INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Emed Human Resources (India) Private Limited, Kochi** ("the company") which comprises of 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 then ended including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2021, of its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Reporting of key audit matters as per SA 701- Key Audit Matters are not applicable to the Company as it is an unlisted company.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including

Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the standalone financial statements

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

In preparing the standalone financial statements, the 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. The 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 standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit we report that:

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

b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the 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 the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "*Annexure A*". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended we state that:
In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

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

   i. The company does not have any pending litigation and therefore no impact on its financial position as reflected in its standalone financial statements.

ii. The company does not have any long-term contracts including derivative contracts for which there are material foreseeable losses and therefore the company has not made any provision for the same.

iii. There are no amounts to be transferred to the Investor Education and Protection Fund.

2) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143(11) of the Act, we give in *"Annexure B"* a statement on the matters specified in paragraphs 3 and 4 of the Order.

For K Rangamani and Associates LLP
Chartered Accountants
Firm's Registration No. S200078

Ganesh Ramaswamy
Partner
Membership No.027823
UDIN: 21027823AAAAJI4527
Place: Kochi
Date: 23/7/2021

“Annexure A” to the Independent Auditors’ Report referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report to the members of Emed Human Resources (India) Private Limited of even date

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Emed Human Resources (India) Private Limited** as on March 31, 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management’s responsibility for internal financial controls

The Board of directors of the company 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 controls 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 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 Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of internal financial controls over financial reporting (the “Guidance Note”) and the standards on auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, 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 the 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 controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including assessment of the risks of material misstatement of the standalone 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. The 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, and to the best of our information and according to the explanations given to us 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 K Rangamani and Associates LLP
Chartered Accountants
Firm's Registration No. S200078

Ganesh Ramaswamy
Partner
Membership No.27823
UDIN: 21027823AAAAJI4527
Place: Kochi
Date: 23/7/2021

<u>Annexure “B” to the Independent Auditors’ Report</u>

(Referred to in paragraph 2 under the heading “Report on other legal and regulatory requirements” of our report to the members of Emed Human Resources (India) Private Limited of even date)

i) In respect of Company’s property, plant and equipment:

(a) The company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) The company has a regular programme of physical verification of property, plant and equipment by which property, plant and equipment are verified in a phased manner. In accordance with the programme, the property, plant and equipment were verified during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion the periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

(c) The company does not own any immovable properties in the form of land and therefore, there are no title deeds of land registered in the name of the company.

ii) The company does not have any inventory and therefore the requirements under clause 3(ii) of the Order are not applicable.

iii) The company has not granted any loans, secured or unsecured to companies, firms, or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Hence, the requirements under clause 3(iii) of the Order are not applicable.

iv) There were no loans granted, guarantees or securities given during the year under Section 185 and 186 of the Act and therefore the requirements of clause 3(iv) of the Order are not applicable.

v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the company and hence, reporting under clause 3 (vi) of the Order is not applicable to the company.

vii) According to the information and explanations given to us, in respect of statutory dues:

a) The company has been regular during the year, in depositing undisputed statutory dues applicable to it with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2021 for a period more than six months from the date they became payable.

b) According to the information and explanation given to us, no disputed amounts payable in respect of outstanding dues were in arrears as at March 31, 2021.

viii) The company does not have any outstanding dues to financial institutions, banks, government or debenture holders during the year and hence reporting under clause 3 (viii) of the Order is not applicable to the company.

ix) The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the company.

x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not paid any remuneration to the key managerial personnel which attracts the provisions of section 197 read with Schedule V to the Companies Act.

xii) Since the company is not a Nidhi company, the provisions of the Nidhi Rules, 2014 are not applicable to the company and hence, reporting under clause 3(xii) is not applicable.

xiii) The transactions entered into with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details thereof have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence the reporting under clause 3 (iv) is not applicable.

xv) The company has not entered into any non-cash transactions with its directors or persons connected to its directors, therefore the provisions of section 192 of Companies Act, 2013 are not applicable to the company.

xvi) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For K Rangamani and Associates LLP
Chartered Accountants
Firm's Registration No. S200078

Ganesh Ramaswamy
Partner
Membership No.027823
UDIN: 21027823AAAAJI4527
Place: Kochi
Date: 23/7/2021

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED

39/3104, PDR BHAVAN, II FLOOR,
PALLIYIL LANE, FORESHORE ROAD,
KOCHI – 682016
CIN- U74900KL2010PTC025639

FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2021

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021

(Amount in Rs.)

Particulars	Note No	As at March 31,2021	As at March 31,2020
I.ASSETS			
Non-current assets			
Property, plant and equipment	5	22,36,820	24,22,409
Right of use assets	6	4,29,815	8,39,769
Financial Assets:			
Other financial assets	7	19,96,230	17,55,637
Total Non-current assets		**46,62,865**	**50,17,815**
Current Assets			
Financial Assets:			
Trade receivables	8	13,00,346	24,21,877
Cash and cash equivalents	9	56,08,959	42,47,628
Other current assets	10	11,69,657	21,06,524
Total Current Assets		**80,78,962**	**87,76,029**
Total Assets		**1,27,41,827**	**1,37,93,844**
II.EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	1,50,000	1,50,000
Other equity	12	53,45,943	45,38,777
Total equity		**54,95,943**	**46,88,777**
Non-current liabilities			
Provisions	13	3,57,000	3,26,000
Deferred tax liabilities	14	1,16,011	72,874
Other non-current liabilities	15	-	3,64,206
Total Non-current liabilities		**4,73,011**	**7,63,080**
Current liabilities			
Financial Liabilities:			
Borrowings	16	1,82,439	1,67,260
Trade payables:			
Total outstanding dues of micro and small enterprises	17	-	-
Total outstanding dues of creditors other than micro and small enterprises	17	8,32,155	30,09,468
Other current liabilities	18	55,29,048	42,68,181
Provisions	19	2,29,231	8,97,078
Total current liabilities		**67,72,873**	**83,41,987**
Total Equity and liabilities		**1,27,41,827**	**1,37,93,844**
The accompanying notes to the financial statements	1 to 38		

As per our report of even attached
For K. Rangamani and Associates LLP
Chartered Accountants
Firm Registration No.S20008

For and on behalf of the Board of Directors
Emed Human Resources (India) Private Limited

Ganesh Ramaswamy
Partner
Membership No. 027823
UDIN-
Place: Kochi
Date:

Devanand Kolothodi
Managing Director
DIN.02598341

Abdul Salam Ameerali
Director
DIN.08091822

Place:
Date:

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs.)

Particulars	Note No.	For the year ended March 31,2021	For the year ended March 31,2020
Revenue from operations	20	48,43,108	99,82,049
Other income	21	3,23,630	2,82,296
Total Income		**51,66,738**	**1,02,64,345**
Expenses			
Employee benefits expense	22	20,08,814	23,30,950
Depreciation and amortisation expenses	5&6	7,01,362	7,79,710
Finance costs	23	63,137	3,01,739
Other expenses	24	11,25,871	29,23,994
Total Expenses		**38,99,184**	**63,36,392**
Profit/ (loss) before tax		**12,67,554**	**39,27,952**
Tax expense:			
Current tax		4,17,250	13,11,202
Deferred tax		43,138	49,018
Profit /(loss) after tax for the period		**8,07,166**	**25,67,733**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		**-**	**-**
Total comprehensive income for the period		**8,07,166**	**25,67,733**
Earnings per equity share of ₹10 each	25		
Basic earnings per equity share		53.81	171.18
Diluted earnings per equity share		53.81	171.18
The accompanying notes to the financial statements	1 to 38		

As per our report of even attached
For K. Rangamani and Associates LLP
Chartered Accountants
Firm Registration No.S20008

For and on behalf of the Board of Directors
Emed Human Resources (India) Private Limited

Ganesh Ramaswamy
Partner
Membership No. 027823
UDIN-
Place: Kochi
Date:

Devanand Kolothodi
Managing Director
DIN.02598341

Abdul Salam Ameerali
Director
DIN.08091822

Place: Kochi
Date:

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs.)

A. Equity share capital

Particulars	As at April 01,2020	Changes in equity share capital during the year	As at March 31,2021
Equity share capital	1,50,000	-	**1,50,000**

B.Other equity

Particulars	Reserves and Surplus				
	Securities premium	Retained earnings	Share option outstanding account	Remeasurement gain/(loss) on defined benefit plan	Total attributable to the equity holders of the company
Balance as at April 1, 2019	-	**19,71,044**	-	-	**19,71,044**
Profit for the year	-	25,67,733	-	-	**25,67,733**
Re-measurement gain (loss) on defined benefit	-	-	-	-	-
Total comprehensive income for the year	-	**25,67,733**	-	-	**25,67,733**
Balance as at March 31, 2020	-	**45,38,777**	-	-	**45,38,777**
Profit for the year	-	8,07,166	-	-	8,07,166
Other comprehensive Income	-	-	-	-	-
Re-measurement gain (loss) on defined benefit	-	-	-	-	-
Total comprehensive income for the year	-	**8,07,166**	-	-	**8,07,166**
Balance as at March 31, 2021	-	**53,45,943**	-	-	**53,45,943**

As per our report of even attached
For K. Rangamani and Associates LLP
Chartered Accountants
Firm Registration No.S20008

For and on behalf of the Board of Directors
Emed Human Resources (India) Private Limited

Ganesh Ramaswamy
Partner
Membership No. 027823
UDIN-
Place: Kochi
Date:

Devanand Kolothodi
Managing Director
DIN.02598341

Abdul Salam Ameerali
Director
DIN.08091822

Place:
Date:

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

(Amount in Rs.)

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Cash flow from operating activities		
Profit before tax	12,67,554	39,27,952
Add: Depreciation and amortization of non-current assets	7,01,362	7,79,710
Add: Finance costs	63,137	3,01,739
Cash flow before working capital changes	**20,32,053**	**50,09,401**
Increase/(decrease) in provisions	(6,36,846)	5,37,131
Increase/(decrease) in non-current liabilities	12,60,866	38,81,822
(Increase)/decrease in other non-current assets	(2,40,593)	(2,48,756)
Increase/(decrease) in payables	(21,77,313)	28,489
(Increase)/decrease in receivables	11,21,531	(2,83,133)
(Increase)/decrease in other current assets	9,36,868	(7,86,867)
Cash generated from operations	**22,96,566**	**81,38,087**
Income tax paid	4,17,250	13,11,202
Net cash from operating activities	**18,79,316**	**68,26,885**
Cash flow from investing activities		
Purchase of fixed assets	(1,05,819)	(14,40,813)
Net cash used in investing activities	**(1,05,819)**	**(14,40,813)**
Cash flow from financing activities		
Increase in borrowings	15,177	(45,78,550)
Increase in lease liability	(3,64,206)	3,64,206
Interest charges paid	(63,137)	(3,01,739)
Net cash used in financing activities	**(4,12,166)**	**(45,16,083)**
Components of cash and cash equivalents		
Net cash and cash equivalents	**13,61,331**	**8,69,989**
Add: Opening cash and cash equivalents	42,47,628	33,77,639
Closing cash and cash equivalents	**56,08,959**	**42,47,628**

As per our report of even attached
For K. Rangamani and Associates LLP
Chartered Accountants
Firm Registration No.S20008

Ganesh Ramaswamy
Partner
Membership No. 027823
UDIN-
Place: Kochi
Date:

For and on behalf of the Board of Directors
Emed Human Resources (India) Private Limited

Devanand Kolothodi
Managing Director
DIN.02598341

Abdul Salam Ameerali
Director
DIN.08091822

Place:
Date:

Notes forming part of the standalone financial statements for the period ended March 31, 2021

1 **Company overview**

Emed Human Resources (India) Private Limited ("the company") is engaged in the business of providing HR consulting and recruitment services in the health care sector. The company has its registered office at PDR Bhavan, II floor, Palliyil lane, Foreshore Road, Kochi – 682016.

2 **Basis of preparation of financial statements**

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, and according to the provisions of the Companies Act, 2013 (the 'Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3 **Use of estimates and judgements**

The preparation of the financial statements in conformity with IndAS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note no. 4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Classification of leases

If the Company enters into leasing arrangements for assets, the classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets. In assessing impairment, management estimates the recoverable amount of each asset or cash generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Recoverability of advances / receivables

At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

Useful lives of depreciable / amortisable assets

Management reviews its estimate of the useful lives of depreciable / amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain items of property, plant and equipment.

Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, medical cost trends, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

4 Critical accounting estimates

a) Revenue recognition

The Company uses the percentage-of-completion method in accounting for its revenue. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b) Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

c) Taxes on income

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

d) <u>Leases</u>

The company has applied Ind AS 116 using the modified retrospective approach.

<u>As a lessee</u>

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
– Fixed payments, including in-substance fixed payments;
– Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– Amounts expected to be payable under a residual value guarantee.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

<u>Short-term leases and leases of low-value assets</u>

The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases of real estate properties that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Under Ind AS 17

Finance Lease

Leases are classified as Finance Lease whenever the terms of the lease, transfer substantially, all the risks and rewards of ownership of the lease. All other leases are classified as Operating lease.

Operating Lease

In the comparative period, leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

e) Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences. Expenses and liabilities in respect of employee benefits are recorded in accordance with Ind AS 19, Employee Benefits.

a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, performance incentives which are expected to occur in next twelve months. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(b) Defined contribution plan

The Company has defined contribution plans for employees comprising of Provident Fund and Employee's State Insurance. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

(c) Defined benefit plans

The Company has a defined benefit plan (the "Gratuity Plan"). The Gratuity Plan provides a lump sum payment to employees who have completed five years or more of service at retirement, disability or termination of employment, being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. Presently the Company's gratuity plan is unfunded.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets if any. This cost is included in employee benefit expense in the statement of profit and loss.

The liability or asset recognised in the balance sheet in respect of gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets if any. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

The present value of the defined benefit obligation denominated in ₹ is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Service and interest cost on the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost.

f) Foreign currency transactions

The functional currency of the Company is the Indian Rupee (INR). These financial statements are presented in INR (₹). In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction.

Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except any exchange differences on monetary items designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

g) Borrowing costs

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

h) Taxation

(a) Income tax

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 is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

(b) Deferred tax

Deferred tax is provided using the liability 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, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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 items are recognised in correlation to the underlying transaction either in OCI or directly 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.

i) **Property, plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

j) **Capital work in progress**

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated from production during the trial period is credited to capital work in progress.

k) **Depreciation**

Assets in the course of development or construction and freehold land are not depreciated. Other property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is calculated on the depreciable amount, which is the cost of an asset less its residual value. Depreciation on tangible assets has been provided under Straight Line Method over the useful life of the assets estimated by the management (determined based on technical estimates), which is in line with the terms prescribed in Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during the year is proportionately charged.

The management estimates the useful life of the Property, Plant and Equipment as follows:

Asset Category	Useful Life
a) Plant & Machinery	15 years
b) Furniture & Fixtures	10 years
c) Computers	3 years
d) Office Equipments	5 years

The Company has evaluated the applicability of component accounting as prescribed under Ind AS 16 and Schedule II of the Companies Act, 2013. The management has not identified any significant component having different useful lives as the company's assets are not capable of being accounted separately as components. Schedule II requires the Company to identify and depreciate significant components with different useful lives separately.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes in estimates, if any, are accounted for prospectively.

l) Impairment of non - financial assets

The carrying amount of assets is reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognised wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use; the estimated future cash flows are discounted to the present value using the weighted average cost of capital.

m) Provisions and Contingent Liabilities

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

n) <u>Financial instruments</u>

A) Financial assets

<u>Initial recognition and measurement</u>

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

<u>Subsequent measurement</u>

Subsequent measurement of financial assets is described below -

<u>(i) Debt instruments at amortised cost</u>

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

(ii) Debt instrument at fair value through other comprehensive income (FVTOCI)

A debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the Effective Interest Rate (EIR) method.

(iii) Debt instrument at Fair Value Through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has designated its investments in debt instruments as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of Profit &Loss.

Financial Assets - Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

1) The rights to receive cash flows from the asset have expired, or

2) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either

a. the Company has transferred substantially all the risks and rewards of the asset, or

b. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109 Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL 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 entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

1) Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2) Debt instruments measured at FVTPL: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. The change in fair value is taken to the statement of Profit and Loss.

3) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

B) Financial liabilities –

Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

1) Financial liabilities at fair value through statement of profit and loss - Financial liabilities at fair value through statement of profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

2) Gains or losses on liabilities held for trading are recognised in the statement of profit and loss - Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

3) Liabilities designated as FVTPL- Fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through statement of profit and loss.

Financial liabilities - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

a) Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, futures and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

1) Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

2) Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

o) <u>Loans and Borrowings</u>

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (hereinafter referred as EIR) method. Gains and losses are recognized in statement of profit and 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.

p) <u>Fair value measurement</u>

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

'- In the principal market for the asset or liability, or

'- In the absence of a principal market, in the most advantageous market for the asset or liability

'The principal or the most advantageous market must be accessible by the Company.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels

a) Level 1- Quoted prices (unadjusted) is the active market price for identical assets or liabilities.

b) Level 2 -Inputs other than quoted price included within level 1 that are observable for the assets or liability, either directly.

c) Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

q) <u>Cash and cash equivalents</u>

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.

For the purpose of the cash flow statement, cash and cash equivalents consist of cash and short-term deposits, as defined above.

r) <u>Earnings/ (Loss) per equity share (EPS)</u>

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

5 **Property, plant and equipment**

Following are the changes in the carrying value of property, plant and equipment for the period ended March 31, 2021:

Particulars	Plant & Machinery	Furniture & Fixtures	Office Equipment	Computer Equipment	Total
Gross carrying value as at 01-04-2020	**27,54,977**	**38,059**	**8,518**	**67,850**	**28,69,404**
Additions/ (Deletions)	-	-	-	-	-
Gross carrying value as at 31-03-2021	**27,54,977**	**38,059**	**8,518**	**67,850**	**28,69,404**
Accumulated depreciation as at 01-04-2020	**3,57,618**	**29,238**	**5,245**	**54,894**	**4,46,995**
Charge for the period	1,74,482	766	1,188	9,154	1,85,589
Accumulated depreciation as at 31-03-2021	**5,32,100**	**30,004**	**6,433**	**64,048**	**6,32,584**
Net carrying value as at 01-04-2020	**23,97,359**	**8,821**	**3,273**	**12,956**	**24,22,409**
Net carrying value as at 31-03-2021	**22,22,877**	**8,055**	**2,086**	**3,802**	**22,36,820**

6 **Right of use assets**

The company has adopted Ind AS 116 - Leases, with effect from 1st April, 2019. The impact on the financial statements on this account is as follows:

Particulars	**Amount**
Increase in lease liability	4,29,815
Increase in right of use	4,29,815
Increase in finance cost	46,727
Increase in depreciation	5,15,773

Carrying value of right of use assets at the end of the reporting period

Particulars	**Amount**
Balance as at April 1, 2020	8,39,769
Additions during the year	1,05,819
Depreciation charge for the year	(5,15,773)
Balance as at March 31, 2021	**4,29,815**

The effect of this transition results in the company accounting for its right to use leased assets of Rs. 4,29,815 as on the balance sheet date which is matched by its lease commitments payable under the lease agreements. The company provided for a depreciation amount of Rs. 5,15,773 on such right to use leased assets during the year and also accounted a finance cost of Rs. 46,727 on the investment that it has made on the leased asset for the year under report.

7 Other financial assets

Particulars	As at March 31, 2021	As at March 31, 2020
Security deposits	2,55,119	2,55,119
Interest accrued on long term deposit	17,41,111	15,00,518
Total	**19,96,230**	**17,55,637**

8 Trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured:		
Trade receivable from related parties*	18,43,055	29,64,586
Less: Provision for bad debts	(5,42,709)	(5,42,709)
Trade receivables from others	-	-
Total	**13,00,346**	**24,21,877**

**Trade receivables from related parties include receivable from Aster Hospitals Dubai UAE (Rs.1,42,251); Malabar Institute of Medical Sciences Limited (Rs.11,67,114); Aster Pharmacies Group LLC (Rs.3,33,090); DM Healthcare LLC (Rs.2,00,600).*

Breakup of trade receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables outstanding for a period exceeding six months		
Unsecured and considered good	11,13,413	77,256
Doubtful	5,42,709	5,42,709
Less: Allowance for doubtful debts	(5,42,709)	(5,42,709)
Total (A)	**11,13,413**	**77,256**
Other trade receivables		
Unsecured and considered good	1,86,933	23,44,621
Doubtful	-	-
Less: Allowance for doubtful debts	-	-
Total (B)	**1,86,933**	**23,44,621**
Unbilled Receivables	-	-
Total (C)	-	-
Total (A+B+C)	**13,00,346**	**24,21,877**

Ageing of debts

Particulars	As at March 31, 2021	As at March 31, 2020
Within the credit period		
1-30 days past due	1,15,430	22,82,363
31-60 days past due	-	-
61-90 days past due	-	6,662
More than 90 days past due	17,27,625	6,75,561
Less: Allowance for doubtful debts	(5,42,709)	(5,42,709)
Total	**13,00,346**	**24,21,877**

9 **Cash and cash equivalents**

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	28,955	1,364
Balance with banks		
In current accounts	18,80,004	1,46,263
In deposit accounts	37,00,000	41,00,000
Total	**56,08,959**	**42,47,628**

10 **Other current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	8,233	13,295
Income tax refund receivable	-	2,72,258
TDS receivable	44,864	4,46,904
Advance tax	3,91,000	11,91,000
MAT credit entitlement	11,291	41,642
Advances for services	75,000	75,000
Other receivables	6,39,269	66,425
Total	**11,69,657**	**21,06,524**

11 **Share Capital**

Particulars	As at March 31, 2021	As at March 31, 2020
Authorized share capital:		
50,000 equity shares of Rs.10 each	5,00,000	5,00,000
Issued, subscribed and paid-up share capital:		
15,000 equity shares of Rs.10 each	1,50,000	1,50,000

a) The company has only issued equity shares. All equity shares are of face value Rs.10. The company does not have any preference shares.

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

Particulars	As at March 31, 2021	As at March 31, 2020
No. of equity shares at the beginning of the period	15,000	15,000
No. of equity shares issued during the period	Nil	Nil
No. of equity shares outstanding at the end of the period	15,000	15,000

c) **Terms/ rights attached to equity shares:**

The company has only one class of equity share having par value of Rs.10. Each holder of equity share is entitled to one vote per share. If the company declares dividend it would pay it in Indian rupees. However, during the reporting period the company did not declare any dividend. In the event of the liquidation of the company the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all the company's obligations. The distribution would be in proportion to the number of equity shares held by the shareholders.

d) **Shares held by holding company/ ultimate holding company and or their subsidiaries/ associates:**

Particulars	As at March 31, 2021	As at March 31, 2020
DM Med City Hospitals (India) Private Limited	15,000	15,000

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

Particulars	As at March 31, 2021	As at March 31, 2020
	No of shares	No of shares
	% of holding	% of holding
DM Med City Hospitals (India) Private Limited	15,000	15,000
	100%	100%

f) The company has not reserved any shares for issue under options, contracts and commitments.

g) **Details of following transactions in shares during the period of five years immediately preceding the reporting date:**

Particulars	As at March 31, 2021	As at March 31, 2020
Allotment of shares for a consideration other than cash	Nil	Nil
Issue of bonus shares	Nil	Nil
Shares bought back	Nil	Nil
Shares converted into equity shares	Nil	Nil
Calls unpaid on shares by directors and officers	Nil	Nil
Forfeited shares	Nil	Nil

Amount (Rs.)

12 Other equity

Particulars	As at March 31, 2021
Securities premium account	
As at April 1, 2020	-
Add: premium on issue of shares during the period	-
As at March 31, 2021	-
Share options outstanding account	
As at April 1, 2020	-
Less: Transfer to securities premium account	-
As at March 31, 2021	-
Profit and loss account	
As at April 1, 2020	45,38,777
Add: Profit for the period	8,07,166
As at March 31, 2021	**53,45,943**

13 Long term provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for gratuity	3,57,000	3,26,000
Total	**3,57,000**	**3,26,000**

14 Deferred tax liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	72,873	23,855
Current year	43,138	49,018
Total	**1,16,011**	**72,873**

15 Other non-current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Finance lease liabilities (as per Ind AS 116)	-	3,64,206
Total	**-**	**3,64,206**

16 Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured:		
From related parties:		
Aster DM Healthcare Limited	1,82,439	1,67,260
Total	**1,82,439**	**1,67,260**

The loan from Aster DM Healthcare Limited bears interest charge at the rate of 9.35% - 10.15% p.a.

17 Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to micro and small enterprises	-	-
Dues to creditors other than micro and small enterprises:		
Creditors for capital goods	3,90,698	28,90,698
Creditors for services	4,41,457	1,18,770
Total	**8,32,155**	**30,09,468**

Creditors for capital goods comprise of amount payable to Aster DM Healthcare (Trivandrum) Private Limited (Rs.3,90,698).

Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act") based on the information available with the Company are as follows:

The principal amount remaining unpaid to any supplier at the end of the year	-	-
The interest due on the principal remaining outstanding as at the end of the year	-	-
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
delay in making payment (which have been paid but beyond the appointed day during the year) but without	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	-	-

18 Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory remittances	1,21,230	5,85,035
Expenses payable	5,11,174	1,90,854
Advances for expenses	44,66,829	30,16,730
Finance lease liabilities (as per Ind AS 116)	4,29,815	4,75,563
Total	**55,29,048**	**42,68,181**

Statutory remittances comprise of TDS payable (Rs. 28,840), GST payable (Rs. 87,133), Kerala flood cess payable (Rs. 5,137) and Welfare fund payable (Rs. 120).

Advances received for expenses comprise of amounts received from Aster DM Healthcare Limited (Rs.44,63,999).

19 Short term provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for taxation	2,12,231	8,82,078
Provision for gratuity	17,000	15,000
Total	**2,29,231**	**8,97,078**

20 Revenue from operations

Particulars	For the year ended March 31 ,2021	For the year ended March 31 ,2020
Income from HR consulting services	48,43,108	99,82,049
Total	**48,43,108**	**99,82,049**

21 Other income

Particulars	For the year ended March 31 ,2021	For the year ended March 31 ,2020
Interest income from deposits with bank	2,72,426	2,76,396
Miscellaneous Income	51,204	5,900
Total	**3,23,630**	**2,82,296**

22 Employees benefit expenses

Particulars	For the year ended March 31 ,2021	For the year ended March 31 ,2020
Salaries and wages	19,75,814	21,97,134
Gratuity expenses	33,000	1,33,816
Total	**20,08,814**	**23,30,950**

23 Finance costs

Particulars	For the year ended March 31,2021	For the year ended March 31 ,2020
Interest on inter corporate borrowings	16,410	1,62,724
Finance costs on lease rentals	46,727	1,39,015
Total	**63,137**	**3,01,739**

Interest on inter corporate borrowings relate to the interest paid at 9.35% - 10.15% p.a. for loan from Aster DM Healthcare Limited.

24 Other expenses

The details of other expenses for the period are as follows:

Particulars	For the year ended March 31,2021	For the year ended March 31 ,2020
Audit fees	75,000	75,000
Certification charges	6,01,609	18,22,561
Professional fees	92,670	83,414
Provision for bad debts	-	5,42,709
Establishment expenses	3,56,592	4,00,311
Total	**11,25,871**	**29,23,994**

25 Earnings per share:

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
Net profit for the period attributable to equity shareholders	8,07,166	25,67,733
Weighted average number of equity shares	15,000	15,000
Par value per share	10	10
Basic earnings per share	53.81	171.18
Diluted earnings per share	53.81	171.18

26 Employee benefit plans

Short term employee benefits

The employee benefits payable wholly within one year of receiving employee services are classified as short term employee benefits. These include salaries and wages, bonus and ex-gratia. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the amount of obligation can be estimated reliably.

Post -employment benefits

The details of defined contribution plans are as follows:

The company does not have any defined contribution plan in form of provident fund scheme and employees state insurance scheme since the company does not have adequate number of employees to register under these schemes.

The details of defined benefit plans are as follows:

A defined benefit plan is post employment benefit plan other than a defined contribution plan. The company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefits that the employees have earned in the current period and prior periods and discounting that amount.

The calculation of the defined benefit obligation is performed by a qualified actuary in accordance with the requirements of Ind AS 19 using the projected unit credit method.

Actuarial gains/losses arising from changes in the assumptions and performance of the assets contribute to re-measurements for the period and shall be classified as 'Re-measurements of net defined liability' under Other comprehensive income.

The following table sets out the amount recognized in the financial statements on account of such gratuity liability:

Particulars	**March 31,2021**	**March 31,2020**
Present value of defined benefit obligation at the beginning of the year	3,41,000	2,07,184
Service cost		
(a)Current service cost	48,000	40,816
(b) Past service cost	-	77,000
(c) Loss/(gain) from settlement	-	-
Interest costs	23,000	16,000
Re-measurements		
(a) Actuarial loss/(gain) from change in financial assumptions	(14,000)	-
(b)Actuarial loss/(gain) from experience over the past year	(24,000)	-
Present value of defined benefit obligation at the end of the year	**3,74,000**	**3,41,000**

27 Lease arrangements

(a) The operating lease commitments of the company as a lessee.

The company has adopted INDAS 116 on leases with effect from the start of the accounting year 1/4/2019, as a result of which the operating leases of the company are recognized as an asset in its balance sheet and the amount payable on such leases over the remaining future periods are discounted at its borrowing cost to account for interest expense on such assets. The company has adopted the modified retrospective approach to give effect to this transition from INDAS 17 to INDAS 116. As a result of adopting the modified retrospective approach, the company is not required to restate its financials for the prior periods. The effect of this transition results in the company accounting for its right to use leased assets of Rs. 4,29,815 as on the balance sheet date which is matched by its lease commitments payable under the lease agreements. The company provided for a depreciation amount of Rs. 5,15,773 on such right to use leased assets during the year and also accounted a finance cost of Rs. 46,727 on the investment that it has made on the leased asset for the year under report.

(b) The finance lease commitments of the company as a lessee.

The company has not entered into leasing arrangement for building for a period ranging from 25 years to 30 years. As a result there is no classification under finance lease for the company.

28 Capital management

The capital includes issued equity share capital and all other equity reserves attributable to the equity holders. The company's objectives when managing capital is to safeguard its ability to continue as a going concern while maximizing the return to shareholders through the optimization of debt and equity balances.

Gearing Ratio

The gearing ratio at the end of the reporting period is as follows:

Particulars	As at March 31,2021	As at March 31,2020
Debt	1,82,439	1,67,260
Less: cash and cash equivalent	56,08,959	42,47,628
Net debt	**(54,26,520)**	**(40,80,368)**
Total equity	54,95,943	46,88,777
Net debt to Equity Ratio	(0.99)	(0.87)

Debt is defined as long-term and short-term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration).

In order to achieve the overall objective, the company management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

29 Segment reporting

The company's operations comprise only of one segment viz., HR recruitment and consultancy services in India. Therefore there are no additional disclosures to be provided.

30 Estimated amount of contracts pending execution on capital account

Particulars	As at March 31,2021	As at March 31,2020
	Nil	Nil

31 Audit Fees

Particulars	For the year ended March 31,2021	For the year ended March 31,2020
For statutory audit	75,000	75,000

32 Taxes on income

The company has taxable income under the Income Tax Act, 1961 and accordingly a provision of Rs.417,250/- has been made in the accounts.

Deferred income taxes are recognized for the timing differences between the taxable income and the accounted income. The company has recognized deferred tax liability of Rs.43138/-for the current year. The total net deferred tax account shows liability of Rs.116011/- at the end of the current year.

33 Related party transactions

Details of transactions with related parties of the company are reported below:

a) Nature of relationship and related parties:

Nature of Relationship	**Related Parties**
Holding company	DM Med city Hospitals (India) Private Limited, Kochi
Entities under common control/ Entities over which the Company has significant influence	Aster DM Healthcare Limited, Kochi
	Aster DM Healthcare (Trivandrum) Private Limited, Kochi
	DM Education and Research Foundation, Wayanad
	Sanad Al Rahma Healthcare Co. LLC, UAE
	Aster Pharmacies Group LLC, UAE
	Malabar Institute of Medical Sciences Limited, Calicut
	DM Healthcare LLC, UAE
	Al Quasis Hospital, UAE
	AL Raffah Hospital LLC

b) Transactions with related parties during the period

Related Party	Nature of Transaction	For the year ended March 31,2021	For the year ended March 31,2020
Aster DM Healthcare Limited, Kochi	Repayment of loan	5,51,422	47,25,000
	Interest paid on loan(net of TDS)	16,410	1,62,724
	Income from HR consulting services	1,61,424	6,82,276
	Expenses paid on behalf of the company	19,94,303	30,39,928
	Amount incurred in capacity of pure agent	25,574	35,705
	Amount received	2,10,554	12,39,282
DM Med city Hospitals (India) Private Limited, Kochi	Income from HR consulting services	-	29,200
	Amount received	26,280	1,42,170
Malabar Institute of Medical Sciences Limited, Calicut	Amount received/ receivable	16,65,340	5,46,310
	Amount incurred in capacity of pure agent	4,01,326	88,985
	Income from HR consulting services	53,100	26,04,690
DM Healthcare LLC	Amount received/ receivable	10,61,217	2,85,600
	Income from HR consulting services	1,63,430	2,85,600
	Amount incurred in capacity of pure agent	10,40,038	-
Al Raffah Hospital LLC	Amount incurred in capacity of pure agent	10,59,085	-
Aster DM Healthcare Trivandrum Private Limited	Amount paid/payable	25,00,000	-
Aster Pharmacies Group LLC, UAE	Other income	-	28,097
	Expenses Payable	9,019	-
Al Quasis Hospital, UAE	Income from HR consulting services	-	2,12,400
	Amount received/ receivable		2,10,796
	Other income	-	1,604
DM Education and Research Foundation, Wayanad	Amount received/ receivable	-	1,98,240
Sanad Al Rahma Healthcare Co. LLC, UAE	Amount received/ receivable	-	2,61,686

c) Balance outstanding at the end of the period *(Amount in Rs.)*

Category of balance	Related Party	As at March 31,2021	As at March 31, 2020
Amount Payable	Aster DM Healthcare Limited, Kochi	46,49,267	31,66,421
	Aster DM Healthcare (Trivandrum) Pvt Ltd, Kochi	3,90,698	28,90,698
Amount receivable	Aster Pharmacies Group LLC,	3,33,090	3,42,109
	DM Medcity Hospitals (India) Private Limited, Kochi	-	26,280
	Malabar Institute of Medical Sciences Limited, Calicut	11,67,114	23,78,028
	DM Healthcare LLC	3,42,851	2,00,600

Note *: No amount pertaining to related parties have been written off or written back during the period.*

34 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2021 and March 31, 2020 is as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2021	**As at March 31, 2020**	**As at March 31, 2021**	**As at March 31, 2020**
Financial assets				
Trade receivables	13,00,346	24,21,877	13,00,346	24,21,877
Cash and cash equivalent	56,08,959	42,47,628	56,08,959	42,47,628
Other financial assets	19,96,230	17,55,637	19,96,230	17,55,637
Total Assets	**89,05,535**	**84,25,142**	**89,05,535**	**84,25,142**
Financial liabilities				
Borrowings	1,82,439	1,67,260	1,82,439	1,67,260
Trade payables	8,32,155	30,09,468	8,32,155	30,09,468
Total Liabilities	**10,14,594**	**31,76,728**	**10,14,594**	**31,76,728**

35 Financial risk management objectives and policies

The company’s principal financial liabilities, comprise of loans and borrowings. The main purpose of these financial liabilities is to finance the operations of the company. The company's principal financial assets include advances, trade receivable, cash and cash equivalent and term deposits with the bank that derive directly from operations.

The company is exposed to market risk, credit risk and liquidity risk. The senior management of the company oversees the management of these risks. It is the company's policy that no trading in derivative for speculative purpose may be undertaken. The policies for managing each of the risks are summarized below:-

Market risk

Market risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes on market price. Financial instrument affected by market risk include loan and borrowings and deposits.

Credit risk

The company is exposed to the credit risk from its operating activities (trade receivables, trade payables and other payables) and from its financing activities, including deposits with banks.

Credit risk is managed by the senior management of the company.

Trade receivables

Trade receivables comprise a widespread customer base. Management evaluates credit risk relating to customers on an ongoing basis. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Services to customers without medical aid insurance are settled in cash. The receivables are mainly unsecured, the company does not hold any collateral or a guarantee as security. The provision details of the trade receivable is provided in Note 8 of financial statement.

For trade receivables, provision is provided by the company as per the below mentioned policy:

Particulars	As at March 31, 2021	As at March 31, 2020
Customers which are not associate/ group concerns due for more than 365 days.	100%	100%
Corporates which associate/ group concerns due for more than 365 days.	100%	100%

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial period under review that has not been provided for.

Financial instrument and cash deposit

Credit risk from balances with the bank is managed by the company based on the group policy and is managed by the company's treasury team. Investment of surplus fund is made only with appropriate approvals of counterparties.

Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The company has policies and processes in place to manage all the above mentioned risks and the same is overseen by senior management.

36 Contingent liabilities and commitments :

Particulars	As at March 31,2021	As at March 31,2020
Nil	-	-

37 Micro and Small Enterprises:

There are no micro and small enterprises, to whom the company owes dues, which are outstanding for more than 45 days at the balance sheet date, computed on unit wise basis. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

38 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even attached
For K. Rangamani and Associates LLP
Chartered Accountants
Firm Registration No.S20008

Ganesh Ramaswamy
Partner
Membership No. 027823
UDIN-
Place: Kochi
Date:

For and on behalf of the Board of Directors
Emed Human Resources (India) Private Limited

Devanand Kolothodi	**Abdul Salam Ameerali**
Director	Director
DIN.02598341	DIN.08091822

Place:
Date: