

**INDEPENDENT AUDITOR'S 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, 2020, 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, 2020, and 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 Responsibility 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.

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, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate

accounting policies; making judgements 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.

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

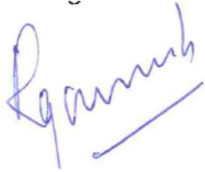
1) As required by Section 143(3) of the Act, based on our audit we report that:

- 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 accounts 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 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 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 (F No. S200078)



Ganesh Ramaswamy
Partner
(Membership No. 027823)
UDIN :20027823AAAABP5172

Place: Kochi
Date: 15/ 06/2020

“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, 2020 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, 2020, 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 (F No. S200078)



Ganesh Ramaswamy
Partner
(Membership No. 027823)
UDIN :20027823AAAABP5172

Place: Kochi
Date: 15/ 06/2020

“Annexure B” to the Independent Auditors’ Report 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) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

The company has a regular programme of physical verification of fixed assets by which fixed assets are verified in a phased manner. In accordance with the programme, the fixed assets 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.

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 paragraph 3(ii) 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 paragraph 3(iii) are not applicable.

vi) The company has not given any loans or guarantees or made any investments within the meaning of sections 185 and 186 of the Companies Act, 2013.

v) According to the information and explanations given to us by the company, it has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. We are also informed that no order in this regard has been passed by the Company Law Board, National Company Law Tribunal, Reserve Bank of India or any other court or tribunal.

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) is not applicable to the company.

ii)

a) According to the information and explanation given to us and on the basis of our examination of the records of the company, the amounts deducted / accrued in the books of accounts in respect of undisputed statutory dues have been regularly deposited during the year by the company 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, 2020 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, 2020.

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) In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

xi) The company has not paid any managerial remuneration and therefore the requirements under paragraph 3 (xi) are not applicable.

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.

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 (F No. S200078)



Ganesh Ramaswamy

Partner

(Membership No. 027823)

UDIN :20027823AAAABP5172

Place: Kochi

Date: 15/ 06/2020

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED

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

AUDITED FINANCIAL STATEMENTS AND
OTHER FINANCIAL INFORMATION
FOR THE PERIOD ENDED MARCH 31, 2020

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in Rs.)

Particulars	Note No	Figures at the end of the current reporting period	Figures at the end of the previous reporting period
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	5	24,22,409	26,01,074
Right of use assets			
Financial Assets:	6	8,39,769	
Other financial assets			
Total Non-current assets	7	17,55,637	15,06,881
<u>Current Assets</u>			
Financial Assets:		50,17,815	41,07,955
Trade receivables			
Cash and cash equivalents	8	21,21,877	21,38,744
Other current assets	9	42,47,628	33,77,639
Total Current Assets	10	21,06,524	13,19,657
Total Assets		87,76,029	68,36,039
		1,37,93,844	1,09,43,994
EQUITY AND LIABILITIES			
<u>Equity</u>			
Equity share capital	11	1,50,000	1,50,000
Other equity	12	45,38,777	19,71,044
Total equity		46,88,777	21,21,044
<u>Non-current liabilities</u>			
Provisions	13	3,26,000	2,07,184
Deferred tax liabilities	14	72,873	23,855
Other non-current liabilities	15	3,64,206	
Total Non-current liabilities		7,63,079	2,31,039
<u>Current liabilities</u>			
Financial Liabilities:			
Borrowings	16	1,67,260	47,45,810
Trade payables:			
Total outstanding dues of micro and small enterprises	17		
Total outstanding dues of creditors other than micro and small enterprises	17	30,09,468	29,80,979
Other current liabilities	18	42,68,181	3,86,359
Provisions	19	8,97,078	4,78,763
Total current liabilities		83,41,987	85,91,911
Total Equity and Liabilities		1,37,93,844	1,09,43,994

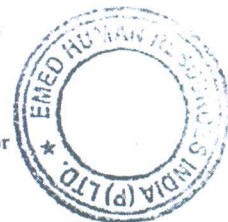
The accompanying notes are an integral part of the financial statements

As per our report of even attached
 For K. Rangamani and Associates LLP
 Chartered Accountants (Firm no. S200078)



Rangamani
 Ganesh Ramaswamy
 Partner (M. No. 027823)
 UDIN - 20027823AAAABP5172
 Place: Kochi
 Date: 15/06/2020

Devanand Kolothodi
 Devanand Kolothodi, Director



Abdul Salam Ameerli
 Abdul Salam Ameerli, Director

Place: Kochi
 Date: 15/06/2020

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Note No.	(Amount in Rs.)	
		Figures for the current reporting period	Figures for the previous reporting period
Revenue from operations	20	99,82,049	1,25,26,384
Other income	21	2,82,296	3,68,945
Total Income		1,02,64,345	1,28,95,330
Expenses			
Employee benefit expenses	22	23,30,950	18,72,647
Depreciation and amortisation expenses	5&6	7,79,710	94,025
Finance costs	23	3,09,694	4,10,483
Other expenses	24	29,16,039	79,99,952
Total Expenses		63,36,392	1,03,77,108
Profit/(loss) before tax		39,27,953	25,18,222
Tax expense:			
Current tax		13,11,202	6,22,537
Deferred tax		49,018	32,097
Profit/(loss) for the period		25,67,733	18,63,588
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		25,67,733	18,63,588
Earnings per equity share			
Equity shares of par value Rs.10 each			
Basic	40	171.18	124.24
Diluted	40	171.18	124.24

The accompanying notes are an integral part of the financial statements

As per our report of even attached
 For K. Rangamani and Associates LLP
 Chartered Accountants (Firm no. S200078)



Ganesh Ramaswamy
 Partner (M. No. 027823)

UDIN - 20027823AAAABP5172

Place: Kochi
 Date: 15/06/2020




 Devanand Kolothodi, Director


 Abdul Salam Ameerli, Director*



Place: Kochi
 Date: 15/06/2020

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

Particulars	(Amount in Rs.)	
	Figures for the current reporting period	Figures for the previous reporting period
Cash flow from operating activities		
Profit before tax	39,27,953	25,18,222
Add: Depreciation and amortization of non-current assets	7,79,710	94,025
Add: Finance costs	3,09,694	-
Cash flow before working capital changes	50,17,356	26,12,247
Increase / (decrease) in provisions	5,37,131	2,25,382
Increase / (decrease) in non-current liabilities	38,81,822	(1,61,501)
(Increase) / decrease in other non-current assets	(2,48,756)	(3,01,465)
Increase / (decrease) in payables	28,489	19,24,787
(Increase) / decrease in receivables	(2,83,133)	2,56,938
(Increase) / decrease in other current assets	(7,86,867)	30,331
Cash generated from operations	81,46,041	45,86,719
Income tax paid	13,11,202	6,22,537
Net cash from operating activities	68,34,840	39,64,183
Cash flow from investing activities		
Purchase of fixed assets	(14,40,813)	(25,80,980)
Net cash used in investing activities	(14,40,813)	(25,80,980)
Cash flow from financing activities		
Increase in borrowings	(45,78,550)	(3,09,967)
Increase in lease liability	3,64,206	-
Interest charges paid	(3,09,694)	-
Net cash used in financing activities	(45,24,038)	(3,09,967)
Components of cash and cash equivalents		
Net cash and cash equivalents	8,69,989	10,73,236
Add: Opening cash and cash equivalents	33,77,639	23,04,403
Closing cash and cash equivalents	42,47,628	33,77,639

The accompanying notes are an integral part of the financial statements

As per our report of even attached
 For K. Rangamani and Associates LLP
 Chartered Accountants (Firm no. S200078)

Ganesh Ramaswamy
 Partner (M. No. 27823)

UDIN - 20027823AAAA BP5172

Place: Kochi

Date: 15/06/2020



[Signature]
 Devanand Kolothodi, Director

[Signature]
 Abdul Salam Ameerli, Director



Place: Kochi

Date: 15/06/2020

EMED HUMAN RESOURCES (INDIA) PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2020

(Amount in Rs.)

A. Equity share capital

Particulars

Balance as at April 1, 2019	1,50,000
Changes in equity share capital during the year	-
Balance as at March 31, 2020	1,50,000

B. Other equity

Reserves and Surplus

Particulars	Securities premium	Retained earnings	Share option outstanding account	Remeasurement gain/(loss) on defined benefit plan	Total equity attributable to the equity holders of the company
Balance as at April 1, 2018	-	1,07,456	-	-	1,07,456
Profit for the year	-	18,63,588	-	-	18,63,588
Other comprehensive Income	-	-	-	-	-
Re-measurement gain (loss) on defined benefit	-	-	-	-	-
Total comprehensive income for the year	-	18,63,588	-	-	18,63,588
Premium on shares issued during the year	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Deferred stock compensation expense	-	-	-	-	-
Balance as at March 31, 2019	-	19,71,044	-	-	19,71,044
Profit for the year	-	25,67,733	-	-	25,67,733
Other comprehensive Income	-	-	-	-	-
Re-measurement gain (loss) on defined benefit	-	-	-	-	-
Total comprehensive income for the year	-	25,67,733	-	-	25,67,733
Premium on shares issued during the year	-	-	-	-	-
Share issue expenses	-	-	-	-	-
Deferred stock compensation expense	-	-	-	-	-
Balance as at March 31, 2020	-	45,38,777	-	-	45,38,777

The accompanying notes are an integral part of the financial statements

As per our report of even attached
 For K. Rangamani and Associates LLP
 Chartered Accountants (Firm no. S200078)

Ganesh Ramaswamy
 Partner (M. No. 27823)

UDIN - 20027823AAAA/BP5192

Place: Kochi

Date: 15/06/2020



Devanand Kolothodi, Director

Abdul Salagi Ameerali, Director

Place: Kochi

Date: 15/06/2020



Notes forming part of the standalone financial statements for the period ended March 31, 2020

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, the provisions of the Companies Act, 2013 (the 'Act') (to the extent notified) and the guidelines issued by the Securities and Exchange Board of India (SEBI). 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.

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.

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b) 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.

c) Property, plant and equipment

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

5 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 capitalized until the property, plant and equipment are ready for use, as intended by the management. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

- Plant & Equipment - 15 years
- Furniture & Fittings - 10 years
- Office Equipment - 5 years
- Computers - 3 years

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell.

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the unit to which the asset belongs.

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If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

Following are the changes in the carrying value of property, plant and equipment for the period ended March 31, 2020:

Particulars	Plant & Equipment	Furniture & Fixtures	Office Equipment	Computer Equipment	Total
Gross carrying value as at 01-04-2019	27,54,977	30,000	8,518	62,850	28,56,345
Additions/ (Deletions)	-	8,059	-	5,000	13,059
Gross carrying value as at 31-03-2020	27,54,977	38,059	8,518	67,850	28,69,404
Accumulated depreciation as at 01-04-2019	1,83,136	26,975	4,058	41,102	2,55,271
Charge for the period	1,74,482	2,263	1,188	13,792	1,91,725
Accumulated depreciation as at 31-03-2020	3,57,618	29,238	5,245	54,894	4,46,995
Net carrying value as at 01-04-2019	25,71,841	3,025	4,461	21,748	26,01,075
Net carrying value as at 31-03-2020	23,97,359	8,821	3,273	12,956	24,22,409

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	8,39,769
Increase in right of use	8,39,769
Increase in finance cost	1,39,015
Increase in depreciation	5,87,985

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

Particulars	Amount
Balance as at April 1, 2019	-
Additions during the year	14,27,754
Depreciation charge for the year	(5,87,985)
Balance as at March 31, 2020	8,39,769



The effect of this transition results in the company accounting for its right to use leased assets of Rs.839,769 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. 587,985 on such right to use leased assets during the year and also accounted a finance cost of Rs.139,015 on the investment that it has made on the leased asset for the year under report.

7 Other financial assets

The details of other non-current assets are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	2,55,119	2,55,119
Interest accrued on long term deposit	15,00,518	12,51,762
Total	17,55,637	15,06,881

8 Trade receivables

The details of trade receivables are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivable from related parties	29,64,586	21,38,744
Less: provision for bad debts	(5,42,709)	-
Trade receivables from others	-	-
Total	24,21,877	21,38,744

Trade receivables from related parties include receivable from Aster DM Healthcare Limited (Rs.17,569); Malabar Institute of Medical Sciences Limited (Rs.23,78,028); DM Medcity Hospitals India Private Limited (Rs.26,280); Aster Pharmacies Group LLC (Rs.3,42,109); DM Healthcare LLC (Rs.2,00,600).

Breakup of trade receivables for more than 6 months overdue

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables outstanding for a period exceeding six months		
Unsecured and considered good	77,256	7,76,298
Doubtful	5,42,709	-
Less: Allowance for doubtful debts	(5,42,709)	-
Total (A)	77,256	7,76,298
Other trade receivables		
Unsecured and considered good	23,44,621	13,62,446
Doubtful	-	-
Less: Allowance for doubtful debts	-	-
Total (B)	23,44,621	13,62,446
Unbilled Receivables		
Total (C)	-	-
Total (A+B+C)	24,21,877	21,38,744



Ageing of debts

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period		
1-30 days past due	22,82,363	10,94,208
31-60 days past due	-	16,284
61-90 days past due	6,662	-
More than 90 days past due	6,75,561	10,28,252
Less: Allowance for doubtful debts	(5,42,709)	
Total	24,21,877	21,38,744

9 Cash and cash equivalents

The details of cash and cash equivalents are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash in hand	1,364	7,068
<u>Balance with banks</u>		
In current accounts	1,46,263	7,70,571
In deposit accounts	41,00,000	26,00,000
Total	42,47,628	33,77,639

10 Other current assets

The details of other current assets are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	13,295	15,319
Income tax refund receivable	2,72,258	3,62,968
TDS receivable	4,46,904	2,07,371
Advance tax	11,91,000	2,64,000
MAT credit entitlement	41,642	4,69,999
Advances for services	75,000	-
Other receivables	66,425	-
Total	21,06,524	13,19,657

11 Share Capital

a) The details of share capital are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
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

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, 2020	As at March 31, 2019
At the beginning of the period (no. of equity shares)	15,000	15,000
Issued during the period (no. of equity shares)	Nil	Nil
Outstanding at the end of the period (no. of equity shares)	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, 2020	As at March 31, 2019
DM Medcity Hospitals (India) Private Limited	15,000	Nil

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

Particulars	As at March 31, 2020	As at March 31, 2019
DM Medcity Hospitals (India) Private Limited	15,000	-
Aster DM Healthcare Limited	-	5,000
Devanand Kolothodi	-	5,000
Anupam Verma	-	5,000

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, 2020	As at March 31, 2019
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



12 Other equity

The details of other equity are as follows:

<u>Particulars</u>	<u>Amount (Rs.)</u>
<u>Securities premium account</u>	
As at April 1, 2019	-
Add: premium on issue of shares during the period	-
As at March 31, 2020	-
<u>Share options outstanding account</u>	
As at April 1, 2019	-
Less: Transfer to securities premium account	-
As at March 31, 2020	-
<u>Profit and loss account</u>	
As at April 1, 2019	19,71,044
Add: Profit for the period	25,67,733
As at March 31, 2020	<u>45,38,777</u>

13 Long term provisions

The details of long term provisions are as follows :

<u>Particulars</u>	<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
Provision for gratuity	3,26,000	2,07,184
Total	<u>3,26,000</u>	<u>2,07,184</u>

14 Deferred tax assets

The details of deferred tax assets are as follows:

<u>Particulars</u>	<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
Brought forward from previous year	23,855	(8,242)
For the period	49,018	32,097
Total	<u>72,873</u>	<u>23,855</u>

15 Other non-current liabilities

The details of other non-current liabilities are as follows:

<u>Particulars</u>	<u>As at March 31, 2020</u>	<u>As at March 31, 2019</u>
Finance lease liabilities (as per Ind AS 116)	3,64,206	-
Total	<u>3,64,206</u>	<u>-</u>

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16 Borrowings

The details of borrowings are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured:		
From related parties:		
Aster DM Healthcare Limited	1,67,260	47,45,810
Total	1,67,260	47,45,810

The loan from Aster DM Healthcare Limited bears interest charge at the rate of 10.15% per annum.

17 Trade payables

The details of trade payables are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Dues to micro and small enterprises	-	-
Dues to creditors other than micro and small enterprises:		
Creditors for capital goods	28,90,698	28,90,698
Creditors for services	1,18,770	90,281
Total	30,09,468	29,80,979

Creditors for capital goods comprise of amount payable to Aster DM Healthcare (Trivandrum) Private Limited (Rs.28,90,698).

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

The details of other current liabilities are as follows:

Particulars	As at March	As at March
	31, 2020	31, 2019
Statutory remittances	5,85,035	2,67,090
Expenses payable	1,90,854	1,19,269
Advances for expenses	30,16,730	-
Finance lease liabilities (as per Ind AS 116)	4,75,563	-
Total	42,68,181	3,86,359

Statutory remittances comprise of TDS payable (Rs. 69,469), GST payable (Rs. 4,97,029), Kerala flood Advances received for expenses comprise of amounts received from Aster DM Healthcare Limited (Rs.30,16,730).

19 Short term provisions

The details of short term provisions are as follows :

Particulars	As at March	As at March
	31, 2020	31, 2019
Provision for taxation	8,82,078	4,78,763
Provision for gratuity	15,000	-
Total	8,97,078	4,78,763

20 Revenue from operations

The details of revenue from operations are as follows:

Particulars	As at March	As at March
	31, 2020	31, 2019
Income from HR consulting services	99,82,049	1,25,26,384
Total	99,82,049	1,25,26,384

21 Other income

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

Particulars	As at March	As at March
	31, 2020	31, 2019
Interest income from deposits with bank	2,76,396	3,25,462
Miscellaneous Income	5,900	43,483
Total	2,82,296	3,68,945

22 Employees benefit expenses

The details of employees benefit expenses for the period are as follows:

Particulars	As at March	As at March
	31, 2020	31, 2019
Salaries and wages	21,97,134	18,02,963
Gratuity expenses	1,33,816	69,684
Total	23,30,950	18,72,647



23 Finance costs

The details of finance costs incurred for the period are as follows:

Particulars	As at March	As at March
	31, 2020	31, 2019
Interest on inter corporate borrowings	1,62,724	3,39,495
Bank charges	7,955	70,988
Finance costs on lease rentals	1,39,015	-
Total	3,09,694	4,10,483

Interest on inter corporate borrowings relate to the interest paid at 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	As at March	As at March
	31, 2020	31, 2019
Audit fees	1,25,000	1,00,000
Certification charges	18,22,561	67,01,394
Professional fees	33,414	95,753
Rent charges	-	7,36,950
Provision for bad debts	5,42,709	-
Establishment expenses	3,92,356	3,65,856
Total	29,16,039	79,99,952

25 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	Defined benefit obligation for the current period	Defined benefit obligation for the previous period
Balance as on 1st April, 2019	2,07,184	1,37,500
<i>Service cost</i>		
(a) Current service cost	40,816	69,684
(b) Past service cost	77,000	-
(c) Loss/(gain) from settlement	-	-
Interest costs	16,000	
<i>Re-measurements</i>		
(a) Actuarial loss/(gain) from change in financial assumptions	-	-
(b) Actuarial loss/(gain) from experience over the past year	-	-
Balance as on 31st March, 2020	3,41,000	2,07,184

26 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. 839,769 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. 587,985 on such right to use leased assets during the year and also accounted a finance cost of Rs. 139,015 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.

27 **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, 2020	As at March 31, 2019
Debt	1,67,260	47,45,810
Less: cash and cash equivalent	42,47,628	33,77,639
Net debt	(40,80,368)	13,68,171
Total equity	46,88,777	21,21,044
Net debt to Equity Ratio	(0.87)	0.65

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, 2020 and March 31, 2019.

28 **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.

29 **Estimated amount of contracts pending execution on capital account**

As at March 31, 2020	As at March 31, 2019
Nil	Nil

30 **Managerial remuneration**

As at March 31, 2020	As at March 31, 2019
Nil	Nil



31 Auditor's remuneration

As at March 31,	As at March 31,
2020	2019
75,000	75,000

For statutory audit

32 Taxes on income

The company has taxable income under the Income Tax Act, 1961 and accordingly a provision of Rs. 8,82,078 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. 49,018 for the current year. The total net deferred tax account shows liability of Rs. 72,873 at the end of the current year.

33 Raw material consumption

As at March 31,	As at March 31,
2020	2019
Nil	Nil

34 Value of imports on CIF basis

As at March 31,	As at March 31,
2020	2019
Nil	Nil

35 Value of FOB value of exports

As at March 31,	As at March 31,
2020	2019
Nil	Nil

36 The amount remitted during the year on account of dividend

As at March 31,	As at March 31,
2020	2019
Nil	Nil

37 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 having significant influence over the company	Aster DM Healthcare Limited, Kochi

(continued...)



(...continued)

Nature of Relationship	Related Parties
Entities under common control/ Entities over which the Company has significant influence	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 Aster Hospital, Dubai

b) Transactions with related parties during the period and balance outstanding at the end of the period:

1. Transactions during the period		(Amount	(Amount in Rs.)
Nature of Transaction	Related Party		For the current reporting period
Repayment of Intercompany loan	Aster DM Healthcare Limited, Kochi		47,25,000
Interest paid on Intercompany loan	Aster DM Healthcare Limited, Kochi		1,62,724
Expenses paid on behalf of the company	Aster DM Healthcare Limited, Kochi		30,39,928
Amount received/ receivable	Aster DM Healthcare Limited, Kochi		12,39,282
	DM Med city Hospitals (India) Private Limited, Kochi		1,42,170
	Sanad Al Rahma Healthcare Co. LLC, UAE		2,61,686
	Al Quasis Hospital, UAE		2,10,796
	Malabar Institute of Medical Sciences Limited, Calicut		5,46,310
	DM Education and Research Foundation, Wayanad		1,98,240
	Aster Hospital, Dubai		2,85,600
Nature of Transaction	Related Party		For the current reporting period
Income from HR consulting services	Aster DM Healthcare Limited, Kochi		6,82,276
	Aster Hospital, Dubai		2,85,600
	Al Quasis Hospital, UAE		2,12,400
	DM Med city Hospitals (India) Private Limited, Kochi		29,200
	Malabar Institute of Medical Sciences Limited, Calicut		26,04,690
Other income	Al Quasis Hospital, UAE		1,604
	Aster Pharmacies Group LLC, UAE		28,097
Amount incurred in capacity of pure agent	Malabar Institute of Medical Sciences Limited, Calicut		88,985
	Aster DM Healthcare Limited, Kochi		35,705

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2. Balances at the end of the period

(Amount in Rs.)

Nature of Transaction	Related Party	As at March 31, As at March	
		2020	31, 2019
Amount Payable	Aster DM Healthcare Limited, Kochi	31,66,421	41,83,742
	Aster DM Healthcare (Trivandrum) Pvt Ltd, Kochi	28,90,698	28,90,698
Amount receivable	Sanad Al Rahma Healthcare Co. LLC, UAE	-	2,61,686
	Aster Pharmacies Group LLC, UAE	3,42,109	3,14,012
	DM Medcity Hospitals (India) Private Limited, Kochi	26,280	1,39,250
	Malabar Institute of Medical Sciences Limited, Calicut	23,78,028	-
	DM Healthcare, LLC	2,00,600	2,00,600
	DM Education and Research Foundation, Wayanad	-	4,30,464

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

38 Financial instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2020 and March 31, 2019 is as follows:

Particulars	Carrying Value		Fair Value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial assets				
Trade receivables	24,21,877	21,38,744	24,21,877	21,38,744
Cash and cash equivalent	42,47,628	33,77,639	42,47,628	33,77,639
Other financial assets	17,55,637	15,06,881	17,55,637	15,06,881
Total Assets	84,25,142	70,23,263	84,25,142	70,23,263
Financial liabilities				
Borrowings	1,67,260	47,45,810	1,67,260	47,45,810
Total Liabilities	1,67,260	47,45,810	1,67,260	47,45,810

The management of the company assessed that fair value of cash and short-term deposits, trade receivables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



1) Long-term receivables/borrowings are evaluated by the company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.

2) The fair value of the quoted investments is based on price quotations at reporting date. However the company had no quoted investments as on the three reporting dates. The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).

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

39 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, As at March 31,	
	2020	2019
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.

40 Earnings per share:

Particulars	As at March	
	31, 2020	31, 2019
Net profit for the period attributable to equity shareholders	25,67,733	18,63,588
Weighted average number of equity shares	15,000	15,000
Par value per share	10	10
Basic earnings per share	171.18	124.24
Diluted earnings per share	171.18	124.24



41 Contingent liabilities and commitments (to the extent not provided for) :

Particulars	As at March 31, 2020	As at March 31, 2019
(a) Contingent liability: Claims on Central Excise and Service tax matters under appeal	Nil	Nil
(b) Contingent liability: Claims on VAT which are under appeal	Nil	Nil
(c) Contingent liability: Bonus to employees pursuant to retrospective amendment to the Payment of Bonus Act, 1972	Nil	Nil
(d) Contingent liability: Corporate guarantee given on behalf of subsidiaries and other parties	Nil	Nil
(e) Estimated amount of contracts remaining to be executed on capital account (Net of advances and deposits)	Nil	Nil

42 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.

43 Regrouping:

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 no. S200078)

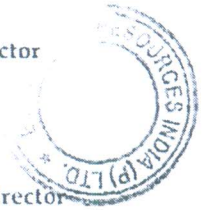
Rgmmmb

Ganesh Ramaswamy
Partner (M. No. 027823)
UDIN - 20027823 AAAABP5172
Place: Kochi
Date: 15/06/2020



[Signature]
Devanand Kolothodi, Director

[Signature]
Abdul Salam Ameerli, Director



Place: Kochi
Date: 15/06/2020