

### Apollo Hospitals, Mysore

- A large stone was successfully removed from the bile duct of a 59-year old male patient suffering from liver cirrhosis using SPY Cholangioscopy with Electrohydraulic Lithotripsy.

### Apollo Hospitals, Nashik

- A challenging case of a 66-year-old male patient with 3 cm mass forming hilar cholangiocarcinoma, bismuth corlette type IV, with obstructive jaundice was successfully managed.

### Apollo Hospitals, Navi Mumbai

- Heart transplant was successfully performed, for the first time at Apollo Hospitals, Navi Mumbai.
- A 33-year-old man brain-dead gave a new lease of life to four persons at Apollo Hospitals, Navi Mumbai. The harvested heart was transported to Chennai for a patient. The liver and one kidney were transplanted in patients at Apollo Hospitals itself, while the other kidney was donated to a patient in a neighbouring hospital.

### Apollo Hospitals, Noida

- An unusual pediatric case of imperforate hymen with hematocolpos was diagnosed and successfully treated in a 11-year-old female patient who presented with complaint of abdominal pain for a few months.

### Apollo Hospitals, Seshadripuram

- A 10-year-old male child suffering from seizures accompanied by sudden onset of laughter and loss of consciousness for 20 times a day, was successfully treated. The patient underwent an epilepsy surgery with excision of the abnormal dysplastic area, using the electrocorticographic guidance technique. The seizures stopped immediately after the surgery.

### Apollo Cancer Institute, Teynampet

- Diagnosis of a rare condition, 'Invasive Fungal Infection with Scattered Granulomatous Inflammation Dematiaceous (Pigmented) Fungal Organisms' in a 23 year old male patient. The patient had complaints of headache since 2 months and the MRI brain revealed peripheral enhancing space occupying lesion in left temporal lobe. The patient underwent Left Frontotemporal Craniotomy and Total Excision of the Lesion. Post-operatively he was treated with antifungal medications and did not have any neurological deficit at the time of discharge.

### Apollo Hospitals, Vizag

- A newer technology, VITEK 2 for automatic bacterial identification and antibiotic susceptibility testing was introduced.
- A 63-year-old female patient diagnosed with complete heart block and with Single Vessel Disease, successfully underwent physiological pacing of left bundle. This procedure was the first of its kind in the state of Andhra Pradesh.

## CLINICAL GOVERNANCE COMMITTEE MEETINGS

The report of the Clinical Governance Committee meetings consisting of the details of each meeting conducted is shared by the units on a monthly basis. From Apr'19 to Apr'20, a total of 1,792 meetings have been conducted across all the units.

## APOLLO CLINICAL INNOVATION GROUP (ACIG)

ACIG has been formulated to introduce best practices and latest technologies to delineate clinical innovation for implementation across the Apollo Hospitals Group. In 2019, ACIG conducted 24 meetings and engaged 221 consultants to facilitate the formulation of 50 innovative proposals.

# INDEPENDENT AUDITOR'S REPORT

## To The Members of Apollo Hospitals Enterprise Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Apollo Hospitals Enterprise Limited ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
<p><b>Adoption of IND AS 116 on Leases ('new standard')</b></p> <p>The Company adopted the new accounting Indian Accounting Standard IND AS 116 on "Leases" with effect from April 1, 2019. This standard requires lessees to recognise of right-of-use assets and a financial lease liability. Leases are capitalized as right-of-use assets based on the present value of lease payments and are depreciated over the lease term. Interest on lease liability is recognised in profit &amp; loss at a constant rate over the lease term.</p> <p>The Company adopted modified retrospective method except for one lease arrangement for which the modified prospective approach has been used and the cumulative effect of initial application is recognised in retained earnings as at April 1, 2019. The comparative figures have not been restated.</p> <p>The first time adoption of this standard has resulted in a significant impact on the opening retained earnings and also on the interest cost and depreciation in the current year. Refer Note 46 for the disclosure on leases.</p> <p>Accounting for leases under IND AS 116 involves use of judgements, estimates and assumptions that impact the amounts recognized as right-of-use assets and lease liabilities, which include:</p> <ul style="list-style-type: none"> <li>Assessment of the lease term including extension options</li> <li>Discount rates used</li> </ul> <p>Considering the significant judgments involved as mentioned above and that the Company has a large number of leases with different contractual terms, we identified the adoption of IND AS 116 as a key audit matter.</p>	<p>We performed the following key audit procedures:</p> <ol style="list-style-type: none"> <li>Tested the design and implementation and the operating effectiveness of controls relating to the adoption of the new standard including controls over identification of leases, assessment of the lease term and the computation of lease liability and recognition of right-of-use assets</li> <li>Understood the process by which the management compiled the lease agreements and the nature of the various lease agreements entered into by the Company</li> <li>Tested the completeness and nature of lease agreements included for measurement under the new standard by review of the rental schedules, scrutiny of general ledger accounts, enquiries with the operations teams and review of the key terms of the contract with the underlying lease agreements, on a sample basis, for each nature of lease</li> <li>In addition to review of underlying lease agreements on a sample basis, we assessed the reasonableness of the lease term considered by the management, by additionally considering the significant leasehold improvements undertaken and the importance of the underlying asset to the lessee's operations</li> <li>Tested the calculation of the initial recognition of the right-of-use assets and lease liabilities by re-performing the calculation on a sample basis and tested the appropriateness of the discount rate applied on initial recognition (the incremental borrowing rate)</li> <li>With respect to the new lease agreements entered into during the year, we tested the key terms of the contract by review of the underlying lease agreements and analysed the accounting impact of the same, including the appropriateness of the discount rate applied (the incremental borrowing rate)</li> <li>Tested the calculation of interest expense on lease liability and depreciation charge for the right-of-use asset by re-performing the calculation on a sample basis</li> <li>Assessed whether the related disclosures as per Note 46 are consistent with the requirements of the new standard.</li> </ol>

Key Audit Matters	Auditor's Response
<p><b>Existence of inventories as at the year end</b></p> <p>(Refer Note 14 to the standalone financial statements)</p> <p>The Company has its inventory spread across its hospitals, pharmacies (standalone pharmacies and hospital based pharmacies including hospitals where the Company operates pharmacies under pharmacy medical license) and distribution centers.</p> <p>The Company has a policy of performing periodic cycle counts of its inventory at the pharmacies and distribution centers, which are performed either by an independent team or by internal auditors (external firms of chartered accountants). The physical verification of inventory at hospitals is being performed on a half yearly basis.</p> <p>The year-end verification is being performed by the Company in a phased manner, under the supervision of the internal auditors (external firm of chartered accountants) considering the high volume of the number pharmacies and distribution centers.</p> <p>Due to the lockdown imposed by the Government on account of the COVID-19 pandemic, the Company was not able to complete the physical verification of all the locations before the year end and have performed physical verification of inventory at majority of its distribution centers and certain hospitals after the year end by engaging the internal auditors (external firms of chartered accountants) or by engaging other firms of chartered accountants to attend the physical verification.</p> <p>We were not able to participate in the physical verification of inventory conducted by the Management subsequent to the year end and have performed alternate procedures to audit the existence of inventory as prescribed by the Standards on Auditing and have therefore identified this as a key audit matter.</p>	<p>With respect to existence of inventories at the locations not visited by us as at the year end, we performed the following procedures:</p> <ol style="list-style-type: none"> <li>Understood and evaluated the management's internal controls process to establish the existence of inventory such as (a) the process of periodic physical verification carried out by the Management, the scope and coverage of the periodic verification programme, the results of such verification including analysis of discrepancies, if any; (b) reports of the independent chartered accountants appointed by the Management to physically verify the inventory of the Company located in pharmacies and distribution centers; (c) maintenance of stock records at all locations</li> <li>Understood and evaluated the competence, independence and objectivity of the internal auditors and the other firms of chartered accountants engaged by the Management.</li> <li>Issued instructions to the internal auditors and other firms of chartered accountants engaged by the Management on the procedures to be performed when attending the physical verification and also the reporting deliverables to be provided to us after the inventory counts.</li> <li>On a sample basis virtually participated in inventory observation conducted by the Management subsequent to the year end.</li> <li>Performed appropriate roll back procedures from the date of the physical verification to the year end.</li> </ol>

Key Audit Matters	Auditor's Response
<p><b>Allowances for credit losses</b></p> <p>As stated in Note 12, the Company has determined the allowance for credit loss based on historical loss experience which is adjusted to reflect current and estimated future economic conditions. The historical loss experience model required revisions considering the overall economic conditions and its impact on the customers' business operations/ability to pay dues.</p> <p>Based on such analysis the Company has recorded an allowance aggregating to ₹ 719 Million as included Note 12 of the standalone financial statements.</p> <p>We identified allowance for credit losses as a key audit matter because the Company exercises significant judgment in calculating the expected credit losses.</p>	<p>We performed the following key audit procedures:</p> <ol style="list-style-type: none"> <li>We tested the design and implementation and operating effectiveness of controls over (a) development of methodology for the allowance for credit losses, including consideration of the overall economic conditions (b) completeness and accuracy of information used in estimation of the probability of default (c) computation of the expected credit loss allowances.</li> <li>For a sample of customers under each category, verified publicly available credit reports and other information relating to the Company's customers to test if the Management had correctly considered the adjustments to credit risk.</li> <li>Recomputed the expected credit loss allowance considering the above determined input data and compared the amounts so recomputed with the amounts recorded by the Management to determine if there were any material differences individually or in the aggregate.</li> </ol>

#### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Corporate Review, Management Discussion and Analysis, Directors' Report to the shareholders including Annexures to Directors' Report, Business Responsibility Report, Corporate Governance Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Financial Statements

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

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

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

#### Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we

determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended 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 standalone financial statements.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration No. 117366W/W-100018

Vikas Bagaria  
Partner  
Membership No. 060408  
(UDIN 20060408AAAABR1563)

Place : Bengaluru  
Date : July 24, 2020

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Apollo Hospitals Enterprise Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Apollo Hospitals Enterprise Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal 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, 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.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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; (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 authorisations 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration No. 117366W/W-100018

Vikas Bagaria  
Partner

Membership No. 060408  
(UDIN 20060408AAAABR1563)

Place : Bengaluru  
Date : July 24, 2020

## ANNEXURE "B"

### TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the Members of Apollo Hospitals Enterprise Limited)

- (i) In respect of its property, plant and equipment:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
  - (b) Some of the fixed assets were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Title deed of a land with a carrying value of ₹ 94 million admeasuring 30.14 acres allotted by Andhra Pradesh Industrial Infrastructure Corporation, is pending to be registered in the name of the Company. Immovable properties of land and buildings whose title deeds have been pledged as security for working capital facilities are held in the name of the Company based on the confirmations directly received by us from the lender. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals (including verifications conducted by the Management post year end on account of the lock-down) and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has granted unsecured loans, to companies covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which and having regard to the amendment agreements where entered into during the year:
  - a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - b) The schedule of repayment of principal and payment of interest has been stipulated and according to the terms of the agreement, no amounts towards principal and interest have fallen due during the current year.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the unclaimed fixed deposits. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of healthcare services rendered. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

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

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Service Tax, Customs Duty, and Value Added Tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (₹ million)
Income Tax Act, 1961	Income Tax	Honorable Supreme Court	AY: 2000-01	109.45
Customs Act, 1962	Customs Duty	Assistant Collector of Customs (Chennai, Hyderabad)	1996, 1997	99.70
Value Added Tax Act, 2004	Value Added Tax	Joint Commissioner, Kolkata	2012-13	0.19

(viii) In our opinion and according to the information and explanations given to us, having regard to the moratorium of three months offered by a bank with respect to the principal aggregating to ₹ 86 million that were due in March 2020, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and dues to debenture holders. The Company has not taken any loans from the government.

(ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans have been applied by the Company during the year for the purposes of which they are raised. The company has not raised monies by way of initial public offer or further public offer (including debt instruments).

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

(xi) In our opinion and according to the information and explanations given to us, the Company has paid /provided managerial remuneration in accordance with requisite approval mandated by the provision of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
Firm Registration No. 117366W/W-100018

Vikas Bagaria  
Partner  
Membership No. 060408

Place : Bengaluru  
Date : July 24, 2020