

# M/s. S.VISWANATHAN LLP

CHARTERED ACCOUNTANTS

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Firm Registration No. 004770S / S200025 GSTIN: 33AAAFV0367K1Z7

## INDEPENDENT AUDITORS' REPORT

To

The Members of Apollo Rajshree Hospitals Private Limited, Indore

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the Standalone financial statements of Apollo Rajshree Hospitals Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the companies act 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under sec 133 of the Act read with the companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2021, and Profit, Changes in Equity 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 there under, 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 significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.



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## OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon, which are expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable under the applicable laws, regulations and standards on audit. We have nothing to report in this regard.

## RESPONSIBILITY OF MANAGEMENT FOR THE STANDALONE 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

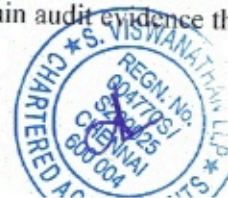
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE STANDALONE 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is





sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(a) 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

#### **OTHER MATTER**

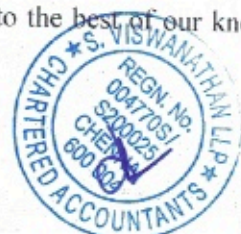
The management has performed physical verification of inventories on a date prior to the year-end owing to their practice of performing periodic verification of inventories. However, owing to the COVID-19 related travel restrictions, we were not able to physically observe the verification of inventory that was carried out by the Management. Consequently, we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Considerations - Specific Considerations for Selected Items" and have obtained sufficient audit evidence to issue our unmodified opinion on these Standalone Financial Results. Our report on the Statement is not modified in respect of this matter.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

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.

As required by section 143(3) of the Act, 2013, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.





- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Statement of Cash Flow dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone IND AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of 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 has no pending Litigation
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
  - (iv) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under the Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

For S Viswanathan LLP  
Chartered Accountants  
FRN: 004770S/S200025

*V C Krishnan*  
17/06/2021

V C Krishnan  
Partner  
Membership No: 022167  
UDIN :21022167AAAAU7923  
Date: 17/06/2021

Place: Chennai

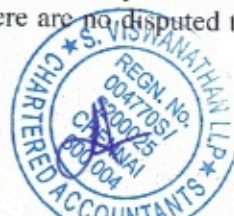




**Annexure- A to Independent Auditors' Report**

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirement' of our report of even date to the members of Apollo Rajshree Hospitals Private Limited on the financial statements of the Company for the year ended March 31, 2021.

- (i) On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) These Fixed Assets have been physically verified by the management at reasonable intervals.
  - (c) According to the information and explanations given to us, no material discrepancies were observed by the management on such verification.
  - (d) The title deeds of Immovable properties owned by the Company are held in the name of the Company.
- (ii) Stock of medicines, stores, spares, consumables, chemicals and lab materials have been physically verified at reasonable intervals by the management. According to the information and explanations given to us, no material discrepancies were noticed.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under section 189 of the Act. Consequently, the provisions of clauses 3(a), 3(b) and 3(c) are not applicable.
- (iv) The Company has not granted any loans nor made any investments nor extended any guarantees nor provided any securities covered under provisions of section 185 or section 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted deposits from the public and hence the provisions of clause 5 are not applicable.
- (vi) The Company does not maintain Cost Accounting Records as required under sub-section 1 of Section 148 of the Companies Act 2013 in respect of Healthcare Services rendered and we are of the opinion that, prima facie, the prescribed cost records have been maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate.
- (vii) According to the information and explanations given to us, and in opinion, the Company has been regular in depositing with the appropriate authorities the undisputed statutory dues in the case of Provident Fund, Employees' State Insurance, Income-Tax, Goods Service Tax, Customs Duty, Sales Tax and Value Added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities. To the best of our knowledge and according to the information and explanations given to us, there are no arrears of outstanding statutory dues as at March 31, 2021 for a period of more than six months from the date they became payable. The company has complied with the requirements for payment of PF dues as per the Supreme Court order dated 28.02.2019. There are no additional claims from PF authorities for payment of dues as per the supreme court order dated 28.02.2019, to this extent of no claim by the PF authorities in our opinion the company is not in arrears for more than six months. There are no disputed taxes payable nor any dispute pending in any forum.





- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions, banks, governments or debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any money by the way of initial public offer or further public offer (including debt instruments). The term loans were applied for the purposes for which they have been raised.
- (x) According to the information and explanations given to us by the Company, no material fraud by the company or any fraud on the company by its officers and employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the Company has paid/ provided for managerial remuneration in accordance with section 197 read with Schedule V of the Act.
- (xii) The Company is not a Nidhi Company. Hence, provisions of clause 3(xii) of the Order, are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standard.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year under review. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) The Company has not entered into any non-cash transactions with the Directors or any persons connected with him. Accordingly, provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of Reserve Bank of India Act, 1934. Hence, provisions of clause 3(xvi) of the Order, are not applicable.

For S Viswanathan LLP  
Chartered Accountants  
FRN: 004770S/S200025

*V C Krishnan*  
V C Krishnan  
Partner

Membership No: 022167  
UDIN :21022167AAAAAU7923  
Date: 17/06/2022

*Chennai*





**Annexure B to the Independent Auditors' Report**

The Annexure referred to paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Apollo Rajshree Hospitals Private Limited on the financial statements of the Company for the year ended March 31, 2021.

**Report on the Internal Financial Controls over financial reporting under Clause (i) of Section 143(3) of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Apollo Rajshree Hospitals Private Limited ("the Company") 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the 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, both 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. 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.

For S Viswanathan LLP  
Chartered Accountants  
FRN: 004770S/S200025

V C Krishnan  
Partner

Membership No: 022167

UDIN: 21022167AAAAAU7923

Date: 17/06/2021

Place: Chennai





**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

Balance Sheet as at March 31, 2021

(All amounts are in Indian Rupees, except share data and as stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	3631,25,078	3763,24,143
Capital work-in-progress	4	70,20,944	18,08,142
Other intangible assets	4	37,75,194	15,55,283
Right-of-Use Asset	4	717,56,570	-
Financial assets			
-Others	5	40,10,369	33,29,575
		<b>4496,88,155</b>	<b>3830,17,143</b>
<b>Current assets</b>			
Inventories	6	95,92,926	90,67,559
Financial assets			
-Trade receivables	7	1143,40,964	1215,19,722
-Cash and cash equivalents	8	667,57,353	124,38,415
-Other Balances with Banks	9	60,24,506	38,21,451
-Loans	10	4,30,870	10,57,942
		<b>1875,53,694</b>	<b>1408,37,529</b>
Current tax assets (net)		204,27,294	394,98,181
Other current assets	11	190,05,863	90,24,137
		<b>394,33,157</b>	<b>485,22,318</b>
<b>TOTAL</b>		<b>6862,67,931</b>	<b>5814,44,549</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	12	1968,69,430	1968,69,430
Other equity	13	(700,63,366)	(1539,02,548)
		<b>1268,06,064</b>	<b>429,66,882</b>
<b>Non-current liabilities</b>			
Financial liabilities			
-Borrowings	14	1065,36,009	1325,06,902
-Lease Liabilities	15	632,93,543	-
Provisions	16	78,95,498	57,93,864
Deferred tax liabilities (Net)	17	191,55,546	224,45,447
Other Non-current liabilities	18	100,00,000	100,00,000
		<b>2068,80,596</b>	<b>1707,46,213</b>
<b>Current liabilities</b>			
Financial liabilities			
-Borrowings	14	394,65,855	893,14,910
-Lease Liabilities	15	94,47,329	-
Trade Payables			
-Total outstanding dues of Micro and Small Enterprises	19	75,70,983	107,39,770
-Total outstanding dues of creditors other than Micro and Small Enterprises	19	2784,84,464	2526,94,053
Provisions	16	4,59,417	5,09,682
Other current liabilities	20	171,53,223	144,73,039
		<b>3525,81,271</b>	<b>3677,31,454</b>
<b>TOTAL</b>		<b>6862,67,931</b>	<b>5814,44,549</b>

See accompanying notes to the financial statements

As per our report of even date  
for M/s S Viswanathan LLP  
Chartered Accountants  
Firm Registration No. 004770S/S200025

*S. Krishnan*  
V C Krishnan  
Partner  
Membership No. 022167  
UDIN: 21022167AAAAU7923

Place: Chennai  
Date: 17/06/21

For and on behalf of the Board of Directors of  
Apollo Rajshree Hospitals Private Limited

Dr. Hari Prasad Kovelam  
Nominee Director  
DIN: 02559343

Gaurav Khandelwal  
Chief Financial Officer  
Place: INDORE  
Date: 10.06.2021

Dr. Devendra Bhargava  
Whole Time Director  
DIN: 01902357

Marshit Kesharwani  
Company Secretary





**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

**Statement of Profit and Loss for the period ended March 31, 2021**

(All amounts are in Indian Rupees, except share data and as stated)

	Notes	As at March 31, 2021	As at March 31, 2020
<b>INCOME</b>			
Revenue from operations	21	8555,29,345	7479,92,552
Other income	22	80,43,954	50,16,111
<b>TOTAL</b>		<b>8635,73,299</b>	<b>7530,08,663</b>
<b>EXPENSES</b>			
Cost of materials consumed	23	3117,44,278	2747,23,601
Employee benefit expense	24	1098,11,229	1096,83,061
Finance cost	25	190,80,392	233,41,929
Depreciation and amortisation expense	26	340,73,123	306,57,292
Other expenses	27	3053,04,694	2887,01,893
		<b>7800,13,717</b>	<b>7271,07,776</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>835,59,582</b>	<b>259,00,887</b>
Exceptional items		-	-
<b>Profit/(Loss) before tax</b>		<b>835,59,582</b>	<b>259,00,887</b>
<b>Tax expense</b>			
-Current Tax		<b>36,00,641</b>	-
<b>Deferred Tax</b>			
-MAT Credit Entitlement		(36,00,641)	-
-Deferred Tax		1,46,507	6,72,055
		<b>(34,54,134)</b>	<b>6,72,055</b>
		<b>1,46,507</b>	<b>6,72,055</b>
<b>Profit after tax</b>		<b>834,13,074</b>	<b>252,28,832</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
(A) Items that will not be reclassified to Profit or Loss			
(i) Remeasurement of actuarial gains or losses on defined benefit plans		5,90,340	(13,81,625)
(ii) Tax on OCI		(1,64,233)	3,84,368
(B) Items that will be reclassified to Profit or Loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME (A+B)</b>		<b>4,26,107</b>	<b>(9,97,257)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>838,39,182</b>	<b>242,31,575</b>
<b>Earnings per equity share (Face value of Rs. 10 each)</b>			
Basic		4.24	1.28
Diluted		4.24	1.28

See accompanying notes to the financial statements

As per our report of even date  
for M/s S Viswanathan LLP  
Chartered Accountants  
Firm Registration No. 004770S/S200025

For and on behalf of the Board of Directors of  
Apollo Rajshree Hospitals Private Limited

*Thirishuan*  
17/06/2021  
**V C Krishnan**  
Partner  
Membership No. 022167  
UDIN: 21022167AAAAU7923

**Dr. Hari Prasad Kovelamudi**  
Nominee Director  
DIN: 02559343

**Dr. Devendra Bhargava**  
Whole Time Director  
DIN: 01902357

Place: **Chennai**  
Date: **17/06/2021**

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**Gaurav Khandelwal**  
Chief Financial Officer  
Place: **INDORE**  
Date: **10-06-2021**



*U. Keshari*  
**Harshit Kesharwani**  
Company Secretary





**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

**Statement of Changes in Equity for the period ended March 31, 2021**

(All amounts are in Indian Rupees, except share data and as stated)

As at  
March 31, 2021      As at  
March 31, 2020

**A) Equity Share Capital**

Balance at the beginning of the reporting period	1968,69,430	1968,69,430
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting period	<u>1968,69,430</u>	<u>1968,69,430</u>

**B) Other Equity**

Particulars	Securities Premium Account	General Reserve/Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2019	3678,60,573	(5429,65,158)	(30,29,538)	(1781,34,123)
Add: profit for the year	-	252,28,832	-	252,28,832
Add: Other Comprehensive Income for the year (Net of Tax)	-	-	(9,97,257)	(9,97,257)
Balance as at March 31, 2020	3678,60,573	(5177,36,326)	(40,26,795)	(1539,02,548)
Add: profit for the period	-	834,13,074	-	834,13,074
Add: Other Comprehensive Income for the period (Net of Tax)	-	-	4,26,107	4,26,107
Balance as at March 31, 2021	3678,60,573	(4343,23,252)	(36,00,688)	(700,63,366)

See accompanying notes to the financial statements

As per our report of even date  
for M/s S Viswanathan LLP

Chartered Accountants

Firm Registration No. 004770S/S200025

For and on behalf of the Board of Directors of  
Apollo Rajshree Hospitals Private Limited

V C Krishnan

Partner

Membership No. 022167

UDIN: 21022167AAAAU7923

Place: Chennai

Date: 17/06/2021

Dr. Hari Prasad Kovelamudi

Nominee Director

DIN: 02559343

Gaurav Chandelwal

Chief Financial Officer

Place: INDORE

Date: 10.06.2021

Dr. Devendra Bhargava

Whole Time Director

DIN: 01902357

Harshit Kesharwani

Company Secretary





**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

**Cash Flow Statement for the period ended March 31, 2021**

(All amounts are in Indian Rupees, unless otherwise stated)

	For the period ended March 31, 2021	For the period ended March 31, 2020
<b>Cash Flows from Operating Activities (A)</b>		
Net Profit before Taxation and Extraordinary Items	835,59,582	259,00,887
Adjustment For Non-cash and Non-operating Items		
Remeasurement of actuarial gains or losses on defined benefit plans	5,90,340	(13,81,625)
Depreciation	340,73,123	306,57,292
Interest paid	190,80,392	233,41,929
Bad debts written off	199,63,822	41,78,915
Interest Income	(15,16,159)	(20,03,893)
<b>Operating Profit before working capital changes</b>	<b>1,55,75,100</b>	<b>806,93,505</b>
Working Capital Changes		
Increase/(decrease) in Trade Payables	226,21,625	89,54,470
Increase/(decrease) in Other Current Liabilities	26,80,184	(48,46,227)
Increase/(decrease) in Other Non-Current Liabilities	-	-
Increase/(decrease) in Lease Liabilities	727,40,872	-
Increase/(decrease) in Provisions	20,51,369	29,43,051
(Increase)/decrease in Trade Receivables	(127,85,064)	(85,18,908)
(Increase)/decrease in Inventories	(5,25,367)	(22,36,783)
(Increase)/decrease in Other Current Assets	(93,54,654)	(33,40,179)
<b>Cash Generated from Operations</b>	<b>233,18,064</b>	<b>736,48,930</b>
Direct Taxes (Paid)/ Refund	154,70,246	(128,01,182)
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>2486,50,310</b>	<b>608,47,748</b>
<b>Cash Flows from Investing Activities (B)</b>		
Payment towards purchase of fixed assets (including Right-of-use Assets)	(940,20,158)	(149,83,105)
Additions to CWIP	(60,43,184)	(12,12,650)
Investment in security deposit	(6,80,794)	(3,62,800)
Sale of fixed assets	-	-
Interest Income	15,16,159	20,03,893
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>(992,27,976)</b>	<b>(145,54,662)</b>
<b>Cash Flows from Financing Activities (C)</b>		
Interest Cost	(190,80,392)	(233,41,929)
Loans availed from/(repaid to) Bank	(259,70,893)	(215,65,039)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(450,51,285)</b>	<b>(449,06,968)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents [A+B+C]</b>	<b>1043,71,050</b>	<b>13,86,118</b>
<b>Cash &amp; Cash Equivalents at the beginning of the period</b>	<b>(380,55,044)</b>	<b>(394,41,162)</b>
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>663,16,005</b>	<b>(380,55,044)</b>
Cash-in-hand	18,43,552	41,45,730
Bank balances	649,13,801	82,92,685
Bank balances (other than those above)	60,24,506	58,21,451
Bank Overdraft	(64,65,855)	(563,14,910)
<b>Total</b>	<b>663,16,005</b>	<b>(380,55,044)</b>

See accompanying notes to the financial statements

As per our report of even date  
for M/s S Viswanathan LLP  
Chartered Accountants  
Firm Registration No. 004770S/S200025

*V C Krishnan*  
V C Krishnan  
Partner  
Membership No. 022167  
UDIN: 21022167AAAAU7923  
Place: Chennai  
Date: 17/06/2021



For and on behalf of the Board of Directors of  
Apollo Rajshree Hospitals Private Limited

Dr. Hari Prasad Kovelamudi  
Nominee Director  
DIN: 02559343

Dr. Devendra Bhargava  
Whole Time Director  
DIN: 01902357

Gaurav Khandelwal  
Chief Financial Officer  
Place: INDORE  
Date: 10.06.2021



*U. Keshav*  
Harshit Kesharwani  
Company Secretary



**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

**Notes to financial statements for the period ended March 31, 2021**

(All amounts are in Indian Rupees, except share data or as stated)

**1 General Information**

The stand-alone financial statements of "Apollo Rajshree Hospitals Private Limited" are for the year ended 31st March 2021. The Company is a private company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Vijay Nagar, Indore.

**1.1 Application of new and revised Ind ASs**

The company has applied all the Ind ASs notified by the MCA as applicable

**2 Significant accounting policies****2.1 Statement of compliance**

The financial statements are prepared in accordance with and in compliance, in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read along with Companies (Indian Accounting Standards) Rules, as amended and other relevant provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013

**2.2 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

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 116, 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.**

**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.



### **2.3 Investments in associates and joint ventures**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The company has no investments in Associates or Joint ventures.

### **2.4 Investment in Subsidiary**

The company has no investments in Subsidiaries

### **2.5 Revenue recognition**

#### **2.5.1 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

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.

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.

#### **2.5.2 Interest and Dividend Income:**

##### **(i) Interest income:**

Interest income is recognised on a time proportion basis taking into account the principle amount outstanding and the

##### **(ii) Dividends:**

Dividend income is recognized when the Company's right to receive dividend is established.

#### **2.5.3 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.

#### **2.5.4 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
- 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

#### **2.6 Borrowings and Borrowing costs**

EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Borrowing costs that are attributable to the acquisition and construction of the qualifying asset are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue

#### **2.7 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.

## **2.8 Employee benefits**

### **2.8.1 Retirement benefit costs and termination benefits**

The Company makes annual contribution to the Employees' Group Gratuity Cash Accumulation Plan-cum-Life Assurance Scheme of Life Insurance Corporation of India, for funding defined benefit plan for qualifying employees and recognised as an expense. The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using various assumptions. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment, or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service, or part thereof in excess of six months. Vesting occurs upon completion of five years of service. The Company complies with the norms of IND AS 19.

The Company pays leave encashment Benefits to employees as and when claimed, subject to the policies of the Company. The Company complies with the norms of IND AS 19.

### **2.8.2 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.

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.

#### **Amendment to Ind AS 19 – plan amendment, curtailment or settlement:**

The effect of the amendment to Ind AS 19: 'Employee Benefits', issued on 30th march 2020 in connection with accounting for plan amendments, curtailments and settlements will be evaluated and the impact stated as and when such instances occur, if any.

## **2.9 Taxation**

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

### **2.9.1 Current tax**

Provision for current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss are recognized either in other comprehensive income or in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.



## **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:**

The company has evaluated the impact of the adoption of Ind as 12, appendix C using the full retrospective approach and determined that uncertainty over income tax treatments under Ind AS 12, appendix C are not significant.

### **2.9.2 Deferred tax**

Deferred tax is recognised using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **2.10 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.



Estimated useful lives of the assets are as follows:

Name of the asset block	Useful Life
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.

#### 2.10.1 Intangible assets

##### 2.10.2 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.

##### 2.10.3 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.

##### 2.10.4 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
-------------------	---------

##### 2.10.5 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.

## **2.11 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, Crokery and Cutlery are valued at cost and writte off applying FIFO method. The net realisable value is not applicable tin the absense of any further modification/alteration before being consumed inhouse. Cost of these inventories comprises of all costs of purchases and othre cost 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.

## **2.12 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).

#### **2.12.1 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.

#### **2.13 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.

#### **2.14 Financial assets**

All regular purchases or sales of financial assets are recognised and derecognised on fair value basis. Regular 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

##### **2.14.1 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;
- 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.

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.

#### **2.14.2 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.

#### **2.14.3 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.

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, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

## **2.15 Financial liabilities and equity instruments**

### **2.15.1 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.

### **2.15.2 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.

### **2.15.3 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.

### **2.15.4 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.



## **2.16 Ind AS 116 Leases:**

### **As a lessee**

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a 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:

- the contract conveys the right to use and identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset.

At the date of commencement of a lease, the Company recognises a right-of-use asset ("ROU assets") and a corresponding lease liability for all leases, except for leases with a term of twelve months or less (short-term leases) and low value leases. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Company has considered all leases where the value of an underlying asset does not individually exceed Rs.0.05 Crores, or equivalent as a lease of low value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life (refer 2.2(b)) or the lease whichever is shorter.

Impairment of ROU assets is in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in the statement of profit and loss on a straight- line basis over the lease term.

## **2.17 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.



## 2.18 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 shares.

## 2.19 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
- 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
- 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.

## 2.20 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.

## 2.21 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/ Provision of bad debts is as given below subject to

Ageing	Expected Credit loss (%)
Within the credit period	Nil
Less than 6 months past due	0%
6 months to 12 months past due	0.00%
1 to 2 years past due	5.00%
2 to 3 years years past due	7.50%
>3 years past due	15.00%



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(All amounts are in Indian Rupees, except share data or as stated)

**3 Property, Plant and Equipment**

Particulars	Property, Plant and Equipment									
	Land	Building	Medical Equipment & Surgical Instruments	Plant & Machinery	Furniture & Fixture	Vehicles	Office equipment	Electrical Installation & Generators	Computer and Accessories	Total
<b>Gross Block</b>										
Balance as at March 31, 2019	725,71,900	1339,95,897	2029,60,378	1157,95,721	234,20,637	14,54,731	2,18,790	390,46,993	69,18,035	5963,83,082
Additions	-	-	77,83,097	3,00,942	24,63,736	-	3,80,578	12,93,072	13,11,912	135,33,337
Deletions / write off	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	725,71,900	1339,95,897	2107,43,475	1160,96,663	258,84,373	14,54,731	5,99,368	403,40,065	82,29,947	6099,16,419
Additions	-	14,81,879	30,74,518	20,68,072	37,18,759	8,43,000	4,94,379	15,89,679	20,37,515	153,07,801
Deletions / write off	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	725,71,900	1354,77,776	2138,17,993	1181,64,735	296,03,132	22,97,731	10,93,747	419,29,744	102,67,462	6252,24,220
<b>Accumulated depreciation</b>										
Balance as at March 31, 2019	-	242,78,144	630,28,124	730,02,584	112,15,764	13,81,995	47,685	253,26,624	54,34,803	2037,15,723
Additions	-	19,18,059	152,17,256	51,05,488	25,02,587	-	52,908	42,47,776	8,32,479	298,76,553
Deletions / write off	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	-	261,96,203	782,45,380	781,08,072	137,18,351	13,81,995	1,00,593	295,74,400	62,67,282	2335,92,276
Additions	-	19,27,508	157,33,668	51,80,394	20,60,753	58,497	92,277	23,25,850	11,27,919	285,06,865
Deletions / write off	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	-	281,23,711	939,79,048	832,88,466	157,79,104	14,40,492	1,92,870	319,00,250	73,95,201	2620,99,141
<b>Net Block</b>										
As at March 31, 2020	725,71,900	1077,99,694	1324,98,095	379,88,591	121,66,022	72,736	4,98,775	107,65,665	19,62,665	3763,24,143
As at March 31, 2021	725,71,900	1073,54,065	1198,38,944	348,76,269	138,24,028	8,57,239	9,00,877	100,29,494	28,72,261	3631,25,078



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(All amounts are in Indian Rupees, except share data or as stated)

**4 Capital Work In Progress and Other Intangible Assets**

Particulars	Capital Work In Progress	Other Intangible Assets			Right-of-Use Asset
		Computer Software	DXC Transformation Services & License Fee	Total	
<b>Gross Block</b>					
Balance as at March 31, 2019	5,95,492	13,22,565	8,37,564	21,60,129	-
Additions	12,12,650	1,07,436	13,42,332	14,49,768	-
Deletions / write off	-	-	-	-	-
Balance as at March 31, 2020	18,08,142	14,30,001	21,79,896	36,09,897	-
Additions	60,43,184	30,33,863	10,54,625	40,88,488	754,54,251
Deletions / write off	8,30,382	-	-	-	-
Balance as at March 31, 2021	70,20,944	44,63,864	32,34,521	76,98,385	754,54,251
<b>Accumulated depreciation</b>					
Balance as at March 31, 2019	-	9,94,687	2,79,188	12,73,875	-
Additions	-	54,127	7,26,612	7,80,739	-
Deletions / write off	-	-	-	-	-
Balance as at March 31, 2020	-	10,48,814	10,05,800	20,54,614	-
Additions	-	7,90,424	10,78,153	18,68,577	36,97,681
Deletions / write off	-	-	-	-	-
Balance as at March 31, 2021	-	18,39,238	20,83,953	39,23,191	36,97,681
<b>Net Block</b>					
As at March 31, 2020	18,08,142	3,81,187	11,74,096	15,55,283	-
As at March 31, 2021	70,20,944	26,24,626	11,50,568	37,75,194	717,56,570

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Notes to financial statements for the period ended March 31, 2021

(All amounts are in Indian Rupees, except share data or as stated)

	As at	
	March 31, 2021	March 31, 2020
<b>5 Other Financial Assets</b>		
Security Deposits - Unsecured, considered good	40,10,369	33,29,575
	<b>40,10,369</b>	<b>33,29,575</b>
<b>6 Inventories</b>		
<i>Valued at lower of Cost &amp; Net Realisable Value</i>		
Stores and Spares	6934371	62,93,729
Lab Materials	1434309	15,49,584
Other Consumables	1224246	12,24,246
	<b>95,92,926</b>	<b>90,67,559</b>

**7 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 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 low.

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. 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. 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.

Unsecured, considered good*	1353,95,748	1242,22,134
	<b>1353,95,748</b>	<b>1242,22,134</b>
Less: Allowance for doubtful debts	(210,54,784)	(27,02,412)
	<b>1143,40,964</b>	<b>1215,19,722</b>

\*Receivables includes Rs.90,53,906 from related parties



**8 Cash and cash equivalents**

Cash on hand	18,43,552	41,45,730
Balances with Banks		
-Current Accounts	70,04,298	41,86,452
-Fixed Deposits	507,52,705	4,93,592
-Escrow Account	71,56,799	36,12,640
	<u>667,57,353</u>	<u>124,38,415</u>

**9 Other Balances with Banks**

Balances with banks to the extent held as margin money or security against the borrowings, guarantees	60,24,506	58,21,451
	<u>60,24,506</u>	<u>58,21,451</u>

**10 Loans**

Loans to Employees - Unsecured, considered good	4,30,870	10,57,942
	<u>4,30,870</u>	<u>10,57,942</u>

**11 Other Current Assets**

Advances to Suppliers	127,90,737	46,92,390
Loans and advances	2,59,668	4,28,668
Prepaid Expenses	59,55,458	39,03,079
	<u>190,05,863</u>	<u>90,24,137</u>



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(All amounts are in Indian Rupees, except share data or as stated)

	As at	
	March 31, 2021	March 31, 2020
<b>12 Equity Share capital</b>		
a) <b>Authorised</b>		
2,00,00,000 (March 31, 2020: 2,00,00,000) equity shares of Rs.10 each	2000,00,000	2000,00,000
	<b>2000,00,000</b>	<b>2000,00,000</b>
<b>Issued, Subscribed, Called-up and paid up</b>		
1,96,86,943 (March 31, 2020: 1,96,86,943) equity shares of Rs.10 each	1968,69,430	1968,69,430

**b) Reconciliation of the number of shares outstanding at the beginning and at the end of reporting period**

Particulars	As at			
	March 31, 2021		March 31, 2020	
	Number	Value	Number	Value
Balance at the beginning of the year	196,86,943	1968,69,430	196,86,943	1968,69,430
Add: Shares issued during the year	-	-	-	-
<b>Balance at the end of the year</b>	<b>196,86,943</b>	<b>1968,69,430</b>	<b>196,86,943</b>	<b>1968,69,430</b>

**c) Rights, preferences and restrictions attached to shares**

The company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

**d) Shares held by the Holding Company**

	As at			
	March 31, 2021		March 31, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Apollo Hospitals Enterprise Limited	107,54,375	54.63%	107,54,375	54.63%

**e) Details of the shareholders holding more than 5% shares in the Company**

	As at			
	March 31, 2021		March 31, 2020	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of Rs.10 each fully paid up held by				
Apollo Hospitals Enterprise Limited	107,54,375	54.63%	107,54,375	54.63%
Dr Devendra Bhargava	20,12,395	10.22%	20,12,395	10.22%
Parul Bhargava	19,90,257	10.11%	19,90,257	10.11%
Rajshree Engineering Private Limited	17,88,169	9.08%	17,88,169	9.08%
Ratnakar Tripathi	11,99,902	6.09%	11,99,902	6.09%
	<b>177,45,098</b>	<b>90.14%</b>	<b>177,45,098</b>	<b>90.14%</b>

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Notes to financial statements for the period ended March 31, 2021

(All amounts are in Indian Rupees, except share data and as stated)

**13 Other Equity**

Particulars	Securities Premium Account	General Reserve/Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2019	3678,60,573	(5429,65,158)	(30,29,538)	(1781,34,123)
Add: profit for the year	-	252,28,832	-	252,28,832
Add: Other Comprehensive Income for the year (Net of Tax)	-	-	(9,97,257)	(9,97,257)
Balance as at March 31, 2020	3678,60,573	(5177,36,326)	(40,26,795)	(1539,02,548)
Add: profit for the period	-	834,13,074	-	834,13,074
Add: Other Comprehensive Income for the period (Net of Tax)	-	-	4,26,107	4,26,107
Balance as at March 31, 2021	3678,60,573	(4343,23,252)	(36,00,688)	(700,63,366)

As at

March 31, 2021		March 31, 2020	
Non-current	Current	Non-current	Current
15 Lease Liabilities			
Lease Liabilities	632,93,543	94,47,329	-
	632,93,543	94,47,329	-

**16 Provisions**

Provision for Leave Encashment	46,66,011	3,25,893	42,81,519	3,00,565
Provision for Gratuity	32,29,487	1,33,524	15,12,345	2,09,117
	78,95,498	4,59,417	57,93,864	5,09,682

83,54,915

**17 Deferred tax liabilities (Net)**

Particulars	Plant Property and Equipment	Right-of-Use Asset	Provisions (Leave Encashment & Gratuity)	Provision for Bonus	Lease Liabilities	MAT Credit Entitlement	Total
Balance as at April 01, 2019	241,49,250	-	(9,34,890)	(10,56,601)	-	-	221,57,759
Charge for the year	13,25,283	-	(8,18,757)	(2,18,838)	-	-	2,87,688
Balance as at March 31, 2020	254,74,533	-	(17,53,647)	(12,75,439)	-	-	224,45,447
Charge for the period	9,35,509	199,62,678	(5,70,690)	2,19,755	(202,36,511)	(36,00,641)	(32,89,901)
Balance as at March 31, 2021	264,10,042	199,62,678	(23,24,337)	(10,55,684)	(202,36,511)	(36,00,641)	191,55,546



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(All amounts are in Indian Rupees, except share data or as stated)

	As at	
	March 31, 2021	March 31, 2020
<b>14 Borrowings</b>		
<i>Non-current</i>		
Term Loans - From Banks (Secured)^	1065,36,009	1325,06,902
<i>Current</i>		
Loans repayable on demand (from Axis bank), Secured**	64,65,855	563,14,910
Current maturities of Long-term borrowings	330,00,000	330,00,000
	<b>394,65,855</b>	<b>893,14,910</b>
<b>Total Borrowings</b>	<b>1460,01,864</b>	<b>2218,21,812</b>

^The term loan availed from Axis Bank is secured by a first charge on all movable and immovable fixed assets, both present and future. Exclusive hypothecation charge on all the company's movable fixed assets and current assets, both present and future. It is shown as deduction from balance in Escrow account.

\*\*The Cash Credit availed from Axis bank is secured by way of exclusive charge on all accounts of the company including Escrow account.

**Summary of borrowing arrangements**

Amount Outstanding as per EMI Schedule	1642,86,009	1642,86,009
Rate Of Interest	3 Month MCLR+1.25%	3 Month MCLR+1.25%

**Terms of Repayment**

The repayment is agreed in 24 quarterly installments commencing from the end of the 51st month from the date of first disbursement of Loan.

Installments	Amt in INR Crs
1 to 4	0.55
5 to 12	0.83
13 to 24	1.10

<b>18 Other Non-current Liabilities</b>		
Security Deposit	100,00,000	100,00,000
Other Payables	-	-
	<b>100,00,000</b>	<b>100,00,000</b>

**19 Trade Payables**

Dues to Micro and Small Enterprises	75,70,983	107,39,770
Dues to Others	2784,84,464	2526,94,053
	<u>2860,55,447</u>	<u>2634,33,823</u>

The credit period on purchases of certain goods from 30-60 days No interest is charged on the trade payables for the first 60 days from the date of the invoice. Thereafter, no interest is charged on the outstanding balance. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Details of Trade Payables are based on the information available with the company. Regarding the status of suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006, no amount is due to Micro, Small and Medium Enterprises for the financial year ended 31st March 2021 as per the information furnished by the Management. There is no interest in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 as per the information furnished by the Management.

**20 Other Current Liabilities**

Amount due to Customers	69,88,948	36,16,420
Others		
GST Payable	6,56,506	3,79,451
Tax deducted at source Payable	13,89,553	44,88,330
Professional tax Payable	34,812	86,250
PF Payable	12,09,706	15,79,800
ESI Payable	1,05,555	1,00,157
Other Security Deposits	-	3,17,832
Outstanding expenses	63,84,643	35,21,299
Audit Fee Payable	3,83,500	3,83,500
	<u>171,53,223</u>	<u>144,73,039</u>



	For the period ended	
	March 31, 2021	March 31, 2020
<b>21 Revenue from operations</b>		
Sale of Health Care Services	8335,90,932	7310,57,007
Other Operating Revenue	219,38,413	169,35,545
	<u>8555,29,345</u>	<u>7479,92,552</u>
<b>22 Other income</b>		
Interest Income	15,16,159	20,03,893
Other Non Operating Income	65,27,795	30,12,218
	<u>80,43,954</u>	<u>50,16,111</u>
<b>23 Cost of materials consumed</b>		
Stock at the beginning of the year/period	90,67,559	68,30,776
Add: Purchases	3122,27,921	2769,09,875
Add: Freight	41,724	50,509
Less: Stock at the end of the year/period	(95,92,926)	(90,67,559)
	<u>3117,44,278</u>	<u>2747,23,601</u>

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**Notes to financial statements for the period ended March 31, 2021**

(All amounts are in Indian Rupees, except share data or as stated)

	For the period ended	
	March 31, 2021	March 31, 2020
<b>24 Employee benefit expense</b>		
Salaries and Wages	954,84,215	931,41,788
Contribution to Provident and other Funds	70,01,425	79,42,876
Staff Welfare Expenses	17,13,564	22,82,100
Gratuity	17,23,944	14,23,050
Bonus and Incentive	22,43,353	32,54,092
Leave Encashment	16,44,728	16,39,155
	<b>1098,11,229</b>	<b>1096,83,061</b>
<b>25 Finance Cost</b>		
Interest expense	156,71,231	198,24,753
Bank Charges	34,09,161	35,17,176
	<b>190,80,392</b>	<b>233,41,929</b>
<b>26 Depreciation and amortisation expense</b>		
Depreciation of Property, Plant & Equipment	322,04,546	298,76,553
Amortization of Intangible Assets	18,68,577	7,80,739
	<b>340,73,123</b>	<b>306,57,292</b>
<b>27 Other expenses</b>		
Power and fuel	159,62,843	171,09,098
Housekeeping Expenses	143,14,747	153,32,849
Outsourcing Expenses	205,28,017	182,15,299
Outsourcing Expenses-IT	35,84,806	8,70,767
OMA Fees	279,90,973	262,75,017
Rent	24,04,022	67,06,135
Repairs and Maintenance	133,43,893	126,67,662
Retainership fee	133,86,770	136,71,815
Insurance	25,47,401	2,61,542
Rates and Taxes (Excluding Taxes on Income)	21,97,631	23,57,559
Printing & Stationery	34,33,229	64,21,834
Postage & Telegram	6,00,832	8,41,108
Director Sitting Fees	6,93,250	4,59,750
Advertisement, Publicity & Marketing	80,21,961	113,90,228
Travelling & Conveyance	9,07,622	31,72,731
Security Charges	67,27,008	61,30,641
Legal & Professional Fees	18,53,573	19,22,865
Hiring Charges	59,65,367	1,75,849
Telephone Expenses	10,36,226	12,44,281
Bad Debts Written off	199,63,822	41,78,915
Office & General Administrative expenses	129,91,839	133,77,368
Miscellaneous expenses	65,53,863	27,81,741
<b>Total (A)</b>	<b>3050,09,694</b>	<b>2881,65,054</b>
Payment to Statutory Auditors		
Audit Fee	2,95,000	2,95,000
Tax Audit fee	-	88,500
Reimbursement of Expenses	-	1,53,339
<b>Total (B)</b>	<b>2,95,000</b>	<b>5,36,839</b>
<b>Total (A+B)</b>	<b>3053,04,694</b>	<b>2887,01,893</b>



**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh - 452010

Notes to financial statements for the period ended March 31, 2021

(All amounts are in Indian Rupees, except share data or as stated)

**Note : 28 - Earnings Per Share**

Amount in Rs.

Particulars	March 31, 2021	March 31, 2020
Profit attributable to equity holders	834,13,074	252,28,832
Weighted average number of equity shares used for computing earnings per share (Basic & Diluted)	196,86,943	196,86,943
Earnings per share (Basic & Diluted) (')	4.24	1.28
Face Value per share (')	10	10

**Note : 29 - Related Party Transactions**

Amount in Rs.

Name of the Related Parties	Nature of Relationship	Nature of Transactions	March 31, 2021	March 31, 2020
Faber Sindoori Management Services Pvt Ltd	Related Party of Holding Company	Services received during the year	141,00,898	179,47,232
		Payables as at the year end	27,18,871	55,74,461
Apollo Pharmacy (AHEL)	Holding Company	Contract for Medicine Supply	1446,68,595	1059,05,911
		Payables as at the year end	683,93,797	559,68,506
Apollo Pharmacy (AHEL)	Holding Company	Commission on Medicine Supply	(258,20,059)	(198,07,142)
		Payables as at the year end	-	(151,72,783)
Patient Treatment in progress Apollo Pharmacy (AHEL)		PTIP	15,88,984	-
		Payables as at the year end	29,01,074	-
Apollo Hospitals Enterprise Limited (Project Division)	Holding Company	OMA Fees	282,19,365	262,75,017
		Payables as at the year end	844,16,925	926,26,486
AHEL (HYDERABAD)	Division of Holding Company	Transactions during the year	-	2,68,410
		Payables as at the year end	-	-
Dr Devendra Bhargava	Director	Professional Fees Paid during the year	2,36,995	7,36,691
		Payables as at the year end	50,688	-
Dr Ashok Bajpai	Director	Professional Fees Paid during the year	51,95,747	50,55,949
		Payables as at the year end	1,69,600	-
Rajshree Catering Services	Related Party of Apollo Rajshree Hospital Limited	Transactions during the year	141,25,402	125,48,230
		Payables as at the year end	24,50,497	26,22,487
Dr Pranay Bajpai	Director's Son	Professional Fees Paid during the year	31,31,217	25,25,523
		Payables as at the year end	5,85,063	-

AHEL (Chennai Main)	Holding Company	Transactions during the year	81,66,215	16,55,503
		Payables as at the year end	29,04,268	9,64,243
Dr Nishith Bhargava	Director's Son	Professional Fees Paid during the year	28,51,485	24,16,667
		Payables as at the year end	4,62,501	-
Dr Sanjukta Bhargava	Director's Daughter in Law	Professional Fees Paid during the year	5,82,950	2,67,013
		Payables as at the year end	1,60,919	-
Apollo Health & Lifestyle Limited		Transactions during the year	8,400	-
		Receivables as at the year end	4,327	-
Apollo Teleradiology Pvt Ltd	Company in which director's are interested	Investigation online	80,160	-
		Payables as at the year end	74,147	-
Apollo Hospitals Enterprise Limited (Bilaspur Division)	Division of Holding Company	Receivables as at the year end	-	66,524
Rajshree Engineering Private Limited	Company in which director's are interested	Transactions during the year	35,029	-
		Receivables as at the year end	1,51,346	1,16,317



**APOLLO RAJSHREE HOSPITALS PRIVATE LIMITED**

Dispensary Plot, Scheme No. 74C, Sector D, Vijay Nagar, Indore, Madhya Pradesh 0 452010

Notes to financial statements for the period ended March 31, 2021

(All amounts are in Indian Rupees, except share data or as stated)

**Note : 30****Employee Benefit Expenses:****Defined Benefit Plans****Gratuity & Leave Encashment**

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial Statements:

The company does not have any policy for the leave encashment. The benefits are paid to the eligible employees as and when the resigned / Retired

(Amount in Rs.)

Particulars	As at 31st March 2021			As at 31st March 2020		
	Gratuity	Leave Encashment	Total	Gratuity	Leave Encashment	Total
<b>Present Value of Obligation as at the beginning of the year</b>	52,27,698	45,82,084	98,09,782	34,94,094	25,22,016	60,16,110
Interest Cost	3,65,939	3,20,746	6,86,685	2,44,587	1,76,541	4,21,128
Past Service Cost	-	-	-	-	-	-
Current Service Cost	16,03,442	13,22,557	29,25,999	13,64,356	14,62,613	28,26,969
Benefit Paid	5,56,352	7,25,538	12,81,890	1,32,273	6,62,299	7,94,572
Actuarial (gain) / Loss on obligation	82,395	5,07,945	5,90,340	2,56,934	10,83,213	13,40,147
Present Value of Obligation end of the year	65,58,332	49,91,904	115,50,236	52,27,698	45,82,084	98,09,782
<b>Change in plan assets</b>			-			-
<b>Fair Value of Plan Assets beginning of the period</b>	35,06,236	-	35,06,236	26,55,615	-	26,55,615
Expected return on plan assets	2,45,437	-	2,45,437	1,85,893	-	1,85,893
Contributions	-	-	-	8,38,479	-	8,38,479
Benefits paid	5,56,352	-	5,56,352	1,32,273	-	1,32,273
Actuarial gain / (loss)	-	-	-	41,478	-	41,478
Fair Value of Plan Assets at the end of the year	31,95,321	-	31,95,321	35,06,236	-	35,06,236
<b>Reconciliation of present value of the obligation and the fair value of the plan assets</b>			-			-
Fair value of the defined benefit	65,58,332	49,91,904	115,50,236	52,27,698	45,82,084	98,09,782
Fair value of plan assets at the end of the year	31,95,321	-	31,95,321	35,06,236	-	35,06,236
Liability / (assets)	33,63,011	49,91,904	83,54,915	17,21,462	45,82,084	63,03,546
Unrecognised past service cost	-	-	-	-	-	-
Liability / (assets) recognised in the balance sheet	33,63,011	49,91,904	83,54,915	17,21,462	45,82,084	63,03,546
<b>Gratuity &amp; Leave Encashment cost for the period to be recognised Profit and Loss</b>						
Current Service Cost	16,03,442	13,22,557	29,25,999	13,64,356	14,62,613	28,26,969
Past Service Cost	-	-	-	-	-	-
Interest Cost	3,65,939	3,20,746	6,86,685	2,44,587	1,76,541	4,21,128
Expected return on plan assets	2,45,437	-	2,45,437	1,85,893	-	1,85,893
Expenses to be recognised in the statement of profit and loss	17,23,944	16,43,303	33,67,247	14,23,050	16,39,154	30,62,204
<b>Other comprehensive (income)/expenses (Remeasurement)</b>						
Actuarial (gain) / loss 0 Obligation	82,395	5,07,945	5,90,340	2,56,934	10,83,213	13,40,147
Actuarial (gain) / loss 0 Plan Assets	-	-	-	41,478	-	41,478
Expenses to be recognised Other Comprehensive Income	82,395	5,07,945	5,90,340	2,98,412	10,83,213	13,81,625
<b>Investment details of plan assets</b>						
100% of the plan assets are invested in debt instruments						
Actual return on plan assets	2,45,437	-	2,45,437	1,44,415	-	1,44,415

Particulars	As at 31st March 2021		As at 31st March 2020	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
Assumptions				
Discount Rate	7.00%	7.00%	7.00%	7.00%
Rate of Increase in Salaries	5.00%	5.00%	5.00%	5.00%
	Indian	Indian	Indian	Indian
	Assured	Assured	Assured	Assured
	Lives	Lives	Lives	Lives
	Mortality	Mortality	Mortality	Mortality
	201202014	201202014	201202014	201202014
Mortality pre0retirement				
Disability	Nil	Nil	Nil	Nil
Attrition	5.00%	5.00%	5.00%	5.00%
Estimated rate of return on plan assets	7.00%	7.00%	7.00%	7.00%
Retirement	60 Years	60 Years	60 Years	60 Years

#### Sensitivity Analysis:

Sensitivity Analysis: Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase rate. Effect of change in mortality rate is negligible. Please note that the sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

#### Gratuity

If the discount rate increases (decreases) by 1%, the defined benefit obligations would decrease by Rs.59,00,713(increase by Rs.73,39,719) as at March 31st, 2021

If the Salary growth rate increases (decreases) by 1%, the defined benefit obligations would increase by Rs.73,47,810 (decrease by Rs.58,83,227) as at March 31st, 2021

#### Leave Encashment

If the discount rate increases (decreases) by 1%, the defined benefit obligations would decrease by Rs.44,94,851(increase by Rs.55,81,348) as at March 31st, 2021

If the Salary growth rate increases (decreases) by 1%, the defined benefit obligations would increase by Rs.55,87,443 (decrease by Rs.44,81,628) as at March 31st, 2021



### Impact of the Code on Social Security 2020

The Code on Social Security, 2020, which received the Presidents assent on September 28, 2020 subsumes nine laws relating to social security, retirement and employee benefits, including PF and Gratuity. The effective date of the code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions

### Note : 31

Previous year figures have been regrouped and reclassified wherever necessary to confirm with current year's classification

As per our report of even date  
for M/s S Viswanathan LLP

Chartered Accountants

Firm Registration No. 004770S/S200025

  
V C Krishnan  
17/06/2021

Partner

Membership No. 022167

UDIN: 21022167 AAAAU7923

Place: Chennai

Date: 17/06/2021




For and on behalf of the Board of Directors of  
Apollo Rajshree Hospitals Private Limited

Dr. Hari Prasad Kovelamudi

Nominee Director

DIN: 02559343




  
Gaurav Khandelwal

Chief Financial Officer

Place: INDORE

Date: 10-06-2021

  
Dr. Devendra Bhargava

Whole Time Director

DIN: 01902357

  
Harshit Kesharwani

Company Secretary