

BOARD'S REPORT

Dear Members,

The Directors of the Company are pleased to present their 9th Annual Report together with the annual audited consolidated and standalone financial statements for the financial year ended March 31, 2019.

FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year ended 31.03.2019	Year ended 31.03.2018	Year ended 31.03.2019	Year ended 31.03.2018
Total Revenue	40.80	40.80	55051.80	50708.60
Profit Before Depreciation	(24.24)	(12.07)	568.19	5381.99
Depreciation	15.10	14.74	2007.43	1880.57
Profit Before Exceptional item	(39.34)	(26.82)	3674.47	3501.42
Exceptional Item	0	10.99	0	10.99
Profit Before Tax	(39.34)	(37.81)	3674.47	3490.43
- Provision for Tax – Current	0	0	1377.75	653.32
- Provision for Tax – Adjustment	0	2.99	0	2.99
- Provision for Tax – Deferred	(27.65)	(10.91)	257.86	206.49
Net Profit after Tax	(11.69)	(29.88)	2038.86	2627.63

OPERATIONS/ STATE OF AFFAIRS AND FUTURE OUTLOOK

The gross total consolidated income of your Company for the year ended March 31, 2019 amounted to ₹ 55051.80 lakhs as against ₹ 50708.60 lakhs in previous year. After providing for depreciation and tax, net profit amounted to ₹ 2038.86 lakhs as against ₹ 2627.63 lakhs in previous year. The gross (standalone) total income of your Company for the year ended March 31, 2019 amounted to ₹ 40.80 lakhs as against ₹ 40.80 lakhs in previous year. After providing for depreciation and tax, net profit/(loss) amounted to ₹ (11.69) lakhs as against ₹ (29.88) lakhs in previous year and no amount has been transferred to general reserve during the FY 2018-19. Accounts for the current year have been prepared on the basis of Companies (Indian Accounting Standard) Rules, 2015 (IND- AS). Previous Year figure have been rearranged accordingly.

DIVIDEND

Since there is no distributable profit, your Directors do not recommend any dividend.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year of the Company to which the financial statements relate and on the date of this report. There has been no change in the nature of the business of the Company.

COMPOSITE SCHEME OF AMALGAMATION

The Board of Directors of Artemis Health Sciences Limited (AHSL), Artemis Medicare Services Limited (AMSL) and Athena Eduspark Limited (AEL) in their respective Board Meetings held on 09th May, 2018 approved the Scheme of Amalgamation between AGLSL, AHSL, AEL and AMSL and their Respective shareholders and creditors (“Composite Scheme”)

The Bombay Stock Exchange and National Stock Exchange vide their letters dated 5th September 2018 & 14th September, 2018 respectively had communicated to the company that they have no adverse observation on the Composite Scheme of Amalgamation.

Subsequently, to the stock exchange approval the Composite Scheme of Amalgamation was filed with the National Company Law Tribunal, New Delhi (NCLT) and NCLT vide its order dated 19th December, 2018 directed for the convening of the meetings of the Shareholders of the Company and Secured & Un-Secured Creditors of AMSL on 27th January 2019 at 414/1, 4th Floor, DDA Complex, District Centre, Janakpuri, New Delhi-110058.

In the duly court convened meeting Shareholder of the Company and the Secured & Un-secured creditors of the AMSL had approved the Scheme with the requisite majority. Chairman of the Court Convened Meeting has also filed its report Before the NCLT, Delhi.

Company had filed the 2nd motion application on 5th February, 2019 within the stipulated time period as per the provision of the Companies Act, 2013. NCLT passed the order on 14th May, 2019 and fixed the final date of hearing for 25th July 2019. The Hon'ble bench reserved the order for Pronouncement, subject to clarification on August 1, 2019.

SUBSIDIARY COMPANY/HOLDING COMPANY

Your company is the holding Company of the Artemis Health Sciences Ltd (AHSL), Artemis Medicare Services Ltd (AMSL), Athena Eduspark Ltd. (AEL) and Artemis Cardiac Care Private Limited. Also, your Company is the Subsidiary Company of the Constructive Finance Private Limited.

In accordance with the provisions of the Companies Act, 2013 ("the Act") and Ind AS 110 - Consolidated Financial Statement read with the other applicable standards the audited consolidated financial statement is provided in the Annual Report.

Pursuant to Section 129 (3) of the Companies Act, 2013 and Indian Accounting Standards issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the financial statements of its subsidiaries.

In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the subsidiary companies on its website at www.aglsl.in. The Company will make available physical copies of these documents upon request by any shareholder of the Company/ subsidiary interested in obtaining the same. These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing Annual General Meeting.

Report on the performance and financial position of Subsidiary Companies.

Pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014 the report on performance and financial position of the subsidiary companies included in the consolidated financial statement is presented as under:

Sl. No.	Name of the Subsidiary	Subsidiary	Report
1	Artemis Health Sciences Limited (AHSL)	Subsidiary	AHSL is the holding company of AMSL. It is engaged in healthcare business through its subsidiary AMSL.
2	Artemis Medicare Services Limited (AMSL)	Step-Subsidiary	AMSL is running a super specialty Tertiary Care hospital(s) in Gurugram. It is the Subsidiary of AHSL.
3	Athena Eduspark Limited (AEL)	Step-Subsidiary	AEL is providing trained manpower to the educational institutions. It is the Subsidiary of AHSL.
4	Artemis Cardiac Care Private Limited	Step-Subsidiary	Company incorporated on 14th January 2019. Artemis Cardiac Care Private Limited is also a JV Company between AMSL and Philips Netherlands. For the Accounting Purpose of the Company we termed ACCPL as a subsidiary of the Company. It is the Subsidiary of AMSL.

Further, a separate statement containing the salient features of the financial statements of subsidiary company in the prescribed form AOC-1 has been disclosed in the Consolidated Financial Statements.

CORPORATE GOVERNANCE

The Company is maintaining highest standards of Corporate Governance and adhere to Corporate Governance requirements set out by the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Corporate Governance Report is an integral part of this Annual Report.

The Certificate on Corporate Governance dated 14th August, 2019 received from the statutory auditors, M/s. Anand Dua & Associates, Chartered Accountants (Firm Registration No.04263N), Statutory Auditor, confirming compliance with the condition of Corporate Governance of the Company is enclosed herewith as Annexure-I.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report have been given separately forming part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

No director was appointed and resigned during the financial year 2018-19.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Neeraj Kanwar, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment.

Formalisation programme for independent directors was completed by the company during the year 2018-19

DECLARATIONS GIVEN BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under the Act and the Listing Regulations.

At present, KMP in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Dr. Devlina Chakravarty	Managing Director
Mr. Anuj Sood	Company Secretary & Compliance officer
Ms. Aastha Kalra	Chief Financial Officer

NUMBER OF MEETINGS OF THE BOARD

During the Financial Year 2018-19, 4 (four) Board meetings were held. For details thereof, refer to the section `Board of Directors` - Number of Board Meetings, in Corporate Governance Report which forms integral part of this report.

COMMITTEES OF BOARD

Pursuant to requirement under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has constituted various committees of Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee. The details of composition and terms of reference of these committees are mentioned in the Corporate Governance Report.

DISCLOSURE ON COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises the following directors/members:

Name of the Member	Category	Designation
Dr. S. Narayan	Independent Director	Chairman
Mr. Akshay Chudasama	Independent Director	Member
Mr. Harish Bahadur	Non Executive Director	Member

There was no instance when the recommendation of Audit Committee was not accepted by the Board of directors.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the Management, their genuine concerns about behaviour of employees.

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct.

This Policy protects such employees from unfair or prejudicial treatment by anyone in the Company. The said policy is available on the Company's website at www.aglsl.in.

PARTICULARS W.R.T. RATIO OF REMUNERATION OF DIRECTORS AND KMP

In terms of the provisions of Section 197 of the Companies Act, 2013 including Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the required information with respect to ratio of remuneration of directors, key managerial personnel and employees is set out as Annexure – II which forms part of this report. There were no employees during the year under review, drawing remuneration specified under Section 197 of the Companies Act, 2013 read with applicable rules.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the requirement under Section 134(3) (e) and 178 (3) of the Companies Act, 2013, the brief policy on directors' appointment and remuneration is attached as Annexure - III which forms part of this report and the detail policy can be referred on the website of the Company i.e. www.aglsl.in.

AUDITORS AND AUDITOR'S REPORT

STATUTORY AUDITORS

M/s. Anand Dua & Associates, Chartered Accountants, were appointed as Statutory Auditors of your Company, for a period of five years from 2016-17 to 2020-2021 at the Annual General Meeting held on August 04, 2016.

The Companies (Amendment) Act 2017 has omitted the requirement related to ratification of appointment of auditors by members at every Annual General Meeting.

AUDITORS' REPORT

The Auditors' report does not contain any qualifications, reservations or adverse remarks. No fraud has been reported by the Auditors to the Audit Committee or the Board.

SECRETARIAL AUDITORS AND THEIR REPORT

M/s RSMV & Co., Practising Company Secretaries were appointed as Secretarial Auditors of the Company for the financial year 2018-19 pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report and Secretarial compliance Report under Regulation 24AA of the SEBI (LODR) Regulations, 2015 submitted by them for the Financial Year 2018-19 in the prescribed form MR- 3 is attached as Annexure - IV and forms part of this report.

There are no qualifications or observations or other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2018-19 which call for any explanation from the Board of Directors.

DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits during the Financial Year 2018-19 in terms of Chapter V of the Companies Act, 2013 and no amount of principal or interest was outstanding in respect of deposits from the public as on the date of balance sheet.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm:

- a) That in the preparation of the annual accounts, for the year ended 31st March, 2019, the applicable accounting standards have been followed and no material departures have been made from the same;
- b) That they had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit and loss of the Company for that period;
- c) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they had prepared the annual accounts on a going concern basis; and
- e) That they had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) That they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not carrying out any manufacturing activity of its own, no information is required to be furnished under section 134 (3) (m) of the Companies Act, 2013. There was no foreign exchange earnings and outflow during the financial year 2018-19.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in placed adequate internal Financial Control with reference to Financial Statement.

The policies and procedures adopted by the company ensures orderly and efficient conduct of the business, including adherence to company's policies, safeguarding the assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as on 31st March, 2019 in the prescribed form MGT-9, pursuant to section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as Annexure – V.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Pursuant to the requirement under Section 134(3) (g) of the Companies Act, 2013 the particulars of loans, guarantees or investments under Section 186 of the Act as at end of the Financial Year 2018-19 are attached as Annexure - VI which forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013

During the financial year 2018-19 there were no contracts or arrangements with related parties referred to in section 188(1) of the Act. The Policy on related party transactions as approved by the Board has been uploaded on the Company's Website at www.aglsl.in.

There was no materially significant related party transaction which could have potential conflict with interest of the Company at large. Suitable disclosure as required by the applicable Accounting Standards has been made in the notes to the financial statements of the Company for the financial year 2018-19.

ANNUAL PERFORMANCE EVALUATION

Pursuant to applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its committees and individual directors, including independent Directors.

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company has formulated a questionnaire to assist in evaluation of the performance. The tool takes the form of a series of assertions/questions which should be awarded a rating on a scale of 1 to 5 by all individual Directors. Every Director has to fill the questionnaire related to the performance of the Board, its Committees and individual Directors except himself. On the basis of the questionnaire, a format annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.

The independent directors had met separately without the presence of Non-Independent directors and the members of management and discussed, inter alia, the performance of Non-Independent directors and Board as a whole and the performance of the Chairman of the Company.

The Nomination and Remuneration committee has also carried out evaluation of every director's performance.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERNS STATUS AND COMPANY'S OPERATIONS IN FUTURE

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall impact the going concern status and company's operations in future, except the in the matter of Composite Scheme of Amalgamation pending before the National Company Law Tribunal Bench at New Delhi.

RISK MANAGEMENT

The Company has a well-defined risk management framework in place. Further, it has established procedures to periodically place before the Audit Committee, the risk management and assessment measures.

LEGAL COMPLIANCE REPORTING

The Board of directors reviews in detail, on a quarterly basis, the reports of compliance to all applicable laws and regulations. Any non-compliance is seriously taken up by the Board, with fixation of accountability and reporting of steps taken for rectification of non-compliance.

In the opinion of the Board, there has been no identification of elements of risk that may threaten the existence of the company.

The Board of directors states that applicable Secretarial Standards i.e. SS-1 & SS-2 relating to Meeting of the Board of Directors and General Meeting respectively have been duly followed by the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has formulated policy for prevention of sexual harassment of its women employees in line with "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation to the Bankers and other business Associates, in particular, and in general, from all persons associated with the Company. We place on record our appreciation for the contribution made by all the employees towards the growth of your Company.

For and on behalf of the Board of Directors

Place : Gurugram
Date: 14-08-2019

Sd/-
Onkar S Kanwar
Chairman