Unsecured, considered doubtful	-	39,74,584	-	9,13,213
	Less : Allowance for doubtful debts (expected credit loss allowance)	-	(39,74,584)	-	(9,13,213)
	<b>Total</b>	-	<b>7,86,63,944</b>	-	<b>3,65,10,327</b>

8	Cash and cash equivalents	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Balances with Banks:		
	(a) In Current Accounts	44,43,001	28,62,003
	(b) In Deposit Accounts	-	2,44,999
	Cash on hand	42,374	8,941
	<b>Total</b>	<b>44,85,375</b>	<b>31,15,944</b>

8.1	Other Financial Assets	As at 31.03.2021	As at 31.03.2020
		Rs.	Rs.
	Receivable From Employees	18,20,339	4,70,564
	<b>Total</b>	<b>18,20,339</b>	<b>4,70,564</b>

9	Other Assets	As at 31.03.2021		As at 31.03.2020	
		Rs.		Rs.	
		Non Current	Current	Non Current	Current
	Prepaid Expenses	-	10,12,434	-	8,32,560
	MAT Credit Entitlement	-	7,76,415	-	-
	<b>Total</b>	-	<b>17,88,849</b>	-	<b>8,32,560</b>



**APOLLO HOME HEALTHCARE LIMITED**

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

10	Equity Share Capital	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Equity share capital		
	<b>Authorised Share capital :</b> 2,50,00,000 Shares of Rs.10/- each	25,00,00,000	25,00,00,000
	<b>Issued</b> 2,38,68,720 Shares of Rs.10 each	23,86,87,200	23,86,87,200
	<b>Subscribed and Paid up capital comprises:</b> 2,38,68,720 Shares of Rs.10/- each	23,86,87,200	23,86,87,200
	<b>Total</b>	<b>23,86,87,200</b>	<b>23,86,87,200</b>

Reconciliation of number of shares outstanding at the beginning and at the end of the period :

Particulars	As at 31.03.2021		As at 31.03.2020		As at 31.03.19	
	No. of Shares held	Amount (Rs)	No. of Shares held	Amount (Rs)	No. of Shares held	Amount (Rs)
Ousting as at the opening date	2,38,68,720	23,86,87,200	1,66,68,720	16,66,87,200	97,12,838	9,71,28,380
Movement :						
Add: Shares issued during the period	-	-	-	-	-	-
Add: Additional shares by way of loan converted to equity shares in favour of Western Hospitals Corporation Private Limited	-	-	-	-	44,55,882	4,45,58,820
Add: Additional shares by way of conversion of compulsorily convertible debentures in favour of Apollo Hospitals Enterprise Limited	-	-	72,00,000	7,20,00,000	25,00,000	2,50,00,000
<b>Ousting as at the closing date</b>	<b>2,38,68,720</b>	<b>23,86,87,200</b>	<b>2,38,68,720</b>	<b>23,86,87,200</b>	<b>1,66,68,720</b>	<b>16,66,87,200</b>

The Company has only one class of equity shares having a par value of Rs. 10/- per share.

Fully paid equity shares	Number of Shares
Balance at April 1, 2020	2,38,68,720
<b>Balance at 31st March 2021</b>	<b>2,38,68,720</b>

(iii) Details of number of shares held by each shareholder :

S.No.	Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Apollo Hospitals Enterprise Ltd.	1,68,87,500	70.75%	1,68,87,500	70.75%
2	Dr. Prathap C Reddy	19,25,338	8.07%	19,25,338	8.07%
3	Ms. Shobana Kamineni	1,00,000	0.42%	1,00,000	0.42%
4	Ms. Sindoori Reddy	1,00,000	0.42%	1,00,000	0.42%
5	Mr. Karthik Anand Reddy	1,00,000	0.42%	1,00,000	0.42%
6	Ms. Upasna Konidela	1,00,000	0.42%	1,00,000	0.42%
7	Mr. Anindith Reddy	1,00,000	0.42%	1,00,000	0.42%
8	Mr. Aditya Reddy	1,00,000	0.42%	1,00,000	0.42%
9	Western Hospitals Corporation Private Limited	44,55,882	18.67%	44,55,882	18.67%
	<b>Total</b>	<b>2,38,68,720</b>	<b>100.00%</b>	<b>2,38,68,720</b>	<b>100.00%</b>



APOLLO HOME HEALTHCARE LIMITED  
Notes to the Financial Statements for the year ended 31st March 2021

11	Particulars	Reserves and Surplus		Other Items of Other Comprehensive Income Rs.	Total Rs.
		Securities premium Rs.	Retained earnings Rs.		
	Balance at the beginning of the reporting period	3,11,91,180	(38,41,43,559)		(35,29,52,379)
	Retained Earnings - IND AS 116		(7,22,049)		(7,22,049)
	Profit/(loss) for the year		1,69,31,091		1,69,31,091
	<b>Balance at the end of the year</b>	<b>3,11,91,180</b>	<b>(36,79,34,518)</b>	-	<b>(33,67,43,338)</b>

	Other equity	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Retained earnings	(33,67,43,338)	(35,29,52,379)
	<b>Balance at the end of the year</b>	<b>(33,67,43,338)</b>	<b>(35,29,52,379)</b>

	Retained earnings	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Balance at beginning of year	(38,41,43,559)	(34,78,68,350)
	Retained Earnings on IND AS 116	(7,22,049)	-
	Profit attributable to owners of the Company	1,69,31,091	(3,62,75,209)
	<b>Balance at the end of the year</b>	<b>(36,79,34,518)</b>	<b>(38,41,43,559)</b>

11.1	Lease Liability	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Lease Liability	2,55,39,552	-
	<b>Balance at the end of the year</b>	<b>2,55,39,552</b>	<b>-</b>

12	Trade Payables	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	(a) Trade payables	3,95,73,700	3,56,76,639
	(b) Patient deposits	5,37,86,212	2,06,02,975
	(c) Outstanding expenses	6,87,37,238	5,44,23,113
	<b>Total</b>	<b>16,20,97,150</b>	<b>11,07,02,728</b>

	Trade Payables	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Total outstanding dues of micro enterprises and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	3,95,73,700	3,56,76,639
	<b>Total</b>	<b>3,95,73,700</b>	<b>3,56,76,639</b>

(i) The average credit period on purchases of goods ranges from immediate payments to credit period of 45 days

12.1	Particulars	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	Unsecured Loan from -		
	a) Western Hospitals corporation Pvt Ltd	50,00,000	1,95,00,000
	b) HDFC Bank - OD	-	2,26,04,832
	c) ICICI Bank - OD	1,53,17,084	-
	<b>Total</b>	<b>2,03,17,084</b>	<b>4,21,04,832</b>

13	Provisions	As at 31.03.2021 Rs.		As at 31.03.2020 Rs.	
		Non Current	Current	Non Current	Current
	Provision for Income Tax	-	7,76,415	-	-
	Provision for Gratuity and Leave Encashment	-	1,73,64,237	-	1,51,75,167
	<b>Total</b>	<b>-</b>	<b>1,81,40,652</b>	<b>-</b>	<b>1,51,75,167</b>

14	Other current liabilities	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
	(a) Statutory Liabilities	41,27,450	40,56,910
	(b) Other liabilities	35,000	-
	<b>Total</b>	<b>41,62,450</b>	<b>40,56,910</b>



**APOLLO HOME HEALTHCARE LIMITED**

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

15	Revenue from Operations	For the year ended 31.03.2021	For the Year ended 31.03.2020
	Revenue from rendering of healthcare services	55,26,84,567	45,09,30,325
<b>Total</b>	<b>55,26,84,567</b>	<b>45,09,30,325</b>	

16	Other Income	For the year ended 31.03.2021	For the Year ended 31.03.2020
	a) Interest income:		
Bank deposits	42,281	2,374	
Others	76,166	57,186	
<b>Total</b>	<b>1,18,447</b>	<b>59,560</b>	
b) Other gains and losses			
Gain on disposal of Property Plant and Equipment	-	1,654	
<b>Total</b>	<b>-</b>	<b>1,654</b>	
<b>Total</b>	<b>1,18,447</b>	<b>61,214</b>	

17	Employee benefits expense	For the year ended 31.03.2021	For the Year ended 31.03.2020
	Salaries and wages	23,22,81,884	26,88,33,850
Contribution to provident and other funds	1,29,18,972	1,17,02,994	
Employee state insurance	27,45,792	38,23,378	
Staff education & training	1,65,628	2,47,020	
Staff welfare expenses	96,44,437	66,43,784	
<b>Total</b>	<b>25,77,56,712</b>	<b>29,12,51,027</b>	

18	Finance costs	For the year ended 31.03.2021	For the Year ended 31.03.2020
	a) Interest costs:		
Interest on bank overdrafts and loans	10,25,859	14,42,136	
Interest on loans from related parties	21,47,009	31,51,860	
Interest on obligations under finance leases	21,52,430	-	
Other interest expense	1,364	-	
b) Bank Charges	38,47,053	31,90,541	
<b>Total</b>	<b>91,73,715</b>	<b>77,84,537</b>	



**APOLLO HOME HEALTHCARE LIMITED**  
**Notes to the Financial Statements for the year ended 31st March 2021**

19	Depreciation and amortisation expense	For the year ended 31.03.2021	For the Year ended 31.03.2020
	a) Amortization on Right to Use Asset	59,80,979	-
	b) Depreciation of property, plant and equipment	12,14,087	13,18,009
	<b>Total depreciation and amortisation pertaining to continuing operations</b>	<b>71,95,066</b>	<b>13,18,009</b>

20	Other expenses	For the year ended 31.03.2021	For the Year ended 31.03.2020
(a)	Retainer Fees to Doctors	8,82,50,185	4,30,13,961
	Power and fuel	27,07,198	25,76,064
	House Keeping Expenses	10,05,231	11,88,098
	Water Charges	86,390	1,18,495
	Rent	57,80,988	1,32,65,140
	Brokerage & Commission	-	1,24,000
	Repairs to Machinery	8,347	4,678
	Repairs to Vehicles	1,94,543	1,36,496
	Office Maintenance & Others	2,10,008	4,00,170
	Insurance	1,31,998	2,02,708
	Rates and Taxes, excluding taxes on income	4,24,707	17,15,807
	Printing & Stationery	12,71,823	12,73,942
	Postage & Telegram	4,85,521	1,52,883
	Director Sitting Fees	1,65,200	2,93,000
	Advertisement, Publicity & Marketing	1,52,35,523	2,50,24,592
	Travelling & Conveyance	1,27,77,248	1,89,19,768
	Subscriptions	40,04,749	46,77,687
	Legal & Professional Fees	3,13,290	1,47,613
	Recruitment Charges	25,89,668	15,98,219
	Telephone & Internet Expenses	23,31,285	22,66,753
	Books & Periodicals	87,890	12,615
	Bad Debts Written off	13,48,491	2,82,010
	Provision for Bad Debts	30,61,371	5,33,897
	Loss on disposal of assets	19,936	20,307
	Miscellaneous expenses	1,05,343	5,07,757
	<b>Total</b>	<b>14,25,96,934</b>	<b>11,84,56,658</b>
(b)	<b>Payments to auditors</b>		
	a) For audit	4,72,000	3,83,500
	b) For reimbursement of expenses	-	1,57,618
	<b>Total</b>	<b>4,72,000</b>	<b>5,41,118</b>
	<b>Grand total</b>	<b>14,30,68,934</b>	<b>11,89,97,776</b>

21	Income taxes relating to continuing operations	For the year ended 31.03.2021	For the Year ended 31.03.2020
	Income tax recognised in profit or loss		
	<b>Current tax</b>		
	In respect of the current year	7,76,415	-
	<b>Total</b>	<b>7,76,415</b>	<b>-</b>
	<b>Deferred tax:</b>		
	In respect of the current year	12,52,287	5,53,686
	MAT credit entitlement	7,76,415	-
	<b>Total income tax expense recognised in the current year relating to continuing operations</b>	<b>20,28,702</b>	<b>5,53,686</b>





## **APOLLO HOME HEALTHCARE LIMITED**

### **Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2021**

#### **1 Corporate Information**

Apollo Home Healthcare Limited ("the Company") was incorporated on 07<sup>th</sup> March, 2014. The Company is primarily engaged in Nursing Care, In-home Primary Care, Physiotherapy at Home, Sample Collection, Post-operative/ Post-surgical Care, etc.

#### **2 Significant Accounting Policies**

##### **2.1 Statement of Compliance**

The Financial statements have been prepared in accordance with the Indian Accounting Standards (hereafter referred to as the "Ind AS") as notified by the Ministry of Corporate Affairs pursuant to Section 133 of Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and rules framed thereunder.

##### **2.2 Basis of Preparation of Financial Statements**

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

##### **2.3 Leases in accordance with IND AS 116**

Effective April 1, 2020, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2020 using the modified retrospective method has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2020 have not been retrospectively adjusted and therefore will continue to be



reported under the accounting policies included as part of our Annual Report for year ended March 31, 2020. On transition, the adoption of the new standard resulted in recognition of 'Right-of-Use' asset and a lease liability as at April 1, 2020. The cumulative effect of applying the standard was debited to retained earnings.

The financial impact on initial application of this standard on financial statements is disclosed as below:

On transition, the adoption of the new standard resulted in recognition of 'Right of Use' asset of Rs.2,96,18,993/- and a lease liability of Rs.3,03,41,042/-. The cumulative effect of applying the standard, amounting to Rs.7,22,049/- was debited to retained earnings. The effect of this adoption is insignificant on the profit before tax, profit for the period and earnings per share.

#### **2.4 Revenue Recognition in accordance with IND AS-115**

Revenue primarily comprises fees charged for rendering healthcare services at home. These services mainly constitute Home Visit Programs like physiotherapy, vaccination, and investigations etc., Home Partnership Programs like elderly care, ortho rehab, lung rehab etc., and Home Nursing Programs for nursing services and medical equipment on rent.

As mandated by Ind AS 115, entity considers the terms of the contract and its customary business practices to determine the transaction price linked to the performance obligation of the contract. Revenue is recognized as and when the entity satisfies the performance obligation i.e., successful delivery of services and is recorded at the transaction price which is the amount of consideration the entity expects to be entitled for providing services to patients. The revenue so recognized is measured at fair value net of returns, trade discounts excluding amounts collected on behalf of third parties. The entity does not undertake any modification to the transaction price after inception of the contract.

#### **2.5 Other Income:**

Other services income has been accounted on accrual basis

#### **2.6 Borrowings and Borrowing Costs**

Borrowings are 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 the statement of Profit and Loss in the period in which they are incurred.

## **2.7 Employee benefits**

### **1. Post-employment benefit plans**

Contributions to defined contribution retirement benefit schemes are recognized as an expense when employees have rendered services entitling them to contributions. The company makes contributions towards Provident Fund and Employee State Insurance as a defined contribution retirement benefit fund for qualifying employees. The Provident Fund Plan is operated by the Regional Provident Fund Commissioner. Under the scheme, the Company is required to contribute a specified percentage of payroll cost, as per the statute, to the retirement benefit schemes to fund the benefits. Employees State Insurance dues are remitted to the Employees State Insurance Corporation. For retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method. Past service cost is recognised in profit and loss in the period of a plan amendment.

### **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. For short term (accumulating) paid absences, the company had made a provision in books based on the closing value of the leave accumulation with respect to last drawn gross salary as per the policy of the company.

## **2.8 Taxation**

Deferred tax is recognized on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax liabilities are generally recognized for all deductible temporary differences. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future.

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



## **2.9 Cash and cash equivalents (for the purpose of Cash Flow Statement)**

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

## **2.10 Use of Estimates**

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses like useful lives of fixed assets, provision for doubtful receivables / advances, allowances for slow moving inventories etc., during the reporting period. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an on-going basis.

## **2.11 Inventories**

The inventories of medicines are valued at the lower of cost or net realizable value. Cost is determined on a First In First Out basis and includes freight, taxes, duties and other charges incurred for bringing the goods to the present location and condition and is net of GST credit wherever applicable. Due allowance is estimated and made for expired stocks, slow/ non-moving items, wherever necessary.

## **2.12 Property, Plant and Equipment**

Property, Plant & Equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes taxes, duties, freight and incidental expenses relating to acquisitions and bringing them to their intended use.

Depreciation is recognized 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. An item of property, plant and equipment is derecognized 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.



### **2.13 Impairment of Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment of carrying amount of the Company's assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of the asset exceeds the recoverable amount.

### **2.14 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 and Loss.

On the basis of past experience, Trade Receivables at the year-end are reviewed and the amounts not likely to be received are written off in that year itself obviating the necessity for provision for bad and doubtful debts.

#### **Financial Assets**

The Company initially recognises financial assets on a trade date basis. The Company derecognises a financial asset when the contractual rights to cash flows from the asset expires, or it transfers the right to receive the contractual cash flows on the financial asset. Financial assets and liabilities are off set and the net amount is presented in the balance sheet when, and only when, the Company has legal enforceable right to offset the amounts and intends to settle on a net basis or realise the asset and settle the liability simultaneously.

#### **Financial Liabilities**

The Company recognises financial liabilities on the date they are originated or on the trade date at which the company becomes a party to contractual provisions of the instrument. The Company de recognises a financial liability when its contractual obligations are discharged or cancelled or expired.

#### **Equity Instruments**

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



## 2.15 Provisions and Contingencies

Provisions are recognized only where there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

## 2.16 Earnings Per Share

Basic Earnings per Share (EPS) is calculated by dividing the net profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e., average market value of outstanding shares. The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate.

## 2.17 Company as a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease liability and ROU asset have been separately presented under heads "Other Financial Liabilities" and "Property, Plant and Equipment" respectively and lease payments have been classified as financing cash flows.

The Company's lease asset classes primarily consist of leases for buildings. The lease period for these contracts varies from 11 months to 5 years, in certain cases, mainly relating to rent of (parts of) buildings, with extension options. The Right-of-use assets and Lease liabilities as disclosed below, do not include short term and low value leases. In general, as usual with leases, the Company's obligations under its leases are secured by the lessor's title to or legal ownership of the leased assets.

Movement in Right to use Asset as from 1st April, 2020:

Particulars	Amount Rs.
Balance as at 1st April, 2020 (a)	2,37,12,109
Additions on account of New Leases (b)	59,06,884
Total (c=a+b)	<b>2,96,18,993</b>
Amortised during the year(d)	59,80,979
Balance as at 31st March, 2021 (c-d)	<b>2,36,38,014</b>

Movement in Lease Liabilities as from 1st April, 2020:

Particulars	Amount Rs.
Balance as at 1st April, 2020 (a)	2,44,34,158
Additions on account of New Leases (b)	59,06,884
Total (c=a+b)	<b>3,03,41,042</b>
Accretion of Interest (d)	21,52,430
Payments made (e)	69,53,920
Balance as at 31st March, 2021 (c+d-e)	<b>2,55,39,552</b>



**Apollo Home Healthcare Ltd**

**Notes forming part of the financial statements for the year ended 31<sup>st</sup> March 2021**

**Note -22:**

1. Trade Receivables represent the debts considered good for which the Company holds no security other than the personal security of the debtors.
2. Confirmation of balance of Receivables and Payables remains to be received and the balances are as appearing in the Books of Accounts.

3. Other income includes:

Particulars	2020-21 Rs.	2019-20 Rs.
Interest on Fixed Deposits	42,281	2,374
Gain on Disposal of Assets	-	1,654
Interest on TDS Refund	76,166	57,186

4. Audit Fees (Excluding Taxes)

Particulars	2020-21 Rs.	2019-20 Rs.
For Statutory Audit	4,00,000	2,50,000

5. Expenditure in foreign currency Rs. Nil.
6. Earnings in foreign currency Rs. Nil.
7. Previous year's figures have been regrouped wherever required.
8. Deferred Tax

The Company has deferred tax assets of Rs. 55,61,642/- as at the year ended 31<sup>st</sup> March, 2021.





## 9. Related Party Disclosure

### (a) Names of Related Parties and Nature of Relationships

*Nature of Relationship	For the year ended 31 <sup>st</sup> March 2021
(i) Holding Company	Apollo Hospitals Enterprise Limited
(ii) Individuals Exercising Significant Influence	(i) Mrs. Shobana Kamineni (ii) Mrs. Sangita Reddy
(iii) Subsidiary of Holding Company	Western Hospitals Corporation (P) Limited

\*Related Party relationships are as identified by the Management.

### (b) Transactions carried out with related parties referred to above in the ordinary course of business during the year.

Particulars	Related Party	Transactions for the period 01-April-20 to 31-March-21	Closing Balance as on 31-Mar-2021
Reimbursement of Other Expenses	Apollo Hospitals Enterprise Limited	20,22,520	(78,60,391)
Homecare Services to AHEL		(18,07,305)	30,80,565
		<b>2,15,215</b>	<b>(47,79,826)</b>

Purchase of Medicines/ Medicare Products	Apollo Hospitals Enterprise Limited	1,26,56,404	(53,80,111)
		<b>1,26,56,404</b>	<b>(53,80,111)</b>

Pre-employment checkup	Apollo Hospitals Enterprise Limited	(2,32,900)	(16,32,100)
		<b>(2,32,900)</b>	<b>(16,32,100)</b>

11% Fully Convertible Debentures - Interest	Apollo Hospitals Enterprise Limited	Nil	(2,88,34,661)
11% Interest on Unsecured Loan		(13,90,095)	(18,37,488)
		<b>(13,90,095)</b>	<b>(3,06,72,149)</b>
Unsecured Loan	Apollo Hospitals Enterprise Limited	1,45,00,000	-
Shares of AHEL		Nil	(16,88,75,000)
		<b>1,45,00,000</b>	<b>(16,88,75,000)</b>



Particulars	Related Party	Transactions for the period 01-April-20 to 31- March-21	Closing Balance as on 31-Mar-2021
Unsecured Loan interest	Western Hospitals Corporation Pvt Ltd	(4,72,894)	(84,02,320)
Unsecured Loan Principle		NII	(50,00,000)
Shares to Western		NII	(4,45,58,820)
		<b>(4,72,894)</b>	<b>(5,79,61,140)</b>

10. Current Year Figures have been rounded off to the nearest Rupees.

11. Approval of Financial Statements

The Board of Directors duly considering all the relevant disclosures has approved these financial statements in its meeting held on 05-06-2021.

In terms of our report attached.

**for Basha & Narasimhan**

Chartered Accountants

Firm's Registration No. 0060315




S.P. Basha Saheb

Partner

Membership No: 023417

Place : Chennai

Date : 05-06-2021

For and on behalf of the Board of Directors

**Sangita Reddy**

Director

DIN: 00006285

**Harshad Reddy**

Director

DIN:02364798