

**Artemis Medicare Services Limited**  
**Financial Statement for the year ended**  
**31st March, 2016**

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF  
**ARTEMIS MEDICARE SERVICES LIMITED**

**Report on the Standalone financial statements**

We have audited the accompanying standalone financial statements of **ARTEMIS MEDICARE SERVICES LIMITED** ("the Company") which comprise the Balance Sheet as at **31st March, 2016**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**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 Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

## Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2016**, and its profit and its cash flows for the year ended on that date.

## Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the annexure "A" a statement on the matters specified in Paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards 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 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 37 to the financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For S. P. PURI & CO.,  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 001152 N

Sd/-

PLACE: GURGAON  
DATED: 10 May, 2016

( VIDUR PURI )  
PARTNER  
MEMBERSHIP NO. 090163

## Annexure "A" to the Independent Auditors' Report

**Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Report of even date.**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets verification has been conducted by the management during the year. All the fixed assets of the Company have not been physically verified by the management during the year but there is a regular phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. Physical verification of inventory has been conducted by the management at reasonable intervals during the year. The discrepancies noticed on verification between the physical stocks and book records, which in our opinion were not material, have been properly dealt with in the books of account.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act. Accordingly, the paragraphs 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not made investments, given guarantees or security which is covered under provisions of section 185 and 186 of the Companies Act. In respect of loan given during the year, the same in our opinion is in compliance of section 185 and 186 of Companies Act.
- v. According to the information and explanations provided by the management, we are of the opinion that the company has not accepted any deposits from public covered under section 73 to 76 or any other relevant provisions of the Companies Act and rules framed there under. Accordingly, the paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company in respect of Health services, namely functioning as or running hospitals pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess and other material statutory dues were outstanding, as on 31<sup>st</sup> March, 2016 for a period of more than six months from the date they became payable.

- (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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March, 2016**, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For S. P. PURI & CO.,  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 001152 N

Sd/-

PLACE: GURGAON  
DATED: 10 May, 2016

( VIDUR PURI )  
PARTNER  
MEMBERSHIP NO. 090163

## **Annexure “B” To the Independent Auditor’s Report**

### **Report on the Internal Financial Controls 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 **ARTEMIS MEDICARE SERVICES LIMITED** (“the Company”) as of **31st March, 2016** 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 Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted my our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (b) According to the information and explanations given to us, and on the basis of our examination of the books of account, there are no dues of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess which have not been deposited on account of any dispute.
- viii. Based on our audit procedures and on the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks or to any financial institutions. The Company did not have any outstanding debentures, or loans or borrowings from Government during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Based on our audit procedures and according to information and explanations given by the management, the term loans were applied for the purpose for which they were obtained.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For S. P. PURI & CO.,  
CHARTERED ACCOUNTANTS  
FIRM REGISTRATION No. 001152 N

Sd/-

PLACE: GURGAON  
DATED: 10 May, 2016

( VIDUR PURI )  
PARTNER  
MEMBERSHIP NO. 090163

Artemis Medicare Services Limited  
Balance Sheet as at 31st March, 2016

Particulars	Note No.	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
<b>Equity and Liabilities</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	2,103.50	2,103.50
Reserves & Surplus	3	16,286.96	13,463.66
		<b>18,390.46</b>	<b>15,567.16</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	4,962.42	5,787.98
Other Long Term Liabilities	5	446.83	376.10
Long Term Provisions	6	202.97	124.14
		<b>5,612.22</b>	<b>6,288.22</b>
<b>Current Liabilities</b>			
Short Term Borrowings	7	-	0.30
Trade Payables	8	5,514.67	5,233.11
Other Current Liabilities	9	3,633.14	4,669.87
Short Term Provisions	6	1,312.89	1,357.45
		<b>10,460.70</b>	<b>11,260.73</b>
<b>Total</b>		<b>34,463.38</b>	<b>33,116.11</b>
<b>Assets</b>			
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	10.1	24,729.54	23,730.84
Intangible Assets	10.2	193.89	209.31
Capital Work-in-progress		134.51	35.37
Long Term Loans & Advances	11	1,744.12	1,404.40
Other Non-Current Assets	12	23.46	13.92
		<b>26,825.52</b>	<b>25,393.84</b>
<b>Current Assets</b>			
Inventories	13	601.72	707.61
Trade Receivables	14	5,397.57	3,952.08
Cash and Bank Balances	15	598.34	2,381.53
Short Term Loans & Advances	16	610.28	493.37
Other Current Assets	17	429.95	187.68
		<b>7,637.86</b>	<b>7,722.27</b>
<b>Total</b>		<b>34,463.38</b>	<b>33,116.11</b>
Significant accounting policies & Notes on Financial Statements	1 to 40		
As per our report of even date For S. P. Puri & Co. Chartered Accountants Firm Registration Number 001152N		For and on behalf of the Board of Directors of Artemis Medicare Services Limited	
Sd/-	Sd/-	Sd/-	
	Neeraj Kanwar [Director] [DIN : 00058951]	Dr. Devlina Chakravarty [Executive Director] [DIN : 07107875]	
(Vidur Puri) Partner Membership No. 090163	Sd/-	Sd/-	
	Sanjiv Kumar Kothari [Chief Financial Officer]	Navneet Goel [Company Secretary]	
Place : Gurgaon Dated : May 10, 2016			



Artemis Medicare Services Limited  
Statement of Profit & Loss for the year ended 31st March, 2016

Particulars	Note No.	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
<b>Income</b>			
Revenue from Operations	18	40,179.45	36,751.23
Other Income	19	538.37	334.57
<b>Total Revenue ( I )</b>		<b>40,717.82</b>	<b>37,085.80</b>
<b>Expenses</b>			
Purchase of Pharmacy Drugs & Medical Consumables	-	10,221.04	9,833.26
Purchase of Stock in Trade	-	313.10	158.22
(Increase) / Decrease in Inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade	20	106.25	(186.54)
Employee Benefits Expenses	21	7,024.00	5,748.27
Finance Costs	22	882.23	1,203.54
Depreciation and Amortization Expenses	23	1,238.84	1,242.71
Other Expenses	24	18,190.94	16,978.46
<b>Total Expenses ( II )</b>		<b>37,976.40</b>	<b>34,977.92</b>
<b>Profit before Tax ( I - II )</b>		<b>2,741.42</b>	<b>2,107.88</b>
<b>Tax Expense:</b>			
Minimum Alternative Tax (MAT)		577.03	250.09
<b>Profit for the year</b>		<b>2,164.39</b>	<b>1,857.79</b>
Earning Per Equity Share (Face Value of Rs. 10/- each)			
- Basic	30	10.29	8.83
- Diluted	30	10.29	8.83
Significant accounting policies & Notes on Financial Statements	1 to 40		
As per our report of even date For S. P. Puri & Co. Chartered Accountants Firm Registration Number 001152N		For and on behalf of the Board of Directors of Artemis Medicare Services Limited	
Sd/-	Sd/-	Sd/-	
	Neeraj Kanwar [Director] [DIN : 00058951]	Dr. Devlina Chakravarty [Executive Director] [DIN : 07107875]	
(Vidur Puri) Partner Membership No. 090163	Sd/-	Sd/-	
	Sanjiv Kumar Kothari [Chief Financial Officer]	Navneet Goel [Company Secretary]	
Place : Gurgaon Dated : May 10, 2016			

Artemis Medicare Services Limited  
Cash Flow Statement for the year ended 31st March, 2016

Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
<b>A. Cash flow from operating activities</b>		
Net profit / (loss) before tax	2,741.42	2,107.88
Adjustments for:		
Depreciation and amortisation	1,238.84	1,242.71
(Profit)/Loss on sale of Fixed Assets	2.20	0.23
Interest expense	743.73	1,078.00
Interest income	(271.31)	(140.80)
Unclaimed Credit balances/ excess provision written back	(121.33)	-
SFIS Recoverable	(208.67)	-
Wealth Tax	-	0.11
Lease Rent Equalisation Adjustment	70.73	99.72
Provision for Doubtful debts	18.30	18.57
<b>Operating profit before working capital changes</b>	<b>4,213.91</b>	<b>4,406.42</b>
Movements in working capital :		
(Increase)/Decrease in trade receivables	(1,463.97)	(1,031.53)
(Increase)/Decrease in inventories	105.89	(200.54)
(Increase)/Decrease in short & long term loans and advances	(439.04)	(59.22)
(Increase)/Decrease in other current & non- current assets	(90.62)	(11.19)
Increase/(Decrease) in current & non current liabilities	130.62	2,223.39
Increase/(Decrease) in short & long term provisions	143.39	68.75
<b>Cash generated from operations</b>	<b>2,600.17</b>	<b>5,396.09</b>
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	1.22
<b>Direct Tax Paid / Receivable</b>	<b>(550.83)</b>	<b>(116.81)</b>
<b>A. Net cash (used)/raised from operating activities</b>	<b>2,049.34</b>	<b>5,280.50</b>
<b>B. Cash flows from investing activities</b>		
Purchase of fixed assets	(1,571.94)	(1,630.24)
Purchase of fixed assets CWIP	(99.13)	-
Proceeds from sale of fixed assets	6.50	0.10
Redemption / Maturity of fixed deposits	(23.72)	479.10
Interest received	271.31	140.80
<b>B. Net cash (used)/raised from investing activities</b>	<b>(1,416.98)</b>	<b>(1,010.24)</b>
<b>C. Cash flows from financing activities</b>		
Proceeds from long-term borrowings	4,855.48	43.95
Repayment of long-term borrowings - PTL	(1,886.28)	-
Repayment of Bank long-term borrowings	(4,654.92)	(2,506.27)
Repayment of Short-term borrowings	(0.30)	(0.56)
Interest paid	(743.73)	(1,078.00)
<b>C. Net cash (used)/raised from financing activities</b>	<b>(2,429.75)</b>	<b>(3,540.88)</b>
Net increase in cash and cash equivalents (A+B+C)	(1,797.39)	729.38
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	(1.22)
Cash and cash equivalents as at 31.03.2016	2,161.62	1,433.46
<b>Cash and cash equivalents as at 31.03.2016</b>	<b>364.26</b>	<b>2,161.62</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	50.44	69.85
Balances with Banks:		
On current accounts	313.82	711.77
On deposit accounts	257.55	1,613.83
Less: Fixed deposits not considered as cash equivalents	(257.55)	(233.83)
	<b>364.26</b>	<b>2,161.62</b>

As per our report of even date  
For S. P. Puri & Co.  
Chartered Accountants  
Firm Registration Number 001152N

Sd/-

(Vidur Puri)  
Partner

Membership No. 090163

Place : Gurgaon  
Dated : May 10, 2016

For and on behalf of the Board of Directors  
of Artemis Medicare Services Limited

Sd/-

Neeraj Kanwar  
[Director]  
[DIN : 00058951]

Sd/-

Sanjiv Kumar Kothari  
[Chief Financial Officer]

Sd/-

Dr. Devlina Chakravarty  
[Executive Director]  
[DIN : 07107875]

Sd/-

Navneet Goel  
[Company Secretary]

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
2	<b>Share Capital:</b>		
	Authorised Shares (in nos.)	2,500.00	2,500.00
	25,000,000 (Previous Year 25,000,000)		
	Equity Shares of Rs.10/- Each		
	<b>Issued, Subscribed &amp; Paid Up Shares (in nos.)</b>		
	21,035,000 (Previous Year 21,035,000)		
	Equity Shares of Rs.10/- each fully paid up	2,103.50	2,103.50
	<b>Total issued, subscribed and fully paid up capital</b>	<b>2,103.50</b>	<b>2,103.50</b>

a. Reconciliation of the equity shares at the beginning and at the end of the year

Reconciliation	As At 31st March, 2016		As At 31st March, 2015	
	Nos.	Rs. in Lacs	Nos.	Rs. in Lacs
Shares outstanding at the beginning of the year	21,035,000	2,103.50	21,035,000	2,103.50
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>21,035,000</b>	<b>2,103.50</b>	<b>21,035,000</b>	<b>2,103.50</b>

b. Terms/rights attached to Equity Shares

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share, where voting is held by show of hands. In case of Poll each holder of equity share is entitled to Number of votes against Number of shares held.

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 preferential amounts. The distribution will be in proportion to the number of the equity shares held by the equity shareholders.

c. Equity Shares held by holding / ultimate holding company and / or their subsidiaries :

Name of the Shareholder	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares	Rs. in Lacs	No. of Shares	Rs. in Lacs
Artemis Health Sciences Limited - holding company (including nominee shares)	21,035,000	2,103.50	18,010,000	1,801.00
PTL Enterprises Limited - ultimate holding company	-	-	3,025,000	302.50

d. Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of the Shareholder	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Artemis Health Sciences Limited - holding company (including nominee shares)	21,035,000	100.00%	18,010,000	85.62%
PTL Enterprises Limited - ultimate holding company	-	0.00%	3,025,000	14.38%

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
3	<b>Reserve &amp; Surplus:</b>		
	<b>Securities Premium Account</b>		
	Balance as per last financial statements	11,132.50	11,132.50
	<b>Closing Balance</b>	<u>11,132.50</u>	<u>11,132.50</u>
	<b>Revaluation Reserve</b>		
	Balance as per last financial statements	7,186.99	7,186.99
	Add : Reserve created on revaluation of land during the year	658.90	-
	<b>Closing Balance</b>	<u>7,845.89</u>	<u>7,186.99</u>
	<b>Surplus / (deficit) in the statement of profit and loss</b>		
	Balance as per last financial statements	(4,855.82)	(6,713.61)
	Add : Profit / (Loss) for the year	2,164.39	1,857.79
	<b>Net deficit in the statement of profit and loss</b>	<u>(2,691.43)</u>	<u>(4,855.82)</u>
	<b>Total Reserve and Surplus</b>	<u>16,286.96</u>	<u>13,463.66</u>

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs		As At 31st March, 2015 Rs. in Lacs	
		Non-Current Portion	Current Maturity	Non-Current Portion	Current Maturity
4	Long Term Borrowings				
	Term Loans				
	From Banks				
	- Indian Rupee loans from Banks (secured)	4,962.42	1,815.79	2,300.01	2,177.17
	From Others				
	- Indian Rupee loan from NBFC (Secured)	-	-	1,574.99	525.48
	Unsecured Loan from Related Party	-	-	1,886.28	-
		4,962.42	1,815.79	5,761.29	2,702.65
	Deferred Payment Liabilities (Unsecured)	-	19.92	26.69	45.89
		4,962.42	1,835.71	5,787.98	2,748.54
	Amount disclosed under the head "Other Current Liabilities" (Refer Note 9)	-	(1,835.71)	-	(2,748.54)
	Total	4,962.42	-	5,787.98	-

1. Indian Rupee Loans from Banks include :

- Term loans of **Rs. 2240.34 Lacs** (Previous year **Rs. 4424.83 Lacs**) from Scheduled Banks carries interest as linked with Base Rate of banks. The loans are secured by the charge on entire fixed assets (movable & immovable) of the company both present & future. Further, these loans are collaterally secured by the Corporate Guarantee of Artemis Health Sciences Limited.
- Term loans of **Rs. 4441.12 Lacs** (Previous year **Rs. Nil**) from Scheduled Banks carries interest as linked with Base Rate of banks. The loans are secured by the charge on entire movable fixed assets on pari passu basis with existing lender, and Second charge on current assets. Further, these loans are collaterally secured by the Corporate Guarantee of Artemis Health Sciences Limited.
- Vehicle Loan of **Rs. 96.75 Lacs** (Previous year **Rs. 52.35 Lacs**) from Scheduled Bank, secured by way of exclusive charge on the vehicles financed out of the said term loan. The rate of interest on aforesaid loan is linked to Bank's Prime Lending Rate (PLR).

2. Indian Rupee loan from NBFC include :

Term loan of **Rs. Nil** (Previous year **Rs. 2100.47 Lacs**) from NBFC carries interest as linked with base rates of Schedule bank from time to time. The loan is secured by the entire fixed assets (movable & immovable) of the company both present & future.

3. Deferred Payment Liability :

Deferred payment liability is on account of Purchase of Oracle Specialised Software, payable in 10 equal quarterly installments and on account of Purchase of Philips Ultrasound Machine, payable in 12 equal monthly installments.

(Rs. in lacs)							
Repayment Schedule	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	Outstanding Balance
<b>Term Loan</b>							
- State Bank of India	102.09	87.44	-	-	-	-	189.53
- State Bank of Mysore	1,108.97	941.84	-	-	-	-	2,050.82
- HDFC Bank Limited	574.45	533.33	1,233.33	700.00	700.00	700.00	4,441.11
<b>Vehicle Loan</b>							
- HDFC Bank Limited	30.28	32.58	21.94	11.30	0.64	-	96.75

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
5	<b>Other Long Term Liabilities</b>		
	Lease Rent Equalisation Reserve	446.83	376.10
	<b>Total</b>	<b>446.83</b>	<b>376.10</b>

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs		As At 31st March, 2015 Rs. in Lacs	
		Long Term	Short Term	Long Term	Short Term
6	<b>Provisions</b>				
	<b>Provision for Employees Benefits</b>				
	Leave Encashment	72.98	31.94	50.94	24.11
	Gratuity (Refer Note 33)	129.99	31.32	73.20	19.38
	<b>Other Provisions</b>				
	Provision for Contingencies	-	1,249.63	-	1,313.85
	Provision for Wealth Tax	-	-	-	0.11
	<b>Total</b>	<b>202.97</b>	<b>1,312.89</b>	<b>124.14</b>	<b>1,357.45</b>

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
7	<b>Short Term Borrowings</b>		
	Cash Credit Loans repayable on demand from banks (secured)	-	0.30
	<b>Total</b>	<b>-</b>	<b>0.30</b>

i) Cash Credit Bank Loan from Scheduled Bank carries interest as linked with Base Rate of Bank. The loan is secured by first pari passu charge on all current assets.

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs		As At 31st March, 2015 Rs. in Lacs	
		Non-Current	Current	Non-Current	Current
8	<b>Trade payables</b>				
	Total Outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 31)	-	-	-	-
	Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	-	5,514.67	-	5,233.11
	<b>Total</b>	<b>-</b>	<b>5,514.67</b>	<b>-</b>	<b>5,233.11</b>

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
9	<b>Other Current Liabilities</b>		
	Current Maturities of Long Term Borrowings (Refer Note 4)	1,815.79	2,702.65
	Current Maturity of Deferred Payment Liabilities (Refer Note 4)	19.92	45.89
	Bank Overdraft	30.53	-
	Interest Accrued but not due	-	14.86
	Advance from Patients	694.24	876.42
	Security Deposits	296.25	255.96
	Taxes payable *	224.14	284.76
	Other Payable **	552.27	489.33
	<b>Total</b>	<b>3,633.14</b>	<b>4,669.87</b>

\* Taxes payable includes Withholding Tax, Sales Tax and WCT Tax.

\*\* Other payable includes payments due to employees, due on account of capital items, contribution to PF, ESI etc.

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
11	<b>Long Term Loans and Advances (Non Current)</b>		
	<b>Capital Advances</b> (Unsecured, Considered good)	398.27	35.46
	<b>Security Deposits</b> (Unsecured, Considered good)	673.96	140.27
	<b>Other Loans &amp; Advances</b> (Unsecured, Considered good)		
	TDS Recoverable (Net of Provisions)	669.21	1,216.18
	Prepaid Expenses	2.68	12.48
	<b>Total</b>	<b>1,744.12</b>	<b>1,404.40</b>

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
12	<b>Other Non-Current Assets</b>		
	(Unsecured, Considered good)		
	Fixed Deposit with Banks having original maturity of more than 12 months (Refer Note 15)	23.46	13.92
	<b>Total</b>	<b>23.46</b>	<b>13.92</b>

Note No. 10.1

Rs. in Lacs

**TANGIBLE ASSETS**

Particulars	Gross block				Depreciation			Net block	
	Opening as at April 1, 2015	Additions	Revaluation	Sales / Disposal	Closing as at 31st March, 2016	Opening as at April 1, 2015	For the Year	Deductions / Adjustments	Closing as at 31st March, 2016
Land *	8,900.00	-	658.90	-	9,558.90	-	-	-	9,558.90
Buildings **	9,832.67	37.85	-	-	9,870.52	1,152.52	165.91	-	8,552.09
Leasehold Improvement	362.40	112.85	-	-	475.25	98.79	24.58	-	351.88
Computers	581.14	62.53	-	-	643.67	491.46	50.02	-	102.19
Furniture & Fixture	1,010.11	59.62	-	-	1,069.73	520.82	140.20	-	408.71
Office Equipment	274.75	69.32	-	-	344.07	178.90	32.73	-	132.44
Plant and Equipment	9,294.23	1,121.37	-	-	10,415.60	4,190.57	763.33	-	5,461.70
Vehicles	181.59	91.41	-	16.34	256.66	73.01	29.65	7.64	161.64
<b>Total (A)</b>	<b>30,436.89</b>	<b>1,554.95</b>	<b>658.90</b>	<b>16.34</b>	<b>32,634.40</b>	<b>6,706.07</b>	<b>1,206.42</b>	<b>7.64</b>	<b>24,729.54</b>
Previous Year	28,883.90	1,590.23	-	37.24	30,436.89	5,492.34	1,215.46	1.73	23,730.84
<b>Capital Work in Progress (CWIP)</b>									
									<b>134.51</b>
									<b>35.37</b>

\* During the year, the Company has further revalued its land based on current market price determined by an approved valuer. This has resulted in increase in the book value of fixed assets by Rs 6,58,90,000/- which has been credited to revaluation reserve.

\*\* Includes part of the building given on operating lease whose cost, depreciation for the year and WDV at the end of the year is not segregated.

Note No. 10.2

**INTANGIBLES**

Particulars	Gross block				Amortization			Net block	
	Opening as at April 1, 2015	Additions	Revaluation	Sales / Disposal	Closing as at 31st March, 2016	Opening as at April 1, 2015	For the Year	Deductions / Adjustments	Closing as at 31st March, 2016
Computer Software	465.99	17.00	-	-	482.99	256.68	32.42	-	193.89
<b>Total (B)</b>	<b>465.99</b>	<b>17.00</b>	<b>-</b>	<b>-</b>	<b>482.99</b>	<b>256.68</b>	<b>32.42</b>	<b>-</b>	<b>193.89</b>
Previous Year	426.07	39.91	-	-	465.99	229.43	27.25	-	209.31



Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
13	<b>Inventories</b>		
	(Valued at lower of cost and net realisable value)		
	Stock of Pharmacy Drugs & Medical Cosumables	567.67	655.69
	Stock in Trade (Pharmacy and Other Items)	-	18.23
	Stores & Spares	34.05	33.70
	<b>Total</b>	<b>601.72</b>	<b>707.61</b>

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
14	<b>Trade Receivables</b>		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered good	955.00	408.76
	Doubtful	68.03	42.25
		1,023.03	451.01
	Less: Provision for doubtful receivables	(68.03)	(42.25)
	<b>( A )</b>	<b>955.00</b>	<b>408.76</b>
	<b>Other Receivables</b>		
	Unsecured, Considered good	4,442.57	3,543.31
	Doubtful	-	7.49
		4,442.57	3,550.80
	Less: Provision for doubtful receivables	-	(7.49)
	<b>( B )</b>	<b>4,442.57</b>	<b>3,543.31</b>
	<b>Total ( A + B )</b>	<b>5,397.57</b>	<b>3,952.08</b>

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs		As At 31st March, 2015 Rs. in Lacs	
15	<b>Cash &amp; Bank Balances</b>				
		<b>Non-Current</b>	<b>Current</b>	<b>Non-Current</b>	<b>Current</b>
	<b>Cash &amp; Cash Equivalents</b>				
	<b>Balance with Banks:</b>				
	In Current Accounts	-	297.54	-	695.49
	In Earmarked Current Account	-	16.28	-	16.28
	<b>Cash on hand</b>	-	50.44	-	69.85
	Fixed Deposits in banks having original maturity of less than 3 months	-	-	-	1,380.00
		-	<b>364.26</b>	-	<b>2,161.62</b>
	<b>Other Bank Balances</b>				
	Fixed Deposit in banks having original maturity of more than 12 months *	23.46	234.08	13.92	219.91
	Amount disclosed under Other Non-Current Assets (Refer Note 12)	(23.46)	-	(13.92)	-
		-	234.08	-	219.91
	<b>Total</b>	-	<b>598.34</b>	-	<b>2,381.53</b>

\* Deposits includes -

1 - Given as security of Rs. 23.39 Lacs (Previous Year Rs. 19.80 Lacs) to secure bank guarantee issued to Customers.

2 - Rs. 234.15 Lacs (Previous Year Rs. 214.03 Lacs) against Employees Security Deposits.

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs		As At 31st March, 2015 Rs. in Lacs	
16	<b>Short Term Loans &amp; Advances (Current)</b>				
	<b>Security Deposits</b>		3.76		12.42
	(Unsecured, Considered good)				
	<b>Advance recoverable in cash or kind</b>		34.22		35.64
	(Unsecured, Considered good)				
	<b>Other Loans &amp; Advances</b>				
	(Unsecured, Considered good)				
	Income Tax		407.90		338.27
	Loans & advances to Employees *		103.92		17.36
	Services Tax Credit (Input) Receivable		2.84		18.10
	VAT Credit (Input) Receivable		17.95		20.80
	Prepaid Expenses		39.69		50.77
	<b>Total</b>		<b>610.28</b>		<b>493.37</b>

\* Loans & advances to Employees includes dues from Executive Director, officers etc. (As a part of service condition extended to all its eligible employees)

100.00

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Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	As At 31st March, 2016 Rs. in Lacs	As At 31st March, 2015 Rs. in Lacs
17	<b>Other Current Assets</b> (Unsecured, Considered good)		
	Accrued Income from Operations	201.99	163.04
	SFIS Recoverable	208.67	-
	Interest accrued on deposits	19.29	24.64
	<b>Total</b>	<b>429.95</b>	<b>187.68</b>

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
18	<b>Revenue from Operations</b>		
	<b>Sale of Services</b>		
	Revenue from Health Care Services	38,480.76	35,551.75
	<b>Sale of Goods</b>		
	Sale of Pharmacy Drugs & Medical Consumables	745.59	858.98
	Sale of Stock in Trade (Pharmacy)	457.00	211.90
	<b>Other Operating Income</b>		
	Income from Nursing Hostel	28.66	25.95
	Income from Sponsorship, Education & Training	56.00	46.36
	Income from Served from India Scheme (SFIS)	276.65	42.01
	Unclaimed credit balances / provisions no longer required written back	121.33	-
	Sale of Scrap	13.46	14.28
	<b>Total</b>	<b>40,179.45</b>	<b>36,751.23</b>

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
19	<b>Other Income</b>		
	Interest Income	271.31	140.80
	- From Bank deposits	113.45	97.87
	- From Others	157.86	42.94
	Dividend Income	-	0.46
	Income from outsource activities (Cafeteria, Parking etc.)	111.31	75.73
	Other Non-Operating Income (net of reimbursements)	65.13	117.58
	Foreign Exchange Gain (Net)	90.62	-
	<b>Total</b>	<b>538.37</b>	<b>334.57</b>

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
20	(Increase) / Decrease in Inventories of Pharmacy Drugs, Medical Consumables & Stock in Trade		
	Inventories at the beginning of the year	673.92	487.37
	Inventories at the end of the year	<u>567.67</u> 106.25	<u>673.92</u> (186.54)
	Total	<u>106.25</u>	<u>(186.54)</u>

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
21	Employee Benefits Expenses		
	Salary, Wages and Bonus	6,572.13	5,402.88
	Contribution to Provident and Other Funds	228.59	179.58
	Gratuity Expenses (Refer note 33)	79.59	56.33
	Employees Welfare Expenses	143.69	109.48
	Total	<u>7,024.00</u>	<u>5,748.27</u>

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
22	Financial Costs		
	Interest Expenses		
	- On Loans	741.08	1,077.45
	- Others	2.64	0.56
	Bank Charges	138.51	125.54
	Total	<u>882.23</u>	<u>1,203.54</u>

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
23	Depreciation and Amortization Expense		
	Depreciation of Tangible Assets	1,206.42	1,215.46
	Amortization of Intangible Assets	32.42	27.25
	Total	<u>1,238.84</u>	<u>1,242.71</u>

Artemis Medicare Services Limited  
Notes to Financial Statements for the year ended 31st March, 2016

Note No.	Particulars	Year Ended 31st March, 2016 Rs. in Lacs	Year Ended 31st March, 2015 Rs. in Lacs
24	<b>Other Expenses</b>		
	Consumption of stores & spare	301.12	203.05
	Power & Fuel	1,094.80	1,103.39
	Rent	665.98	555.68
	Equipment Hire Charges	151.72	187.90
	Repairs and Maintenance		
	- Machinery	571.90	567.92
	- Buildings	81.09	224.13
	- Others	111.14	268.55
	Rates & Taxes	163.33	166.94
	Professional & consultation fees to doctors	8,178.65	7,507.70
	Legal & Professional Charges	116.21	201.42
	Printing & Stationery	354.89	201.62
	Patient Facility Maintenance	648.46	445.54
	Patient Food & Beverages Expenses	573.01	542.10
	Outsource Lab Test Charges	296.59	325.83
	Security Charges	228.20	182.97
	Professional Medical Consultancy	3,184.99	1,366.28
	Provision for Contingencies	6.15	342.73
	Travelling & Conveyance	471.28	330.94
	Advertisement & Business Promotion	247.71	448.76
	Patients Amenities	466.08	1,527.49
	Communication Expenses	52.54	55.26
	Foreign Exchange Loss (Net)	-	74.15
	Charity & Donation	50.00	25.00
	Insurance	81.99	26.85
	Guest House Expenses	2.77	0.64
	<u>Auditors Remuneration</u>		
	- Audit Fee	8.02	7.87
	- Tax Audit Fee	2.29	2.25
	- Others Services	1.94	-
	Directors Sitting Fees	10.20	8.94
	CSR Expenses	4.90	-
	Bad Debts Written Off	6.32	-
	Provision for Doubtful Debts	18.30	18.57
	Loss on Sale of Fixed Assets / Assets Scrapped	2.20	35.43
	Miscellaneous Expenses	36.17	22.59
	<b>Total</b>	<b>18,190.94</b>	<b>16,978.46</b>

No.

**1.1 Nature of operations**

Artemis Medicare Services Ltd. ("The Company") was incorporated on 18th May, 2004. The Company is engaged in the business of managing and operating of multi specialty hospital and commenced its commercial operation by setting up the Artemis Health Institute-Gurgaon on Jul 16, 2007. Pursuant to the provisions of Section 24 & 31 read with Section 44 of the Companies Act, 1956, the company has been converted into a Public Limited Company w.e.f. Oct 05, 2009 and consequently the name of the Company has been changed from 'Artemis Medicare Services Private Limited' to 'Artemis Medicare Services Limited'.

**1.2 Statement of Significant Accounting Policies**

**a) Basis of preparation**

The financial statements of the company has been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) the company has prepared these financial statements to comply in all material respect, with the Notified accounting standards under Sec. 133 of the Companies Act 2013, read together with para 7 of the Companies (Accounts) Rules, 2014. Financial statements have been prepared under the historical cost convention on an accrual basis except in case of assets for which revaluation is carried out. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for the change in accounting policy explained under clause (c) below.

**b) Use of estimate**

The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make the judgment, estimates & assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities, at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon events to the best knowledge of the management of current actions, actual results could differ from these estimates.

**c) Component Accounting**

The Company was previously not identifying components of fixed assets separately for depreciation purposes; rather, a single useful life rate / depreciation rate was used to depreciate each item of fixed asset. Due to application of component accounting of Schedule II to the Companies Act, 2013 becoming mandatory during the year, the Company has changed the manner of depreciation for its fixed assets. Now, the Company identifies and determines separate useful life of each major component of the fixed asset, if they have useful life that is materially different from that of the remaining asset. This change in accounting policy did not have any material impact on financial statements of the company for the current year.

**d) Tangible Fixed assets**

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment loss, if any. The cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**e) Depreciation on Tangible Fixed assets**

Depreciation on all of the Fixed assets is provided using the straight line method at the rates prescribed by Schedule II of the Companies Act, 2013 and / or useful life estimated by management supported by technical valuer's independent assessment. The management believes that depreciation rates currently used fairly reflect its estimates of the useful lives and residual values of fixed assets.

**Depreciation on assets costing less than Rs. 5,000/-**

The company is depreciating assets costing less than Rs. 5,000/- over their useful life same as prescribed by Schedule II to the Companies Act, 2013.

Assets	Useful Life of Assets as per	Useful Life of Assets as per
<b>Buildings :</b>		
- with RCC	60 Years	
- Temporary Structure (Porta Cabin)		30 Years
- Tubewell / Borewell	5 Years	
<b>Plant &amp; Machinery :</b>		
- Electric Medical Equipments	13 Years	
- Other Medical Equipments	15 Years	
- Other Plant & Machinery	15 Years	
<b>Office Equipments</b>	5 Years	
<b>Computers &amp; Data Processing Units</b>		
- Desktop & Laptops	3 Years	
- Servers & Network	6 Years	
<b>Vehicles</b>	8 Years	
<b>Furnitures &amp; Fittings</b>	10 Years	

Leasehold Improvement have been depreciated as per the useful life ascertained or over the primary period of lease, whichever is shorter.

#### **f) Intangible Assets**

Intangible Assets comprise of software is stated at cost of acquisition and includes all attributable costs of bringing the software to its working condition for its intended use. Cost of Software is amortized over a period of Six years, being the estimated useful life as per the management estimate.

#### **g) Borrowing Cost**

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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### **h) Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

#### **i) Leases**

##### Where the Company is the lessee

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit & Loss on a straight-line basis over the lease term.

##### Where the Company is the lessor

Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit & Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit & Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit & Loss.

#### **j) Inventories**

Inventories of Pharmacy Drugs & Other Items, Medical Consumables and the Stores and Spares are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

Traded goods are valued at lower of cost and net realisable value. Costs includes cost of purchase and other costs incurred to bring inventories to their present locations and conditions. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

#### **k) Revenue recognition**

Revenue is recognized to the extent that it is probable that economic benefits will flow to Company and the revenue can be reliably measured.

##### Sale of Pharmacy Drugs and Medical Supplies including Traded Goods

Revenue is recognized as and when Pharmacy Drugs, Medical Supplies and Traded goods are sold. Sale is net of sales returns, discounts, sales tax and value added tax.

##### Income from Operations

Income from operations is recognized as and when the services are rendered. The income is stated net of discount and price differences, as per terms of contract.

##### Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### Income from Nursing Hostel

Revenue is recognized as per contractual arrangement with nursing staff using the hostel facilities.

##### Income from Lease Rentals & Outsourced Facilities

Revenue is recognized in accordance with the terms of lease agreements entered into with the respective lessees.

##### Income from Served from India Scheme (SFIS)

Income from Served from India Scheme (SFIS) is being recognised based on a prescribed percentage of foreign currency receipts on account of services rendered in accordance with the Served from India Scheme. The credit under the scheme is recognised only at the time when and to the extent there is no significant uncertainty as to its measurability and ultimate realization.

#### **l) Foreign currency transactions**

##### **(i) Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost being denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting monetary items of company at rates different from those at which they were initially recorded during the current year or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

**m) Retirement benefits**

- (i) Retirement benefits in form of Provident Fund Scheme is a defined contribution scheme and the contribution is charged to the Statement of Profit & Loss for the year when the contributions to the fund are due. There are no other obligations other than the contribution payable to authorities.
- (ii) Gratuity liability is defined benefit obligation and is provided for on the basis of actuarial valuation on projected unit credit method made at the end of each financial year.
- (iii) Short term compensated absences are provided for on based on estimates. Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method.
- (iv) Actuarial gains / losses are immediately taken to Statement of Profit & Loss and are not deferred.

**n) Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with income-tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. 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. Deferred tax assets are recognized only to the extent, that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at the each balance sheet date. Company writes down carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realized. Any such write down is reversed to extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternate Tax (MAT) paid in accordance with the Indian Income Tax laws, which gives future economic benefits in 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 will be recognised as an asset in the Balance Sheet in the year when it is probable that future economic benefit associated with it will flow to the Company.

**o) Expenditure on new projects**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit & Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

**p) Earnings Per share**

Basic earnings per share is being calculated by dividing net profit or loss for the year (including prior period items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**q) Provisions**

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**r) Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by occurrence or non-occurrence of one or more of uncertain future events beyond the control of company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the an obligation. A contingent liability also arises in the extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably its existence in the financial statements. Company does not recognize the contingent liability but disclosed its existence in financial statements.



## s) Cash and Cash Equivalents

Cash and cash equivalents for the purposes of cash flow statement are comprise of cash at bank and cash in hand and short-term investments with an original maturity of three months or less.

## 25 Segmental Reporting

### Business segments

The Company business activity primarily falls within a single business segment i.e. Hospital business.

### Geographical segments

As a part of the secondary reporting, revenues and assets attributed to geographic areas based on the location of the customers. In accordance with the Accounting Standard (AS) - 17 on segment reporting, following table presents informations relating to the geographical segment for the year ending 31st March 2016.

Secondary Segment - Geographical Location of customers

	India		Outside India		Total	
	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)	Current Year (Rs. in lacs)	Previous Year (Rs. in lacs)
Revenue by geographical markets	25,025.05	21,937.64	14,658.30	14,685.00	39,683.34	36,622.64
Carrying amount of segment assets	33,085.39	31,556.21	1,378.00	1,559.90	34,463.39	33,116.11

## 26 Capital and Other Commitments

### a) Capital Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advances)

		(Rs. In Lacs)	
		As at 31st March, 2016	As at 31st March, 2015
		1,513.20	114.18

### b) Other Commitments

#### i) Corporate Social Responsibility

Company has spent Rs. 4.90 lacs during the year on account of CSR expenditure pertains to Financial Year 2014-15, as per provisions of Section 135 of the Companies Act, 2013.

Further, the Company is required to incur an amount of Rs 19.01/- lacs for Financial Year 2015-16 towards CSR expenditure pursuant to provisions of section 135 of the Companies Act 2013. Though, Company has identified certain CSR activities these are yet to be carried out and hence, the aforesaid amount is expected to be spent by the company in subsequent years.

ii) For commitments relating to lease arrangement, please refer Note 29.

## 27 Taxes on Income

The company has recognized deferred tax assets arising on account of carried forward tax losses and unabsorbed depreciation to the extent of the deferred tax liability arising on account of timing difference on depreciation of Rs. 2376.32 Lacs as at 31st March, 2016 (Previous year Rs. 2339.53 Lacs).

In accordance with the Accounting Standard-22 "Accounting for Taxes on Income", the Company would have net deferred tax assets (net of deferred tax liability) primarily consisting of unabsorbed depreciation and carried forward losses. However, the subsequent realization of such amount is not virtually certain in near future, the management is of the view that it is prudent to recognize the deferred tax asset only to the extent of deferred tax liability.

Particulars	(Rs. In Lacs)	
	2015-16	2014-15
Deferred Tax Liability on impact of difference between Depreciation (as per Companies Act 2013) & Depreciation (as per Income Tax Act 1961) / Amortization charged for the Financial Reporting	2,376.42	2,339.53
Deferred Tax Assets on Expenditure charged to Statement of Profit & Loss Account in the current year but allowed for tax purposes on payment basis / Deduction of TDS	703.43	656.21
Deferred Tax Assets on Carried Forward Losses & Unabsorbed Depreciation	1,867.57	2,886.87
<b>Net Deferred Tax Assets</b>	<b>194.58</b>	<b>1,203.55</b>

## 28 Related party disclosure

### a) Name of related parties

Parties where control exists irrespective of whether transactions have occurred or not

Ultimate Parent Company	PTL Enterprises Limited
Holding Company	Artemis Health Sciences Limited

Names of other related parties with whom transactions have taken place during the year

Key Management Personnel	Mr. Onkar S. Kanwar (Chairman & Director) Dr. Devlina Chakravarty (Executive Director) Mr. Sanjiv Kumar Kothari (Chief Financial Officer) Mr. Navneet Goel (Head - Legal & Company Secretary)
Relative of Key Management Personnel	Mr. Neeraj Kanwar (Son of Mr. Onkar S. Kanwar) Mrs. Shalini Kanwar Chand (Daughter of Mr. Onkar S. Kanwar)
Enterprises owned or significantly influenced by key management personnel or their relatives	Apollo Tyres Ltd. Apollo International Ltd. Artemis Health Sciences Foundation Artemis Education & Research Foundation Swaranganga Consultants Pvt. Ltd Bespoke Tours & Travels Ltd.

b) Transactions during the year

Particulars	Ultimate Parent Company		Holding Company		Key Management Personnel and their relatives		(Rs. In Lacs)	
							Enterprises owned or significantly influenced by key management personnel or their relatives	
	2016	2015	2016	2015	2016	2015	2016	2015
Loan Taken								
PTL Enterprises Ltd.	-	-	-	-	-	-	-	-
Loan Repaid								
PTL Enterprises Ltd.	1,886.28	-	-	-	-	-	-	-
Loans & Advances Given								
Devlina Chakravarty	-	-	-	-	75.00	-	-	-
Sanjiv Kumar Kothari	-	-	-	-	25.00	-	-	-
Fixed Assets Purchased *								
PTL Enterprises Ltd.	238.66	-	-	-	-	-	-	-
Reimbursement of Exp incurred on behalf of the Company *								
Artemis Health Sciences Ltd.	-	-	0.18	3.09	-	-	-	-
Artemis Education & Research Foundation	-	-	-	-	-	-	49.77	-
Lease Expenses *								
PTL Enterprises Ltd.	27.31	61.83	-	-	-	-	-	-
Swaranganga Consultants P Ltd		-	-	-	-	-	275.49	-
Candidature Fees Taken								
PTL Enterprises Ltd.	1.00	-	-	-	-	-	-	-
Security Deposit Given								
Swaranganga Consultants P Ltd	-	-	-	-	-	-	84.00	-
Candidature Fees Repaid								
PTL Enterprises Ltd.	1.00	-	-	-	-	-	-	-
Sale of Services								
Total Transactions	-	-	-	-	17.95	-	111.32	124.40
Transactions in excess of 10%								
Apollo Tyres Ltd.	-	-	-	-	-	-	105.77	105.88
Apollo International Ltd.	-	-	-	-	-	-	-	18.52
Onkar S. Kanwar	-	-	-	-	16.30	-	-	-
Purchase of services *								
Apollo Tyres Ltd.	-	-	-	-	-	-	6.87	6.74
Bespoke Tours & Travels Ltd.	-	-	-	-	-	-	48.66	77.49
Donation Paid								
Artemis Health Sciences Foundation	-	-	-	-	-	-	-	25.00
Artemis Education & Research Foundation	-	-	-	-	-	-	50.00	-
Directors' Sitting Fees paid								
Onkar S. Kanwar	-	-	-	-	0.90	0.60	-	-
Neeraj Kanwar	-	-	-	-	0.90	0.30	-	-
Shalini Kanwar Chand	-	-	-	-	0.50	0.60	-	-
Remuneration paid								
Devlina Chakravarty	-	-	-	-	263.58	230.44	-	-
Sanjiv Kumar Kothari	-	-	-	-	46.37	37.95	-	-
Navneet Goel	-	-	-	-	24.75	18.50	-	-
Corporate Guarantee taken								
Artemis Health Sciences Ltd.	-	-	6,560.00	4,424.83	-	-	-	-
Balance Payable								
Apollo International Ltd.	-	-	-	-	-	-	4.48	-
PTL Enterprises Ltd.	1.51	1,901.43	-	-	-	-	-	-
Bespoke Tours & Travels Ltd.	-	-	-	-	-	-	-	6.80
Balance Recoverable								
Apollo Tyres Ltd.	-	-	-	-	-	-	0.11	1.49
Apollo International Ltd.	-	-	-	-	-	-	-	0.05
Artemis Education & Research Foundation	-	-	-	-	-	-	49.77	-
Devlina Chakravarty	-	-	-	-	75.00	-	-	-
Sanjiv Kumar Kothari	-	-	-	-	25.00	-	-	-
Swaranganga Consultants P Ltd	-	-	-	-	-	-	84.00	-

\* Transactions are reported including taxes.

29 Operating Leases

a) Assets taken on lease (Cancellable)

The Company has taken cancellable lease for premises in the nature of buildings, hostels and guest houses etc. under operating lease. All premises taken on operating lease are on cancellable terms after initial lock in period as per each respective lease and thereafter may be renewed by mutual consent on mutually agreed terms.

Total lease payments recognized in the Statement of Profit & Loss for the year is Rs. 665.98 Lacs (previous year Rs. 555.68 Lacs).

Minimum Lease Rentals Payable for lock in period	(Rs. In Lacs)	
	As at 31st March, 2016	As at 31st March, 2015
Not later than one year	16.42	35.77
After one year but not more than five years	8.40	-

b) Assets given on Lease

The Company has leased out some portion of hospital premises as outsourced activities for a period of 1 to 9 years. The returns are fixed as well as based on a certain percentage of net sales of the lessee from the leased premises.

Total lease amount received / receivable in the respect of above leases recognised in the Statement of Profit & Loss for the year are Rs. 111.31 Lacs (Previous year Rs. 75.73 Lacs).

	As at 31st March, 2016	(Rs. In Lacs) As at 31st March, 2015
Minimum Lease Rentals Receivable during lock in period		
Not later than one year	3.52	3.35
Later than one year but not later than five years	14.81	18.32
Later than five years	-	-

Note: The lease payment recognized in statement of profit & loss under non-cancellable operating lease represent only the fixed component / minimum recoverable of leases as variable component receivable based on net sales from lease premises cannot be determined.

30 Earning Per Share (EPS)

	Year Ended 31st March, 2016	(Rs. In Lacs) Year Ended 31st March, 2015
Particulars		
Net profit after Tax		
Profit / (Loss) attributable to the Equity Shareholders	2,164.39	1,857.79
Basic / Weighted Average Number of Equity Shares Outstanding during the year	210.35	210.35
Earning Per Share (in Rupees)		
- Basic	10.29	8.83
- Diluted	10.29	8.83
Nominal value of Equity Shares	10.00	10.00

31 Information in terms of Section 22 of the Micro, Small and Medium Enterprises

Details of dues to Micro and Small Enterprises as per MSMED Act, 2006	31st March, 2016	31st March, 2015
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making	-	-
The amount of interest accrued and remaining unpaid at the end of the	-	-
The amount of further interest remaining due and payable even in the	-	-

32 Supplementary Statutory Information

a) Expenditure in Foreign Currency (On accrual basis)

	For the year ended 31st March, 2016	(Rs. In Lacs) For the year ended 31st March, 2015
Particulars		
Foreign Travel (including Visa)	66.17	222.83
Consultancy Services	49.57	10.78
Others	266.31	256.02
Total	382.05	489.62

b) Earnings in Foreign Currency (On accrual basis)

	For the year ended 31st March, 2016	(Rs. In Lacs) For the year ended 31st March, 2015
Particulars		
Income towards services rendered (net of reimbursements)	4,794.27	10,513.43
Total	4,794.27	10,513.43

### 33 Defined Benefit Plans

- i) The company has recognized, in statement of Profit & Loss Account for year ended 31st March, 2016 an amount of Rs. 228.59 Lacs (Previous year Rs. 179.58 Lacs) under defined contribution plans.

	(Rs. In Lacs)	
Expense under defined contribution plans include:	31st March, 2016	31st March, 2015
a) Employer's contribution to provident fund	195.82	147.63
b) Employer's contribution to Employee State Insurance Corporation	29.55	28.69
c) Employer's contribution to Labour Welfare Fund	3.22	3.25
	<u>228.59</u>	<u>179.58</u>

The expense is disclosed in the line item - contribution to provident fund and other funds in Note 21

- ii) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of the service gets a gratuity on retirement / termination at 15 days salary (last drawn salary) for each completed year of service. The Company has also provided for long-term compensated absences.

	Gratuity (unfunded)		Leaves (unfunded)	
	31st March, 2016 (Rs. In Lacs)	31st March, 2015 (Rs. In Lacs)	31st March, 2016 (Rs. In Lacs)	31st March, 2015 (Rs. In Lacs)
<b>(i) Reconciliation of opening and closing balances of obligations:</b>				
a) Obligation at the beginning	92.57	46.81	75.05	52.01
b) Current Service Cost	38.76	24.02	28.69	26.20
c) Interest Cost	7.13	4.12	5.78	4.58
d) Curtailment Cost	-	-	-	-
e) Actuarial (Gain) / Loss	33.70	28.19	12.33	10.90
f) Benefits paid	(10.85)	(10.57)	(16.94)	(18.63)
g) Obligation at the year end	<b>161.31</b>	<b>92.57</b>	<b>104.91</b>	<b>75.05</b>
<b>(ii) Change in Plan Assets (Reconciliation of opening and closing balances):</b>				
a) Fair Value of Plan Assets at beginning	-	-	-	-
b) Prior Period Adjustment	-	-	-	-
c) Expected return on Plan Asset	-	-	-	-
d) Contributions	-	-	-	-
e) Benefits paid	-	-	-	-
f) Actuarial Gain / (Loss) on Plan Assets	-	-	-	-
g) Fair Value of Plan Assets at year end	-	-	-	-
<b>(iii) Reconciliation of fair value of assets and obligations:</b>				
a) Present value of obligation at year end	161.31	92.57	104.91	75.05
b) Fair Value of Plan Assets at year end	-	-	-	-
c) Asset / Liability recognized in the Balance Sheet	<b>161.31</b>	<b>92.57</b>	<b>104.91</b>	<b>75.05</b>
<b>(iv) Expense recognized during the year</b>				
a) Current Service Cost	38.76	24.02	28.69	26.20
b) Interest Cost	7.13	4.12	5.78	4.58
c) Curtailment Cost (Credit)	-	-	-	-
d) Expected return on Plan Assets	-	-	-	-
e) Actuarial (Gain) / Loss	33.70	28.19	12.33	10.90
f) Expenses recognized during the year	<b>79.59</b>	<b>56.33</b>	<b>46.80</b>	<b>41.68</b>
<b>(v) Assumptions:</b>				
a) Discount Rate (per annum)	7.60%	7.70%	7.60%	7.70%
b) Expected rate of return on Plan Assets (per annum)	NA	NA	NA	NA
c) Rate of increase in compensation level (per annum)	7.00%	7.00%	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

The above information is certified by the actuarial valuer.

The discount rate is based on prevailing market yield of Govt. Bonds as at the date of valuation.

Enterprise best estimate of contribution during next year is Rs. 62.60 Lacs for Gratuity & Rs. 38.94 Lacs for Leave Encashment.

	31st March 2014		31st March 2013		31st March 2012	
	Gratuity	Leaves	Gratuity	Leaves	Gratuity	Leaves
<b>Reconciliation of fair value of assets and obligations for the past years</b>						
a) Present value of obligation as at year end	46.81	52.01	45.13	44.57	24.92	29.45
b) Fair Value of Plan Assets as at year end	-	-	-	-	-	-
c) Unfunded (assets) / liability recognized in the balance sheet	46.81	52.01	45.13	44.57	24.92	29.45
d) Experience adjustments on plan liabilities - (loss) / gain	-	-	-	-	-	-
e) Experience adjustments on plan assets - (loss) / gain	-	-	-	-	-	-

#### Note:

Disclosure included are Limited to the extent of disclosure provided by the actuary.

## 34 Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet date

Particulars	(Amount in Lacs)			(Amount in Lacs)		
	31st March, 2016			31st March, 2015		
	USD	EURO	IQD	USD	EURO	IQD
Trade Payables		-	-	0.08	-	-
Rupee equivalent value		-	-	4.97	-	-
Bank Balances	-	-	-	0.49	-	631.36
Rupee equivalent value	-	-	-	30.25	-	31.30
Other Payable	0.33	-	-	-	0.16	-
Rupee equivalent value	22.07	-	-	-	10.70	-
Trade Receivables	11.63	-	-	15.98	-	-
Rupee equivalent value	766.87	-	-	981.41	-	-

## 35 CIF Value of Imports

Particulars	(Rs. In Lacs)	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Medical Consumables	4.21	9.19
Capital Goods	360.35	315.73
	364.55	324.92

## 36 Materials Consumed

Particulars	(Rs. In Lacs)			
	For the year ended 31st March, 2016		For the year ended 31st March, 2015	
	Percentage	Value	Percentage	Value
Imported	0.04%	4.21	0.09%	9.19
Indigenous	99.96%	10,636.17	99.91%	9,795.75
		10,640.38		9,804.94

Note: Material consumption consists of items of various natures in specification and includes medical consumables and pharmaceuticals drugs etc. Hence it not practicable to furnish item wise details.

Description of Goods	(Rs. In Lacs)			
	Opening Stock	Purchase	Sales	Closing Stock
Pharmacy Items	18.23	313.10	457.00	15.65

## 37 Contingent Liabilities

Particulars	(Rs. In Lacs)	
	31st March, 2016	31st March, 2015

## A Claims against the company not acknowledged as debts

In respect of compensation demanded by the patient / their relatives, for negligence in treatment and are pending with various consumers disputes redressal forums. The company has been advised by its legal counsel that it is possible, the action may succeed and accordingly a part provision for claim has been recognized in the financial statements after considering that insurance cover has also been taken by the company and the doctors, the company is adequately insured to mitigate the possibility of any loss to that extent. After providing the contingencies, the balance contingent liability is disclosed.	307.95	360.18
The DCIT (TDS), Gurgaon order on account of deduction of tax under section 194J of Income Tax Act, 1961, instead of section 192 on payments made to retainer's doctors.	-	1,279.89
Letter of Credit opened with Banks for Purchase of Capital Goods	965.84	-
	1,273.79	1,640.07

## B Haryana Urban Development Authority (HUDA) had issued enhancement notices towards additional compensation in respect of Company's Land in Sector 51, Gurgaon.

With respect to the revision petition filed by the Company against the above demand, Additional Chief Secretary to Government of Haryana, Town & Country Planning and Urban Estates Department, has stayed the above demand in its Order dated 02.02.2016 and directed to form a Committee to go into all the relevant issues / detailed working etc. with respect to enhanced compensation notices issued for land in Sector 51, Gurgaon, which shall submit its report to Chief Administrator, HUDA. As directed, the company has paid Rs. 5 Crore as deposit, pending final decision of HUDA in the matter.

38 The Company carries a general provision for contingencies towards various claims against the company including claims raised by show cause notices for indirect taxes received from various authorities, not acknowledged as debts.

Opening Balance as at 01.04.2015 *	Additional provision made during the year	Incurred / reversed against provision during the year	Closing Balance as at 31.03.2016
1313.85	6.15	70.37	1249.63

\* During the year the Company has decided to re-classify the amount so held against such claims under "other liabilities" in earlier year to Provision for Contingency and therefore previous year figure of Rs 1313.85 Lacs from other liabilities has been reclassified/regrouped to make them comparable.

### 39 Capitalisation of Expenditure :

During the year, the Company has capitalised the following expenses to the cost of fixed asset / capital work in progress (CWIP). Consequently, expenses disclosed under the respective notes are net of amount capitalised by the Company.

Particulars	As at 31st March, 2016 (Rs. in lacs)	As at 31st March, 2015 (Rs. in lacs)
Opening Balance ( A )	-	-
Expenses ( B )		
Finance Charges	3.41	-
Legal & Professional Charges	6.61	-
Total ( B )	10.02	-
Less : Capitalised during the year ( C )	-	-
Balance Carried forward to Capital Work in Progress ( D = A + B - C )	10.02	-

40 Previous year figures have been regrouped / reclassified, where necessary, to confirm to this year's classification.

As per our report of even date.

Signature to Note 1 to 40

For S. P. Puri & Co.  
Chartered Accountants  
Firm Registration Number 001152N

For and on behalf of the Board of Directors  
of Artemis Medicare Services Limited

Sd/-

Sd/-

Sd/-

(Vidur Puri)  
Partner  
Membership No. 090163

Neeraj Kanwar  
[Director]  
[DIN : 00058951]

Dr. Devlina Chakravarty  
[Executive Director]  
[DIN : 07107875]

Sd/-

Sd/-

Place : Gurgaon  
Dated : May 10, 2016

Sanjiv Kumar Kothari  
[Chief Financial Officer]

Navneet Goel  
[Company Secretary]