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ANNUAL REPORT 2019-20

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BOARD OF DIRECTORS

Dr. Shamsheer Vayalil
Chairman & Managing Director

Mr. P.M. Sebastian
Vice Chairman

Mr. K.N.Prabhakaran Nair

Dr. K.V. Johny

Mr. P.D. Mathew

Mr. A. Janardhana Pai

Mr. M.M. Mathai

Mr. Job Varghese

Mrs. Mayadevi. P

CHIEF EXECUTIVE OFFICER
Mr. S.K. Abdulla

CHIEF FINANCIAL OFFICER
Mr. R. Narayanan

COMPANY SECRETARY
Mr. R. Muraleedharan

REGISTERED OFFICE & HOSPITAL

XVI/612, Maradu, Kanayannur Taluk
Nettoor P.O, Ernakulam
Kochi - 682040

STATUTORY AUDITORS

M/s. Krishnamoorthy & Krishnamoorthy
Kochi - 16

INTERNAL AUDITORS

M/s. Varma & Varma
Kochi - 19

SECRETARIAL AUDITORS

M/s. BVR & Associates Company Secretaries LLP
Kochi - 19

COST AUDITORS

M/s BBS & Associates
Kochi - 35

BANKERS

HDFC Bank Ltd.
State Bank of India
AXIS Bank Ltd.
Federal Bank Ltd.

LEGAL ADVISORS

M/s. Menon & Pai
Kochi - 18

M/s. Thomas & Thomas
Kochi - 18

M/s. Dandapani Associates
Kochi - 35

MESSAGE FROM THE CHAIRMAN

Dear Shareholders,

Greetings from VPS Lakeshore!

It gives me great pleasure in placing before you the 24th Annual Report of the Company for the financial year 2019-20 and to present the performance of the Company for the year ended March 31, 2020.

During the year, we could achieve an increase of around 8% in our total income, from ₹ 283.85 Crores in the last year to ₹ 306.34 Crores in the current year. I am further happy to announce that the Company could achieve an increase in the profit before tax of more than 51% - an amount of ₹ 24.50 crores for the reporting year compared to ₹ 16.07 crores of the previous year.

During the year under report, the Hospital could provide high quality health care delivery to 296077 patients under Out Patient category and 19768 patients under In Patients category. The number of foreign patients treated during the financial year was 13583 during the reporting year.

The performance of the hospital was as per the expected trend until the sudden outbreak of COVID-19 pandemic in March 2020. The patients visiting the hospital drastically reduced due to lock down/restriction since the onset of the pandemic, thereby impacting the projected revenue for the current year. Due to the continuing uncertainties in the market and further in view of the reducing revenue for the current year, the Board of Directors have decided not to recommend any dividend for the financial year 2019-20.

The management is working out a post COVID strategy to overcome the situation and steps have been taken for cost reduction wherever possible. The Central and State Governments have taken necessary steps for revival of economy which started yielding results and the hospital revenue has started picking up from September 2020 onwards and our estimated turn over for the current financial year is projected at ₹ 227 crores.

During the reporting year, the operation theatre complex and central sterilization department was renovated and new consultants have joined in Cardio Vascular & Thoracic departments, Interventional Radiology and neonatal & pediatric departments and the revenue of these departments are expected to pick up during the current year.

On the CSR activities we had spent around ₹ 16 lakhs during the financial year ended 31st March 2020 and a major share was spent for education in the schools in and around our locality.

We have also provided concession in the treatment charges to the tune of ₹ 2.55 crores to the needy and economically backward patients during the reporting year.

The civil/interior designing works of the proposed Kozhikode Medical Centre is progressing and the works are expected to be completed by end of December 2020. We are also taking steps to purchase required medical equipments, appoint consultants and other required manpower.

The subsidiary company, Lakeshore Food and Beverages Private Ltd commenced its operations from October 2019 and the said company earned total revenue of ₹ 46 lakhs from catering business undertaken at few IT companies in Info Park. More such similar tie-ups are expected in the year ahead.

I would at this time, like to acknowledge the efforts of our doctors, nurses and support staff who had shown strong determination and dedication in performing their duties for caring of covid and non-covid patients. This gives me the confidence that we can overcome any challenge that may come our way and enable us to serve the interests of all our stakeholders.

On behalf of the Company, I would like to thank the Board of Directors, Bankers, the Central and State Governments and all the Shareholders for their support. I look forward to your continued support in the years ahead.

My warm personal regards to all of you.

Stay Safe Stay Healthy.

21st October 2020.

Sd/-
Dr Shamsheer Vayalil
Chairman and Managing Director

Inauguration of Head & Neck Institute

Inauguration of Liver Care Clinic

Inauguration of Obesity Clinic

Golden shake hand Retirement of staff

Renovation of class room at SVUP School, Nettoor, Ernakulam Dist (CSR)

Furniture to RMM LP School, Nettoor, Ernakulam Dist (CSR)

CSR Project at Panangad Police Station

Water Purifier to PHC, Valanthakkad, Ernakulam Dist (CSR)

World Cancer Day 2019

X'mas Celebrations 2019

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NOTICE

Notice is hereby given that the 24th Annual General Meeting of the members of the company will be held on **Monday, the 7th December 2020 at 12.00 Noon (IST)** through Video Conferencing (VC)/Other Audio Visual Means ("OAVM") in accordance with the applicable provisions of the Companies Act 2013, read with MCA Circulars No.14/2020, 17/2020 and 20/2020 dated 08th April 2020, 13th April 2020 and 05th May 2020 respectively to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Accounts, Report of Board of Directors and Auditors thereon.

To receive, consider and adopt Statement of Profit & Loss of the Company for the year ended March 31, 2020 and Balance Sheet as at that date and reports of the Board of Directors and Auditors thereon.

2. Re- appointment of Director

To appoint a director in the place of Mr P D Mathew (DIN: 00903297) who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

3. Re- appointment of Director

To appoint a director in the place of Mr K N Prabhakaran Nair (DIN: 00900836) who retires by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Remuneration to Cost Auditor:

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s BBS & Associates, Cost Accountants, Kochi (FRN: 00273) the cost auditors appointed by the board of directors of the Company, to conduct the audit of cost records of the company for the financial year ending March 31, 2020, be paid the remuneration of ₹ 1 lakh (rupees one lakh only) plus tax as applicable.

RESOLVED FURTHER THAT the board of directors of the company be and are hereby authorised to do all such acts and take such steps as may be necessary, proper or expedient to give effect to this resolution.

Place : Kochi	By Order of the Board
Date : 21st October 2020	Sd/-
Regd. Office: XVI/ 612, Maradu,	R Muraleedharan
Nettoor P.O, Kochi – 682040	Company Secretary

NOTES:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.

2. In View of the COVID 19 pandemic, the Ministry of Corporate Affairs vide circular dated 5th May 2020 read with Circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "Circulars"), has introduced certain measures enabling companies to convene their Annual General Meetings (AGM/EGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and also send notices of the meeting and other correspondences relating thereto, through electronic mode. In compliance with the said requirements of the MCA Circulars, electronic copy of the notice along with the Annual Reports for the Financial year ended 31st March 2020 consisting of financial statements including Board's Report, Auditor's Report and other documents required to be attached therewith (collectively referred to as the Notice) have been sent to those members whose-mail ids are registered with the Company or the Registrars & Share Transfer agents or the Depository Participant(s) through electronic means and no physical copy of the notice has been sent by the Company to any others. The Notice has also been hosted in the website of the Company at www.vpslakeshorehospital.com.

3. In compliance with the said circulars, the Company has sent communication for all shareholders whose email addresses are not registered, for registering their email address with the Company. The members who have not yet registered their e-mail ids with the Company may contact **cs@lakeshorehospital.org** for registering their email ids on or before **25th November 2020**.

4. In view of the MCA Circulars, no proxy shall be appointed by the members. However, Corporate Members are requested to send to the Company/RTA a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting through VC.

5. The cut-off date for ascertaining members to attend the AGM and e-voting at the AGM is **25th November 2020**.

6. **Change of Address:** Members are requested to notify any change of address, email address and bank details to their depository participants in respect of their holdings in electronic form and in respect of shares held in physical form, to the secretarial department at the registered office of the Company or to M/s. Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No: 1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017. E-mail: corpserv@integratedindia.in. Members whose shareholdings are in electronic mode are requested to approach their respective depository participants for effecting change of address.

7. A. INTRUCTIONS FOR SHARE HOLDERS FOR E-VOTING AT MEETING ARE AS UNDER:

(i) **The voting period begins on at 12.00 Noon on Monday, 07th December 2020 and ends at 02.00 pm**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25th November 2020 may cast their vote electronically during the meeting. The e-voting module shall be disabled by CDSL for voting thereafter*.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on "Shareholders" module.

(iv) Now enter your User ID

*For institutions, please refer Point No. 16 on page No 11

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at **https://www.cdslindia.com** from **Login – Myeasi** using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, **click on e-Voting option** and proceed directly to cast your vote electronically.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form

PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
Dividend Bank Details	Shareholders who have not updated their PAN with the Company/Depository Participant are requested to contact Company at **cs@lakeshorehospital.org**. Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
	OR
Date of Birth (DOB)	If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC ARE AS UNDER:

(ix) Click on the Live Streaming Link available in column before EVSN – Company Name to join meeting through Video Conferencing Zoom Application.

(x) Enter your First Name, Last Name and Email ID and click on Join Now/Submit.

(xi) Click on the EVSN for the Company – Lakeshore Hospital and Research Centre Ltd on which you choose to vote. Kindly click on Live streaming link before voting.

(xii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xiv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES implies that assent to the Resolution and option YES/NO for voting. Select the option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xvi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xviii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xix) If a demat account holder has forgotten the login password then Enter User ID and the image verification code and click on the Forgot Password & enter the details as prompted by the system.

(xx) Only those shareholders, who are present in the AGM through VC/OAVM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

(xxi) If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

C. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITOROES FOR OBTAINING LOGIN CREDITIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For physical shareholders, pleas provide necessary details like Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company e-mail id: cs@lakeshorehospital.org

2. For Demat shareholders, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL 16 digit DPID = CLID), Name, Client Master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN Card), Aadhar (self-attested scanned copy of Aadhar Card) to Company e-mail id: cs@lakeshorehospital.org.

D. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

- NON-Individual shareholders (ie. other than individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia,com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non-individual shareholders are required to send the relevant Board Resolution/Authority letter etc., together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at the e-mail address viz., cs@lakeshorehospital.org, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for scrutinizer to verify the same.

  If you have any queries or issues regarding attending AGM & from e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk, e-voting@cdslindia.com or contact Mr Nitin Kunder (022-23058738) or Mr Mehboob Lakhani (022-23058543) or Mr Rakesh Danvi (022-23058542).

  All grievances connected with the facility for voting by electronic means may be addressed to Mr Rakesh Dalvi, Manager (CDSL) Central Depository Services (India) Limited, A Wind, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 or send an email helpdesk.evoting@ cdslindia.com or call on 022-23058542/43.

8. Voting rights of members (for Voting at the meeting) shall be in proportion to the shares of the paid-up equity share capital of the Company as on the cutoff date ie., 25th November 2020. A person whose name is registered in the Register of Members or Register of Beneficial Owners (as at the end of business hours) maintained by the depositories as on the cut-off date shall only be entitled to avail the facility for voting.
9. Joint Holding: members are informed that in case of joint holders attending the Meeting; only one such joint holder whose name appears first in the joint holder list will be entitled to vote.
10. In accordance with the aforementioned MCA Circular, the members are requested to follow the following instructions in order to participate in the meeting through VC Mechanism:
    a. The login id and pass word for joining the meeting has been provided along with the Notice.
    b. The facility for joining the Meeting shall be open 15 minutes before the time scheduled to start the meeting ie.,12.00 Noon and 15 minutes after the expiry of the said scheduled time 02.00 pm.
    c. Members who hold the shares in dematerialized form are requested to furnish their client ID and DP ID numbers and members who hold share in physical form are requested to furnish their folio numbers for easy identification of attendance in the VC meeting.
    d. Participation of single member shall only be allowed at a time.
    e. Queries on the accounts and operations of the Company or the business covered under the Notice may be sent to cs@lakeshorehospital.org at least 7 days in advance of the meeting so that the answers may be made readily available at the meeting.
    f. Members are requested to email at chandran@lakeshorehospital.org or call mobile No.9747044193 or 9446006640 in case of any technical assistance required at the time of login/assessing/voting at the meeting through VC.
11. The Annual Report circulated to the members of the Company, will be made available on the Company's website.

12. The deemed venue for the 24th AGM shall be the Registered Office of the Company.

13. All documents referred to in the accompanying Notice and Explanatory Statement setting out material facts are open for inspection by the members only in electronic format on all working days between 10.00 am and 12.00 Noon upto the date of the 24th Annual General Meeting.

14. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company Secretary at the registered office. Members are requested to note that dividend not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be transferred to the Investor Education and Protection Fund.

15. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the Company has uploaded the details of unpaid and unclaimed dividend lying with the Company as on September 30, 2019 (date of last Annual General Meeting) on the website of the Company (www.vpslakeshorehospital.com/investors zone/Details of Unpaid or Unclaimed Dividend) and on the website of the Ministry of Corporate Affairs.

16. Instructions for joining –

    - ♦ You will need a computer, tablet or smart phone with speaker or headphones. You may be instructed to download the Zoom application (Install Zoom meeting from Google play store/Apple store in case of mobile device). In case of laptop/ pc zoom application ban can be downloaded from https:zoom.us/support/download
    - ♦ After download and installation of Zoom application click on zoom link
    - ♦ You will be prompted for display name. Please give your full name
    - ♦ Then you have an opportunity to test your audio at this point by clicking on "Test Computer Audio". Once you are satisfied that your audio works, click on "Join audio by computer".
    - ♦ Participant controls in the lower left corner of the Zoom screen; Using the icons in the lower left corner of the Zoom screen, you can:
        - Mute/Unmute your microphone (far left)
        - Turn on/off camera ("Start/stop video")
    - ♦ Please remain mute all through the meeting and use raise hand option and unmute only when the moderator calls out your name to talk.

17. We request you to provide your e-mail address to us in the following ways:

    a) Register your e-mail address with your depository: In case you are holding shares in electronic form please provide your Email ID to your depository participant (DP). We will download the same from the depository at the time of finalizing the mailing list or

    b) Write to us: You may provide your Email ID details in a simple letter addressed either to:info@lakeshorehospital.com.

18. The Company entered into agreement with NSDL and CDSL to enable Members to demat and hold the shares of the Company in electronic form. Any member desirous to dematerialise his holding may do so through any of the depository participants who is connected to NSDL & CDSL. The ISIN of the equity shares of the Company is **INE01TI01010**.

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STATEMENT

(PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013)

ITEM NO. 5: Ratification of remuneration payable to Cost Auditor for the financial year 2020-21.

The Board approved the appointment of M/s BBS & Associates, Cost Accountants, Kochi (FRN: 00273) as the Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending 31.03.2021 on a remuneration of ₹ 100,000/- (Rupees One lakh only) plus tax as applicable.

In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is sought for passing an ordinary resolution as set out at item No. 4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31.03.2021.

No Director or Key Managerial Personnel of the Company or their relatives are concerned or interested in this item of business.

The Board of Directors recommends the aforesaid resolution for the approval by the members as an Ordinary Resolution.

Place : Kochi	By Order of the Board
Date : 21st October 2020	Sd/-
Regd. Office: XVI/ 612, Maradu,	R Muraleedharan
Nettoor P O, Kochi – 682040	Company Secretary

As per the requirement of Secretarial Standard-2, the following information relating to the directors to be reappointed as contained in item 2 & 3 is furnished below:

Particulars	Information	Information
Name	Mr K N Prabhakaran Nair	Mr P D Mathew
Age	78 years	62 years
Qualifications	Intermediate	BE
Experience	Managing own shipping and logistics business in Sharjah for the last 40 years.	Managing own Engineering, Construction and Project Management Company, in Arabian Gulf and the Middle East for last 25 years.
Terms and conditions of appointment	Director retiring by rotation, eligible offer himself for re-appointment.	Director retiring by rotation, eligible offer himself for re-appointment.
Remuneration last drawn	Nil	Nil
Date of first appointment on Board	25.06.1988	27.06.2001
Shareholding in the Company	7,00,000 Equity shares of ₹ 10/- each	25,03,000 Equity Shares of ₹ 10/- each
Relationship with other Directors, Manager and other KMP	Nil	Nil
Number of Meetings of Board attended	4	1
Other Directorships Memberships/Chairmanships of Committees of other Boards	Nil	Director in – 1. Valley view Realtors And Construction Private Limited 2. Danem Heavy Industries Private Ltd 3. Kaysons Developers LLP 4. Danem Oil & Gas LLP 5. College Of Petrochem Technology LLP

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DIRECTORS' REPORT

Your Directors have pleasure in presenting the 24th Annual Report and the audited financial statements for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

The highlights of results for the financial year 2019-20 with respect to the previous year are tabled hereunder.

(₹ in lakhs)

FOR THE YEAR ENDED	Standalone		Consolidated
	31.03.2020	**31. 03. 2019**	**31.03.2020**
Income from Operations	**30439**	**28201**	**30485**
Other Income	**195**	**184**	**166**
Gross Income	**30634**	**28385**	**30651**
Gross Operating Profit	**4818**	**3774**	**4818**
Finance Charges	**(375)**	**(348)**	**(375)**
Depreciation	**(1992)**	**(1819)**	**(1992)**
Total Expenses	**28184**	**26778**	**28200**
Profit before tax	**2450**	**1607**	**2451**
Provision for tax	**806**	**369**	**806**
Profit for the year	**1644**	**1238**	**1645**

During the year under review, the Company has made profit before tax of ₹ 2450 lakhs as against ₹ 1607 lakhs of the previous year and a Net Profit of ₹ 1644 lakhs as against ₹ 1238 lakhs of the previous year.

DIVIDEND

In view of possibility of revenue fall for the financial year 2020-21 due to Covid situations and scenarios, the board of directors decided not to recommend any dividend for the financial year 2019-20.

SHARE CAPITAL

During the year under report the Authorised Capital of the Company remained unchanged consisting of ₹ 100 crores equity share capital (divided into 10 crores Equity Shares of ₹ 10/- each).

REVIEW OF OPERATIONS

The performance of the Company has further progressed compared to the previous year. As planned last year our Cardiovascular and Thoracic Department, Interventional Radiology Department, Neonatal & Pediatrics Department has got new clinicians joined and started strengthening our specialties services. Our Operation Theater complex witnessed a facelift with major renovations and the relocation of Central Sterilization departments is underway to extend better sterility and to adhere the NABH and Green OT standards. Further to the launch of the hospital Comprehensive Liver Care Clinic, the said team completed 15 live liver donor transplantation during the reporting year and the success rate was impressive.

During the reporting year the hospital started various specialty clinics and Institutes such as Female Urology, Obesity and Head & Neck Cancer Institutes are a few to name. To increase patient referral base, we have established tie-ups with neighborhood clinics and hospitals in Kerala. The re-accreditation of NABH, Green OT, PDQ & ISO certification continued during the reporting year.

The average hospital out-patient (OP) visits per month for the year was 23,980 compared 23,352 of last year. The average in-patients per month for the year were 1,660 compared 1610 last year. The average revenue per patient is at ₹ 1.04 Lakhs compared to ₹ 0.97 last year. The major contributors of the revenue during the year were Nephrology, Medical Oncology, Gastro Surgery, Neuro Surgery, Orthopedics followed by Urology and Surgical Oncology. Cardiology, Gastro Medicine and CLC (Comprehensive Liver Care) would be the major focus departments for the next financial year.

We managed to reduce the cost of operations to 91% during the reporting year against 94% of the last year through various methods in order to improve profits.

A renewed and upgraded Emergency Department is also a need of the hour in order to strategically position us as a Level IV trauma center in Cochin capable of providing life-saving advanced medical care to road traffic accident victims on NH 66. An ambitious project – "VPS Lakeshore Medical Center at Kozhikode" is in progress. Nephology and Urology departments are contributing significantly in terms of revenue and volume; space constraint is a major setback. The above three projects are the focus area to watch out for the forth coming financial year.

CONSOLIDATED FINANCIAL STATEMENTS

According to the provisions of Section 129 of the Companies Act 2013 and Indian Accounting Standards (Ind AS 110), the consolidated audited financial statements together with Auditors Report are provided in the Annual Report.

In compliance with Section 129 (3) of the Companies Act, 2013 and Rule 8 of the Companies (Account) Rules, 2014, a report on the performance and the financial position of the subsidiary is included in the Consolidated Financial Statements is annexed in the Annual Report in **Form AOC -1 Annexure 1**.

OUTLOOK

In March 2020, the World Health Organisation declared COVID -19 to be pandemic. This has resulted in disruption to regular business operations due to lock-down, disruptions in transportation, travel bans, quarantines, social distancing and other emergency measures imposed by the Government. This has affected all the sectors globally including healthcare sector. During the financial year 2019-20, we have achieved a turnover of ₹ 304.39 crores (last year ₹ 282.01 crores) and made a net profit of ₹ 16.44 crores (last year ₹ 12.38 crores). We have projected a turn over ₹ 315 crores and profit before tax of ₹ 25.26 crores for the financial year 2020-21. Achieving this turnover looks very remote and an amount of ₹ 227 crores is projected for the year 2020-21 in view of the COVID-19 and related issues.

ACCEPTANCE OF DEPOSITS

The company has not accepted/renewed fixed deposit during the year under consideration.

BOARD COMPOSITION AND INDEPENDENT DIRECTORS

The Board consists of the Chairman and Managing Director, two Independent Directors including a woman director and six non-executive directors.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr P D Mathew (DIN: 00903297) and Mr K N Prabhakaran Nair (DIN: 00900836), Directors of the company, retires by rotation at the ensuing Annual General Meeting and being eligible, offer themself for re-appointment. The Board recommends their appointment.

Mr R Narayanan joined as Chief Financial Officer of the Company w.e.f 12th February 2020 in the place of Mr P B Sasidharan Pillai who demitted from the post and relieved on 11th February 2020.

None of the Directors are disqualified under Section 164 of the Companies Act, 2013.

ANNUAL GENERAL MEETING

The 23rd Annual General Meeting of the members of the company was held on 30th September, 2019.

BOARD MEETINGS

During the reporting year 4 (Four) Board Meetings were held on 7th June 2019, 14th August 2019, 5th December 2019 and 28th February 2020. The gap between two meetings was not more than 120 days and requisite quorum was there for all the meetings. Attendance of each Director, at the Board Meetings held during the financial year 2019-20 and at the 23rd Annual General Meeting, is furnished hereunder:

Sl.No	Name of the Director	Board Meetings		Last Annual General Meeting (Yes/No)
		Held	Attended	
1	Dr. Shamsheer Vayalil	4	2	No
2	Mr. Sebastian P M	4	2	No
3	Mr. K N Prabhakaran Nair	4	4	No
4	Dr. K V Johny	4	4	Yes
5	Mr. P D Mathew	4	1	No
6	Mr. A Janardhana Pai	4	4	Yes
7	Mr. M M Mathai	4	2	No
8	Mr. Job Varghese	4	1	No
9	Mrs. Mayadevi P	4	3	Yes

A separate meeting of the Independent Directors of the Company was held on 28th February 2020.

AUDIT COMMITTEE

The Audit Committee constituted in terms of Section 177 of the Companies Act, 2013 with two Independent Directors and a non-whole time Director as members. During the Financial Year 2019-20, the Committee members met four times i.e., on 31st May 2019, 09th August 2019, 23rd October 2019 and 10th February 2020. The composition of the committee and attendance at the meetings during the year under report is given hereunder:

Sl No	Name	Position	Audit Committee Meetings	
			Held	Attended
1	Shri A Janardhana Pai	Chairman	4	4
2	Dr K V Johny	Member	4	4
3	Smt Mayadevi P	Member	4	3

The Audit Committee confirms to Section 177 of the Act in all respects concerning its constitution, meetings, functioning, role and powers, mandatory review of required information, related party transactions and accounting treatment for major items. Appointment of Statutory Auditor, Cost Auditor, Secretarial Auditor and Internal Auditor are being appointed on the recommendations of the Audit Committee. Mr A J Pai, Chairman of the Audit Committee was present at the Company's Annual General Meeting held on 30th September 2019 to answer the shareholders' queries.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination and Remuneration Committee of the Board which consists of two Independent Directors and one non-whole time Director as members. During the Financial Year 2019-20, the Committee members met once on 05th December 2019. The composition of the committee and attendance at the meetings during the financial year 2019-20 is given hereunder:

Sl No	Name	Position	Nomination & Remuneration	
			Held	Attended
1	Shri A Janardhana Pai	Chairman	1	1
2	Dr K V Johny	Member	1	1
3	Smt Mayadevi P	Member	1	1

The powers, role and terms of reference of the Committee cover the areas as contemplated under Section 178 of the Companies Act, 2013 besides other terms as may be referred by the Board of Directors.

The salient features of the Nomination and Remuneration policy is attached as **Annexure II** to the Board's Report. The Nomination and Remuneration policy approved by the Board of Directors in terms of provision 178(4) of the Companies Act, 2013 is available on the website of the company www.vpslakeshorehospital.com.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

The Company has a Corporate Social Responsibility Committee, as required under Section 135 of the Companies Act, 2013 which consists of two Independent Directors and one non whole time director as members. Since the net profit of the Company was below the prescribed limit under Section 135 for the financial year 2017-18, CSR spending was not mandatory during the reporting year.

During the Financial Year 2019-20, the Committee members met twice on 23rd October 2019 and 10th February 2020. The composition of the Committee and attendance at the meetings during the year under report is given hereunder:

Sl No	Name	Position	CSR Committee Meetings	
			Held	Attended
1	Shri A Janardhana Pai	Chairman	2	2
2	Dr K V Johny	Member	2	2
3	Smt Mayadevi P	Member	2	2

The gist of the CSR Policy, the annual report on CSR activities for the financial year 2019-20 along with the reasons for not spending the amount is specified in **Annexure III** attached to this report.

LOANS, GUARANTEES OR INVESTMENTS

There were no Loans and guarantees made by the company under Section 186 of the Companies Act 2013 during the year under review. The Company has invested ₹ 5,00,000/- in 5000 Equity shares of ₹ 100/- each of Lakeshore Food and Beverages Private Ltd, constituted as a wholly owned subsidiary for undertaking the catering business.

RISK MANAGEMENT POLICY

The Company has identified the risks/uncertainty associated with the company and developed and implemented a Risk Management Policy in terms of Section 134(3)(n) of the Companies Act, 2013. The said policy is being implemented and monitored by the Audit and Risk Management Committee.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees to report their genuine concerns.

The said policy was circulated among the employees and placed on the website of the Company www.vpslakeshorehospital.com.

DEMATERIALISATION

In terms of the notification of Ministry of Corporate Affairs dated 10th September 2018, the Company has entered into agreement with NSDL and CDSL to enable Members to have the option of holding and dealing the shares of the Company in electronic form. Shareholders are requested to convert their holdings to dematerialized form to derive its benefits by availing the demat facility provided by NSDL and CDSL. As per the aforesaid circular the share transfer is permitted only under demat mode. The ISIN Number allotted to Equity Shares of the Company is: **INE01TI01010.**

As on date out of 612 shareholders, 129 shareholders holding 29257545 equity shares into demat mode.

REGISTRAR AND SHARE TRANSFER AGENT:

Integrated Registry Management Services (P) Ltd
2nd Floor, 'Kences Towers', No.1, Ramakrishna Street,
North Usman Road, T.Nagar, Chennai-600017
Phone: 044 28140801, 28140803,
Fax: 044 – 28143378, 28142479
E-mail: corpserv@integratedindia.in

INVESTOR EDUCATION AND PROTECTION FUND

There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. The details of the Shareholders, who have not claimed their dividend, are available on the Company's website.

RELATED PARTY TRANSCATIONS

During the financial year 2019-20, all transactions with the Related Parties as defined under the Act, read with Rules framed thereunder were in the 'ordinary course of business' and 'at arm's length' basis. There are no materially significant related party transactions made by the Company which may have potential conflict with interest of the Company at large. Statement of all related party transactions is presented before the Audit Committee and Board for its approvals, specifying the nature, value and terms and conditions of transactions. The details of the contracts entered during the year are attached as **Annexure IV – Form AOC 2**.

KOZHIKKODE MEDICAL CENTRE

It has been decided to start a medical centre at Kozhikode and for the said purpose; space owned by M/s VPS Healthcare Private Ltd was taken on lease w.e.f 15th May 2020. The interior designing and other works are progressing and works are expected to be completed by December 2020 end.

FORMAL ANNUAL EVALUATION

The Companies Act, 2013 states that a formal annual evaluation needs to be carried out by the Board of its own performance and that of its Chairman, committees and Board of Directors as a whole. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The formal annual evaluation as prescribed under Section 134 (3) (p) has been conducted and recorded by the Board of its own performance and that of its Committees, individual directors and Independent Directors at its duly constituted meeting. The evaluation has been carried out using a questionnaire specifically designed for the purpose.

EXTRACTS OF ANNUAL RETURN AND OTHER DISCLOSURES

Extract of Annual Return for the financial year 2019-20 pursuant to Section 92 of Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form No.MGT-9 is placed on the website of the company www.vpslakeshorehospital.com.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has two Independent Directors in terms of Section 149(4) of the Companies Act, 2013 and received necessary declarations from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Act. The letter of appointment of Independent Directors have been placed on the Company's website.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) and (5) of the Companies Act, 2013, your Directors confirm that:

(i) In the preparation of the annual accounts for the financial year ended March 31, 2020 the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) The directors 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 at the end of the financial year and of the profit and loss of the company for that period;

(iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) The directors had prepared the annual accounts on a 'going concern basis'; and

(v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATUTORY AUDITORS

M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, (FRN:001488S), appointed as the statutory auditors of the company at the 21st Annual general Meeting for five years till the conclusion of 26th Annual general Meeting to be held in the financial year 2021-22. The report of the Independent Auditor's for the financial year 2019-20 is attached with this annual report and the said report does not contain any qualification, reservation or adverse remarks.

SECRETARIAL AUDITORS

The Board appointed M/s BVR & Associates Company Secretaries LLP, as the Secretarial Auditors to conduct the Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith as **Annexure V** and there are no qualifications, reservation or adverse remarks.

INTERNAL AUDITORS

The Board of Directors of your Company has appointed M/s Varma & Varma, Chartered Accountants, Ernakulam (FRN:004532S) as Internal Auditors, pursuant to the provisions of Section 138 of the Companies Act 2013 for the financial Year 2020 - 21.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, your Directors had, on the recommendation of the Audit Committee, appointed M/s BBS & Associates, Cost Accountants, Kochi (FRN: 00273) to audit the cost accounts of the Company for the financial year 2020-21 on a remuneration of ₹ 1,00,000 plus tax as applicable. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the members in a general meeting for ratification. Accordingly, a resolution seeking ratification of the remuneration payable to M/s BBS & Associates is included at item No.5 of the notice convening 24th Annual General Meeting.

The Company has received a letter from them to the effect that their re-appointment would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for such re-appointment within the meaning of Section 141 of the Companies Act, 2013.

The Company has maintained the cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

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

The company is not engaged in any manufacturing process; therefore, no particulars have been furnished in this report as required under Section 134(1)(m) of the Companies Act 2013, relating to conservation of energy and technology absorption.

During the year under review, the foreign exchange earnings of the Company is ₹ 12 crores. (₹ 39.24 crores) and out go is (CIF value of imports) ₹ 12.59 crores. (₹ 44.10 crores)

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Personnel and industrial relations were cordial and satisfactory during the year under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the reporting year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the 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.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company during the year under review.

INTERNAL COMPLAINTS COMMITTEE

The company has an Internal Complaints Committee as prescribed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to redress complaints of sexual harassment reported by women staff or such other person on behalf of the victim. There were no complaints received from any employee during the financial year 2019-20 and hence no complaint is outstanding as on 31.03.2020 for redressal. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the said act.

ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude and wish to place on record their sincere thanks and appreciation of the co-operation received by the Company from the customers, suppliers, investors, bankers and others associated with the company.

Your Directors take this opportunity to thank all employees for their outstanding services and also thank all the Shareholders for their unstinted support and confidence reposed by them in the Management and look forward to their continued support.

Place : Kochi
Date : 21st October 2020

For and on behalf of the Board
Sd/-
Dr Shamsheer Vayalil
Chairman and Managing Director
(DIN: 02371712)

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ANNEXURE I

FORM AOC – 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1	Sl. No.	:	1
2	Name of the subsidiary	:	Lakeshore Food and Beverages Private Ltd
3	The date since when subsidiary was acquired:	:	18th September 2019
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	Not applicable
5	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not applicable
6	Share capital	:	₹ 5,00,000/-
7	Reserves and surplus	:	₹ 41,410/-
8	Total assets	:	₹ 36,10,380/-
9	Total Liabilities	:	₹ 36,10,380/-
10	Investments	:	Nil
11	Turnover	:	₹ 46,51,483/-
12	Profit before taxation	:	₹ 54,539/-
13	Provision for taxation	:	₹ 13,410/-
14	Profit after taxation	:	₹ 41,129/-
15	Proposed Dividend	:	Nil
16	Extent of shareholding	:	100%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations : **Nil**
2. Names of subsidiaries which have been liquidated or sold during the year : **Nil**

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Not applicable)

Place : Kochi
Date : 21st October 2020

For and on behalf of the Board of Directors of
Lakeshore Hospital and Research Centre Ltd
Sd/-
Dr Shamsheer Vayalil
Chairman and Managing Director

ANNEXURE II

SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY

As prescribed under Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company constituted a Nomination and Remuneration Committee (N&RC) consisting of three non-executive directors out of which not less than one-half are Independent Directors and Chaired by an Independent Director.

This salient feature of the policy is as follows.

OBJECTIVE

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors / Key Managerial Personnel's (KMP) / Senior Managerial Personnel's (SMP) of the quality required to run the Company / Hospital successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to Directors, KMP & SMP involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company / Hospital and its goals.

ROLE OF THE COMMITTEE

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board and carry out their performance evaluation.
- To identify persons who are qualified to become Directors and who may be appointed as SMP in accordance with the criteria laid down in this policy.
- To recommend to the Board the appointment and removal of Directors and SMP.
- To recommend to the Board policy relating to remuneration for Directors, KMP and SMP.
- Succession planning for replacing KMP & SMP and overseeing.
- To carry out any other function as is mandated by the Board or enforced by any statutory notification, amendment or modification, as may be applicable.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP's and SMP's

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or as SMP and recommend his / her appointment.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its, Managing Director or Whole-time Director for a term not exceeding five years at a time.

b) Independent Director:

An Independent Director shall be a person duly qualified to be appointed as shall hold office for a term up to five consecutive years and will be eligible for re-appointment on passing of a special resolution by the Company.

No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

RETIREMENT

The Director, KMP and SMP's shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, SMP for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SMP's

1) Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration, perquisites etc. to be paid to Managing Director / Whole-time Directors etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under and the approvals obtained from the Members of the Company.

b) The N & R C shall make such recommendations to the Board of Directors with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Independent Directors:

a) The Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013, recommended by the N & RC and approved by the Board of Directors.

b) All the remuneration of the Independent Directors (excluding the sitting fee) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under recommended by the N & R C and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

a) The Services are rendered by such Director in his capacity as the professional; and

b) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to KMP's & SMP's:

a) The remuneration to KMP's & SMP's shall consist of salary and perquisites in compliance with the provisions of the Companies Act, 2013 and as decided by the Board of Directors .

b) The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option / Purchase Schemes, shall determine the stock options and other share based payments to be made to KMP's & SMP's.

c) The remuneration package shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund and other statutory dues, if any, as decided from to time.

Annexure III

GIST OF CSR POLICY OF THE COMPANY

BACKGROUND

Lakeshore Hospital & Research Centre Ltd., (hereinafter described as "the Company") is a super specialty tertiary level hospital delivering state-of-the-art medical care over the last twelve years. The hospital has gained reputation locally, nationally and internationally. The company has been instrumental in bringing the latest technology to the country whereby creating access to the best possible treatment at an affordable cost.

For those deserving persons who could not afford the cost, the hospital has been providing treatment at a subsidised rate. Apart from philanthropic activities and medical management within the hospital, it has been associating with several NGOs in conducting medical camps, health awareness classes, school health programme etc. in the community where specialist doctors also participate.

World Health Organization defines health as "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity". Upholding this definition for health, the company believes that healthcare should not be seen synonymous to treatment of diseases alone while health promotion and disease prevention should be given adequate stress. Towards this, the company recognizes the relevance of considering the social determinants of health as a step towards health of a population. According to WHO, the social determinants of health are the conditions in which people are born, grow, live, work and age. These circumstances are shaped by the distribution of money, power and resources at global, national and local levels. The 66th World Health Assembly of WHO held in May 2013 ascertained that the social determinants need to be recognized and tackled as a fundamental approach.

MISSION

The CSR policy of the company reflects its commitment to humanity more than the statutory requirements. Policies and programs of the company are structured over the four pillars – Ethics, community, environment and diversity. Our policies explicitly express our desire to give back to our communities while the company prospers. Being ethical is the main pillar where we act with integrity and adhere to codes of ethics and cultural values. We strive hard to deliver the best to the community in which we exist, operating our business which is environmentally efficient, actively protecting the environment and respecting the diversity of the population by being non-discriminative based on caste, creed, gender, thought and experience.

AREAS OF ACTIVITIES AND INTERVENTION

The Company shall be undertaking activities in the following broad areas. Specific programmes and projects under these areas shall be proposed and implemented in each financial year.

1. Eradication of hunger and malnutrition
2. Health promotion

3. Supporting Government initiatives in healthcare especially in preventive health, maternal and child health and care of older persons.
4. Sanitation
5. Availability of safe drinking water
6. Campaign against use of alcohol, smoking, drug abuse etc.
7. Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement
8. Rural Development
9. Promoting gender equality and empowering women
10. Setting up daycare centers homes and hostels for women, senior citizens and marginalized communities.
11. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conversation of natural resources and maintaining quality of soil, air and water.
12. Protection of national heritage, art and culture.
13. Measures for the benefit of armed forces veterans, war widows and their dependents
14. Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.
15. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.
16. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

LOCATION

The Company shall give preference to the local area where our hospital is located. However, this territory shall not be limited by the political boundaries alone while it will be restricted to the geographical boundaries of India.

CSR COMMITTEE

The members of the CSR Committee are as follows, namely.

Mr A Janardhana Pai	:	Chairman
Dr K V Johny	:	Member
Mrs. Mayadevi P	:	Member

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ANNUAL REPORT ON THE CSR ACTIVITIES

[PURSUANT TO THE RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014]

1. A brief outline of the Company's CSR policy including overview of projects or programme proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programme.	The gist of the CSR Policy is annexed to this report. The detailed policy on CSR of the Company is published on the website of the Company: www.vpslakeshorehospital.com.
2. The Composition of the CSR Committee :	1. Mr. A.Janardhana Pai - Chairman 2. Dr. K.V.Johny 3. Mrs. Mayadevi P
3. Average Net profits of the company for the last three financial years	₹ 9,18,99,667/-
4. Prescribed CSR expenditure (Two Percent of the amount as in item No. 3 above)	₹ 18,38,000/-
5. Details of CSR Spent during the financial year: (a) Total amount spent for the financial year 2019-20 (b) Amount unspent, if any; (c) Manner in which the amount spent during the Financial year is detailed below	 ₹ 16,15,010 /- ₹ 2,22,990 /- Furnished hereunder.
6. In case the Company has failed to spent the two percent of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reason for not spending the amount in its Board report	During the year under report Company is required to spend ₹ 18.38 lakhs towards CSR activities and out of which Company spent ₹ 16.15 lakhs. Therefore there is a shortfall in the amount required to be spent and the amount spent for CSR activities. Some of the projects approved during the financial year 2019-20 is half way and will be completed in the current financial year.

RESPONSIBILITY STATEMENT

The implementation and monitoring of CSR policy is in compliance with CSR objectives and Policy of the Company.

Place : Kochi – 682 040
Date : 21st October 2020

For and on behalf of the Board
Sd/-
Dr Shamsheer Vayalil
Chairman and Managing Director
DIN: 02371712

Annual Return on CSR activities

SL NO:	CSR PROJECT ACTIVITY OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMMES (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMMES WAS UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAMMES WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMMES SUBHEADS: (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAMMES (2) OVER HEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECT OR THROUGH IMPLEMENTING AGENCY	OFFICE & MISCELLANEOUS EXPENSES	NAME OF PROJECT OR REMARKS
1	Promoting Education/ Exploring India – Educational Tour	Schedule VII, Item (ii)	Local area: OTHER District: FOR ENTIRE STATE State: KERALA	₹ 3,84,200/-	₹ 3,84,200/-	₹ 3,84,200/-	DIRECT	NIL	Directorate of Minority Welfare, Thiruvananthapuram (Educational Tour)
2	Eradicating hunger/ malnutrition	Schedule VII, Item (i)	Local area: MARADU MUNCIPALITY District: ERNAKULAM State: KERALA	₹ 50,000/-	₹ 50,000/-	₹ 50,000/-	DIRECT	NIL	Govt LP School, Udayathu mvathukkal Panangad (Provision for food)
3	Promoting education	Schedule VII, Item (ii)	Local area: MARADU MUNICIPALITY District: ERNAKULAM State: KERALA	₹ 2,47,000/-	₹ 2,47,000/-	₹ 2,47,000/-	DIRECT	NIL	SVUP School, Nettoor (Building renovation)
4	Promoting education	Schedule VII, Item (ii)	Local area: MARADU MUNICIPALITY District: ERNAKULAM State: KERALA	₹ 66,250/-/-	₹ 66,250/-/-	₹ 66,250/-	DIRECT	NIL	SDVLP School, Maradu (Furniture)

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Annual Return on CSR activities (Continued)

SL NO:	CSR PROJECT ACTIVITY OR ACTIVITY IDENTIFIED	SECTOR IN WHICH THE PROJECT IS COVERED	PROJECTS OR PROGRAMMES (1) LOCAL AREA OR OTHER (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECTS OR PROGRAMMES WAS UNDERTAKEN	AMOUNT OUTLAY (BUDGET) PROJECT OR PROGRAM-MES WISE	AMOUNT SPENT ON THE PROJECTS OR PROGRAMMES SUBHEADS: (1) DIRECT EXPENDITURE ON PROJECTS OR PROGRAMMES (2) OVER HEADS	CUMULATIVE EXPENDITURE UP TO THE REPORTING PERIOD	AMOUNT SPENT: DIRECT OR THROUGH IMPLE-MENTING AGENCY	OFFICE & MISCELLA-NEOUS EXPENSES	NAME OF PROJECT OR REMARKS
5	Promoting education	Schedule VII, Item (ii)	Local area: MARADU MUNICIPALITY District: ERNAKULAM State: KERALA	₹ 1,20,360/-	₹ 1,20,360/-	₹ 1,20,360/-	DIRECT	NIL	R M M L P School, Nettoor (Furniture)
6	Provision for drinking water	Schedule VII, Item (i)	Local area: MARADU MUNICIPALITY District: ERNAKULAM State: KERALA	₹ 47,200/-	₹ 47,200/-	₹ 47,200/-	DIRECT	NIL	Public Health Centre, Valanthakkad (Water Purifier)
7	Preventive Healthcare	Schedule VII, Item (i)	Local area: KOCHI CORPORATION District: ERNAKULAM State: KERALA	₹ 5,00,000/-	₹ 5,00,000/-	₹ 5,00,000/-	DIRECT	NIL	Cochin Cancer Society, Kochi (Cancer Eradication and Prevention)
8	Campaign against use of alcohol, Drugs etc.	Schedule VII(i)	Local area: ERNAKULAM DIST District: ERNAKULAM State: KERALA	₹ 3,00,000/-	₹ 2,00,000/-	₹ 2,00,000/-	DIRECT	NIL	Police Station, Panangad (Construction of a room for educating people about the use of alcohol, durg abuse etc.)

ANNEXURE III

FORM NO. AOC – 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.)

1. Details of contracts or arrangements or transactions not at arm's length basis : NIL

2. Details of contracts or arrangements or transactions at Arm's length basis:

(I) Agreement with M/s Burjeel Hospital, Oman:

S No.	Particulars	Details
(a)	Name of the related party & nature of relationship	M/s Burjeel Hospital, Oman. Enterprise promoted and controlled by Dr Shamsheer Vayalil, Chairman & Managing Director.
(b)	Nature of contracts/arrangements/ transaction	Agreement entered into for providing medical treatment to the patients in Oman on a revenue sharing basis. Burjeel Hospital provides marketing support to Lakeshore Hospital and Research Centre Limited.
(c)	Duration of the contracts/arrangements/ transactions	For a period of one year from 01.04.2019.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	In the normal course of business. Total revenue earned by the company ₹ 52.83 lakhs. Trade receivable ₹ 24.33 lakhs
(e)	Date of approval by the Board	16th November 2018
(f)	Amount paid as advances, if any.	Nil

(II) Lakeshore Food & Beverages Private Ltd, Kochi:

S No.	Particulars	Details
(a)	Name of the related party & nature of relationship	Lakeshore Food & Beverages Private Ltd, Kochi – Wholly owned subsidiary of the Company.
(b)	Nature of contracts/arrangements/ transaction	Promoted a wholly subsidiary to undertake catering business outside. Provided space for running the business.
(c)	Duration of the contracts/arrangements/ transactions	For a period of three years from 01.11.2019.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	Invested in 5000 Equity shares of ₹ 100/- each amounting to ₹ 5 lakhs. Supply of goods & services amounting to ₹ 29.42 lakhs. Security Deposit received - ₹ 0.30 lakhs. Trade Receivable ₹ 13.48 lakhs
(e)	Date of approval by the Board	14th August 2019.
(f)	Amount paid as advances, if any.	Nil

(III) Lease agreement with VPS Healthcare Private Ltd, Kochi.

S No.	Particulars	Details
(a)	Name of the related party & nature of relationship	M/s. VPS Healthcare Private Ltd, Ernakulam – 682 924 promoted and controlled by Dr Shamsheer Vayalil, Chairman & Managing Director.
(b)	Nature of contracts/arrangements/ transaction	Leasing of the land measuring 13.440 cents and building measuring 12621 Sq.ft on Survey No. 165/1 & 41/A4 at Kasaba Village of Kozhikkode for the purpose of starting a medical centre. The lease rent fixed at ₹ 6,71,000/- per month as per MOU dated 15/05/2019 and the rent is payable from the date on which building is ready for occupancy.
(c)	Duration of the contracts/arrangements/ transactions	5 years from the date of occupancy.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	The building completion and occupancy to be arranged by the Lessor. The company is required to do necessary interior design works, partition & ceiling, air conditioning, generator backup etc.
(e)	Date of approval by the Board	17th February 2019.
(f)	Amount paid as advances, if any.	An interest refundable security deposit of ₹ 40,26,000/- paid by the Company to Lessor. This will be retained by the Lessor during the lease period and will be refunded to the company without interest.

Place : Kochi
Date : 21st October 2020

For and on behalf of the Board of Directors of
Lakeshore Hospital and Research Centre Ltd
Sd/-
Dr Shamsheer Vayalil
Chairman and Managing Director

ANNEXURE V

Form No: MR3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members
Lakeshore Hospital and Research Centre Limited
CIN: U85110KL1996PLC010260.
XVI/612, Maradu, KanayannurTaluk,
Nettoor P O,Ernakulam,
Kerala- 682 040

We, BVR & ASSOCIATES Company Secretaries LLP, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Lakeshore Hospital and Research Centre Limited[CIN:U85110KL1996PLC010260] (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2020 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2020 according to the provisions of:

1 The Companies Act, 2013 and the Rules made there under.

2 Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment

As informed to us the following Laws specifically applicable to the Company as under:

1. Clinical Establishments (Registration & Regulations) Act, 2010.
2. Drugs and Cosmetics Act 1940and Rules 1945.
3. The Drugs (Control) Act, 1950.
4. The Pharmacy Act, 1948.
5. The Atomic Energy Act, 1962 and. Rules thereunder

6. Narcotics and Psychotropic Substances Act,1985.
7. The Transplantation of the Human Organs Act, 1994.
8. The Births, Deaths and Marriages Registration Act, 1886.
9. Ear Drums and Ear Bones (Authority For Use For Therapeutic Purposes) Act, 1982
10. The Epidemic Diseases Act, 1897
11. The Medical Termination of Pregnancy Act,1971 and Rules.
12. The Pre-Conception and Pre-Natal Diagnostic Techniques (Prohibition Of Sex Selection) Act, 1994.
13. Bio-Medical Waste Management Rules, 2016.
14. Consumer Protection Act and Medical Profession.
15. Indian Medical Council (Professional Conduct, Etiquette and Ethics) Regulations, 2002 (Ethics Regulations)
16. Atomic Energy and Protection Rules, 2004.
17. Registration of Births and Deaths Act, 1969.
18. Hazardous and Other Wastes (Management, and Trans boundary Movement) Rules, 2015.

The other laws applicable to the Company are:-

1. The Competition Act, 2002
2. The Kerala Shop and Commercial Establishment Act,1960.
3. The Water (Prevention and Control of Pollution) Act, 1974.
4. Environment Protection Act, 1986.
5. Petroleum Act, 1934.
6. Electricity Act, 2003.
7. Kerala Lifts and Escalators Act, 2013.
8. Kerala Municipality Building Rules, 1999 (Kerala Municipality Act 1994).
9. Sexual Harassment of Women at the work place (Prevention, Prohibition and Redressal) Act, 2013
10. Indian Stamp Act, 1899.
11. The Building And Other Construction Workers (Regulation Of Employment And Conditions Of Service) Act, 1996
12. The Inter-State Migrant Workmen (Regulation Of Employment And Conditions of Service) Act, 1979
13. The Contract Labour (Regulation And Abolition) Act, 1970

We have also examined compliance with the applicable clauses of the following:

1) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable.

2) Corporate Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;

We report that, during the year under review:

1. The status of the Company has been that of an Unlisted Public Company. The Company has not been a holding or subsidiary of another company.

   The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Director and Independent Directors. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through, while the dissenting members' views are captured and recorded as part of the minutes.

3. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel and also with regard to disclosure of interests and concerns in contracts and arrangements, shareholdings/ debenture holdings and directorships in other companies and interests in other entities.

4. The Company has complied with the provisions of Companies (Appointment and Qualification of Directors) Rules, 2014 and necessary returns were filed.

5. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) and non-banking financial companies. The Company has not issued Debentures and collected Public Deposits.

6. The Company has complied with the Rule 25A of Companies (Incorporation) Rules 2014 regarding Active Company Tagging and Verification (ACTIVE).

7. The Company has complied with the Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019 under Sec. 405 of Companies Act 2013 furnishing the details of outstanding payments to Micro or Small Enterprises.

8. The Company has complied Rule 16 and 16A of Companies (Acceptance of Deposit) Rules 2014 regarding the filing of Return on particulars of transactions by the company not considered as deposit as per rule 2 (1) (c) of the Companies (Acceptance of Deposit) Rules, 2014.

9. All registrations under the various state and local laws as applicable to the company are valid as on the date of report.

10. The Company has declared 10% dividend and paid dividends to its shareholders during the period under scrutiny. The Company does not have any unpaid dividend during the financial year due for transfer to Investor Education and Protection Fund.

11. Statement of unclaimed and unpaid amounts for the Financial Year 2018-19 has been intimated to the Registrar of companies within the prescribed time.

12. The Company has paid all its statutory dues and satisfactory arrangements have been made for arrears of any such dues.

13. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. The Committee under Sec 135. (1) of Companies Act, 2013 has met periodically and recorded the minutes as per the provisions of law under review. The CSR spending of the company for the reporting year was as per the provisions of the law and according to the decision of the CSR committee recommendation in accordance with the adopted CSR policy of the Company.

2. the Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India;

3. The Company has complied with the Provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the company is ensuring fair competition in the market among its competitors.

4. On 18.09.2019 the company incorporated a Wholly Owned Subsidiary as defined under Sec. 2(87)(ii) of Companies Act, 2013 with the name Lakeshore Food And Beverages Private Limited (CIN : U55209KL2019PTC059635) having registered at XVI/612, Maradu, Kanayannur Taluk, Nettoor P.O, Kochi, Ernakulam, Kerala – 682040

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For BVR & Associates Company Secretaries LLP
Sd/-
CS Yogindunath S
Designated Partner
FCS No. F7865
C P No. 9137
UDIN :F007865B000662112

Place: Cochin
Date: 04/09/2020

'Annexure A'

To,

The Members,
M/s. Lakeshore Hospital and Research Centre Limited

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.

3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BVR & Associates Company Secretaries LLP

Sd/-
CS Yogindunath S
Designated Partner
FCS No. F7865
C P No. 9137
UDIN :F007865B000662112

Place: Cochin
Date: 04/09/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Lakeshore Hospital and Research Centre Limited

Report on the Audit of the Standalone financial statements

Opinion

We have audited the accompanying standalone financial statements of Lakeshore Hospital And Research Centre Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in equity for the year then ended, and notes to the standalone financial statements, and a summary of significant accounting policies and other explanatory information.

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 accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2020, its profits including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the 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 in the 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.

Responsibility of Management for 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Responsibilities 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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.

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 including the Statement of Other Comprehensive Income, the Cash Flow Statement 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 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report:

g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31 2020 and

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, 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 – Refer Note no 40 and 41 to the standalone Financial Statements;

   II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 47 to the standalone Financial Statements:

   III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

R. Venugopal
Partner
Membership No. 202632
UDIN: 20202632AAAAFF7897

Kochi
21.10.2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

b) We are informed that major items of fixed assets of the Company have been physically verified by the management during the year, which, in our opinion is reasonable having regard to the size of the Company and nature of its assets and that 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 and the confirmation from financial lender in respect of title deeds deposited with them and based on the details of land and building furnished to us by the Company, the title deeds of immovable properties, are held in the name of the Company.

ii) We are informed that physical verification of inventory has been conducted by the management at reasonable intervals having regard to the size of the Company and nature of its business and that no material discrepancies were noticed on such verification.

iii) 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 2013. Accordingly, paragraphs (iii) (a) (b) and (c) of CARO 2016 are not applicable.

iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in respect of making investments. The company has not granted any loans, or given any guarantees or security for which the provisions of section 185 and 186 of the Companies Act 2013 are applicable.

V) According to the information and explanations given to us, the Company has not accepted any deposits from the public during the year as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, and are of the opinion that prima facie, the prescribed accounts and 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 been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Customs Duty, Duty of Excise, Value Added Tax, Cess and other statutory dues, as applicable to the Company with the appropriate authorities during the year. There are no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) The dues outstanding in respect of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax on account of any dispute are as follows:

Nature of Dues	Statute	Amount in Rupees lakhs	Period to which the amount relates	Forum where the dispute is pending
Service Tax	The Finance Act, 2004 and the Service Tax Rules	43.49 (Net of ₹ 2.40 paid)	2009-10 & 2010-11	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
		4.20 (Net of ₹ 0.55 paid)	2011-12	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
		7.99 (Net of ₹ 0.88 paid)	2012-13	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
		3.05 (Net of ₹ 0.40 paid)	2013-14	Customs, Excise and Service Tax Appellate Tribunal, Bangalore
Value Added Tax	The Kerala Value Added tax Act, 2003	126.11	2008-09	High Court
		165.47	2009-10	High Court
		168.45	2010-11	High Court
		192.66	2011-12	High Court
Income Tax	Income Tax Act, 1961	1.18	AY 2007-08	Commissioner of Income Tax (Appeals)
		4.72	AY 2010-11	Commissioner of Income Tax (Appeals)
		3.78	AY 2016-17	Commissioner of Income Tax (Appeals)
		26.41	AY 2011-12	Commissioner of Income Tax (Appeals)
		52.87	AY 2016-17	Commissioner of Income Tax (Appeals)

viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, the company has not defaulted in repayment of loans and borrowings to the Bank. The company has not taken any loans or borrowings from financial institution and Government or raised any money by way of issue of debenture.

ix) According to the information and explanations given to us, we report that the term loan availed by the Company, have been applied for the purpose for which they were obtained. The Company has not raised any moneys by way of initial public offer and further public offer (including debt instruments).

x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and representations made by the management, no material fraud by the Company or on the Company by its officers or employees, has been noticed or reported during the year, nor have we been informed of any such case by the management.

xi) According to the information and explanations give to us and the records of the Company examined by us, the Company has not paid/provided managerial remuneration during the year, and accordingly, paragraph 3(xi) of the CARO 2016 Order is not applicable to the Company and hence not commented upon.

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 CARO 2016 Order is not applicable to the Company and hence not commented upon.

xiii) According to the information and explanations give to us and the records of the Company examined by us, all 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 give 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 under review and hence reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

xv) According to the information and explanations give to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Accordingly, the reporting requirement under clause (xv) of paragraph 3 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. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

R. Venugopal
Partner
Membership No. 202632
UDIN: 20202632AAAAFF7897

Kochi
21.10.2020

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Independent Auditor's Report on the Internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Lakeshore Hospital and Research Centre Limited ("the Company") as of 31 March, 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 Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 judgment, 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 with reference to standalone financial statements.

Meaning of Internal financial controls with reference to standalone financial statements

A company's internal financial controls with reference to standalone financial statements 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 controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

R. Venugopal
Partner
Membership No. 202632
UDIN: 20202632AAAAFF7897

Kochi
21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Balance Sheet as at March 31, 2020

₹ in Lakhs

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
Assets:			
Non-current assets			
(a) Property, Plant and Equipment	4	33,319.38	32,909.99
(b) Capital work-in-progress	5	1,360.22	2,236.19
(c) Intangible assets	6	35.39	21.73
(d) Right-of-use assets	7	364.48	-
(e) Financial Assets			
(i) Investments	8	5.00	-
(ii) Other Financial assets	9	238.11	351.58
(f) Income tax assets (Net)	10	669.86	648.49
(g) Other non-current assets	11	292.92	364.00
		36,285.36	**36,531.98**
Current assets			
(a) Inventories	12	862.01	706.94
(b) Financial Assets			
(i) Trade receivables	13	1,883.20	1,531.27
(ii) Cash and cash equivalents	14	814.82	146.62
(iii) Bank balances other than (ii) above	15	712.99	672.70
(iv) Loans	16	8.17	20.18
(v) Other Financial assets	17	331.25	477.12
(c) Other current assets	18	82.00	36.66
		4,694.44	3,591.49
Total Assets		**40,979.80**	**40,123.47**

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₹ in Lakhs

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
EQUITY AND LIABILITIES			
Equity :			
(a) Equity Share capital	19	10,000.00	10,000.00
(b) Other Equity	20	18,671.07	18,186.92
		28,671.07	28,186.92
Liabilities :			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	3,715.66	3,507.84
(ii) Lease liabilities	22	264.69	-
(iii) Other financial liabilities	23	-	4.59
(b) Provisions	24	888.77	827.06
(c) Deferred tax liabilities (Net)	25	754.09	473.78
		5,623.21	**4,813.27**
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	-	717.72
(ii) Lease liabilities	22	32.78	-
(iii) Trade payables	27		
- Total outstanding dues of micro enterprises and small enterprises		78.88	45.69
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,088.68	2,650.64
(iv) Other financial liabilities	28	3,162.13	3,183.07
(b) Other current liabilities	29	207.51	401.05
(c) Provisions	30	115.54	125.11
		6,685.52	**7,123.28**
Total Equity and Liabilities		**40,979.80**	**40,123.47**

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

Sd/- Shamsheer Vayalil Parambath Chairman & Managing Director DIN: 02371712	Sd/- A.J. Pai Director DIN:00115688	Sd/- S.K. Abdulla Chief Executive Officer
Sd/- R. Narayanan Chief Financial Officer	Sd/- R. Muraleedharan Company Secretary	

Place : Kochi

Date : 21.10.2020

As per our report attached

For M/s Krishnamoorthy & Krishnamoorthy,

Chartered Accountants

(Firm Registration No.001488S)

Sd/-

R. Venugopal

Partner

Membership No: 202632

Date : 21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Statement of Profit and loss for the year ended March 31, 2020

₹ in Lakhs

	Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
I	**Income**			
	Revenue from operations	31	30,439.47	28,201.31
	Other income	32	194.99	184.35
	Total Income		**30,634.46**	**28,385.66**
II	**Expenses:**			
	Purchase of Medicines & Consumables	33	8,485.61	8,051.29
	Changes in inventories of Medicines & Consumables	34	-156.75	-26.66
	Employee benefits expense	35	7,362.59	7,015.68
	Finance costs	36	375.44	347.67
	Depreciation and amortisation expense	37	1,992.52	1,819.48
	Other expenses	38	10,124.99	9,570.94
	Total expenses		**28,184.40**	**26,778.40**
III	**Profit before tax**		**2,450.06**	**1,607.26**
IV	Tax expense:			
	(1) Current tax	10	532.91	432.33
	(2) Deferred tax	25	272.87	-63.39
			805.78	368.94
V	**Profit for the year**		**1,644.28**	**1,238.32**
VI	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss			
	i) Remeasurements of post employment benefit obligations		64.26	44.27
	ii) Income tax relating to items that will not be reclassified to profit or loss		-18.71	-12.89

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₹ in Lakhs

	Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
	Other comprehensive income for the year		**45.55**	**31.38**
VII	**Total Comprehensive Income for the year**		**1,689.83**	**1,269.70**
VIII	**Earnings per equity share of Rs 10 each:**	**39**		
	(1) Basic (Rs)		**1.64**	**1.24**
	(2) Diluted (Rs)		**1.64**	**1.24**

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Recent accounting pronouncements - Standards issued but not yet effective	3
Notes to the Financial Statements	4-48

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants
(Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Statement of Cash Flows for the year ended March 31, 2020

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
A. Cash flow from operating activites		
Profit before tax	**2,514.32**	**1,651.53**
Adjustments for :		
Depreciation and amortisation	1,992.52	1,819.48
Interest expense	375.44	347.67
Interest income	-66.60	-99.45
Net (Profit)/ Loss on sale/write off of Property Plant and Equipment	-0.14	-1.40
Bad debts and advances written off	-	1.86
Provision for doubtful debts	600	399.03
Net (gain) /loss on foreign currency transactions	-	167.79
Operating cash flow before working capital changes	5,415.54	4,286.51
Movements in working capital :		
(Increase) / decrease in inventories	-155.07	-33.17
(Increase) / decrease in trade and other receivables	-867.34	-1,303.55
Increase / (decrease) in trade and other payables	402.35	935.70
	4,795.48	3,885.49
Direct taxes paid net of refunds	-565.50	-516.85
Net cash flows from operating activities (A)	**4,229.98**	**3,368.64**
B. Cashflow from investing activities		
Additions to Property, Plant & Equipment (including capital work in progress)	-1,619.35	-2,272.41
Investment in subsidiaries	-5.00	
Sale or withdrawal of property, plant and equipment	14.14	6.56
Interest received	65.84	109.98
Net cash flows from investing activites (B)	**-1,544.37**	**-2,155.87**
C. Cashflow from financing activities		
Proceeds/(Repayment) of Buyers credit/ Term Loan	-447.40	-543.73
Movement in Short term borrowings (Net)	-	717.72
Dividend paid	-1,000.91	-799.72

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Dividend distribution tax paid	-205.59	-164.44
Interest paid	-363.51	-401.76
Net cash flows from financing activities (C)	**-2,017.41**	**-1,191.93**
D. Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	**668.20**	**-146.95**
Cash and cash equivalent at the beginning of the Year	**146.62**	**293.57**
Cash and cash equivalent at the end of the Year		
Cash on hand	12.01	40.92
Balance with Banks in current account and deposit account	802.81	105.70
Cash and cash equivalents	**814.82**	**146.62**
Net increase/(decrease) in Cash and Cash equivalents	**668.20**	**-146.95**

Corporate overview and Significant Accounting Policies	1-2
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Notes to the Financial Statements	4-48

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants (Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Standalone Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

₹ in Lakhs

As at 01.04.2019	Changes in equity share capital during the year	As at 31.03.2020
10000.00	-	10000.00
As at 01.04.2018	**Changes in equity share capital during the year**	**As at 31.03.2019**
10000.00	-	10000.00

B. Other Equity

₹ in Lakhs

	Securities Premium	Retained Earnings	Capital Redemption reserve	Total
Balance as at April 1, 2019	14,000.00	3,686.92	500.00	18,186.92
Less Adjustment on adoption of Ind AS 116		0.09		0.09
Add Profit for the year		1,644.28		1,644.28
Add Other comprehensive income for the year		45.55		45.55
Total comprehensive income for the year		1,689.83		1,689.83
Less Dividends (including taxes)		1,205.59		1,205.59
Balance as at March 31, 2020	**14,000.00**	**4,171.07**	**500.00**	**18,671.07**
	Securities Premium	Retained Earnings	Capital Redemption reserve	Total
Balance as at April 1, 2018	14,000.00	3,381.66	500.00	17,881.66
Profit for the year		1,238.32		1,238.32
Add Other comprehensive income for the year		31.38		31.38
Total comprehensive income for the year		1,269.70		1,269.70
Less Dividends (including taxes)		964.44		964.44
Balance as at March 31, 2019	**14,000.00**	**3,686.92**	**500.00**	**18,186.92**

For and on behalf of Board of Directors

Sd/-	Sd/-	Sd/-
Shamsheer Vayalil Parambath	A.J. Pai	S.K. Abdulla
Chairman & Managing Director	Director	Chief Executive Officer
DIN: 02371712	DIN:00115688	

Sd/-	Sd/-
R. Narayanan	R. Muraleedharan
Chief Financial Officer	Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants (Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

1. CORPORATE OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

1.1. Corporate information

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED was incorporated on April 4, 1996 as a Public Limited Company. The Company is domiciled in India and having registered office at Nettoor, Kerala. The Company is engaged in providing healthcare services and has a super speciality hospital at Kochi. The Ind AS standalone financial statement for the year ended as on March 31st, 2020 were approved by the board of directors on October 21, 2020.

2. Significant Accounting Policies

2.1 Statement of compliance

Standalone Financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules issued thereafter.

2.2 Basis of preparation of Financial Statements

The standalone financial statements of the Company have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Application of New Accounting Pronouncements

The company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, . The effect is described below:

a. Ind AS 116 – Leases

The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. This has resulted in recognising a right-of-use asset of ₹ 94.58 lakhs and a corresponding lease liability of ₹ 7.15 lakhs. The difference of ₹ 0.09 lakhs (net of deferred tax asset created of ₹ 0.04 lakhs) has been adjusted to retained earnings as at 1st April 2019. Prepaid rent which were earlier classified under "Other Assets" have been reclassified to right-of-use assets by ₹ 87.56 lakhs.

In the standalone statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of

8.5% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. The Company does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

During the year ended March 31, 2020, the Company recognized in the standalone statement of profit and loss

i. Depreciation expense from right-of-use assets of ₹ 25.59 lakhs (Refer to Note 7)

ii. Interest expenses on lease liabilities of ₹ 10.65 lakhs

iii. Rent expense amounting to ₹ 65.47 lakhs pertaining to leases of low-value assets and leases with less than twelve months of lease term has been included under other expenses.

b. Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

c. Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the standalone financial statements of the Company.

d. Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the standalone financial statements of the Company.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

2.5 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the standalone financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Uncertainty relating to the global health pandemic on COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and suggested guidelines for containment and mitigation worldwide. As the operations of the company have been affected in the short term, the Management expects some slide in revenue due to reduction in patient inflow. As at March 31, 2020, the Management has used internal and external sources of information upto the date of approval of these standalone financial statements in determining the impact of the COVID-19 pandemic on various elements of the standalone financial statements. The Management has used the principles of prudence in developing estimates, assumptions, exercising judgements and performing sensitivity analysis. Based on the current estimates, the company expects to fully recover the carrying amount of its assets as at March 31, 2020. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

2.6 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the standalone financial statements have been disclosed below:

Useful lives of property, plant and equipment

The Company reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

Recognition of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Impairment of unquoted investments

The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the standalone financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

Provision for doubtful debts

The Company makes provisions for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy.

2.7 Property , Plant and Equipment (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property , plant and equipment as recognised in the standalone financial statements as at the date of transition to Ind AS measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First time adoption of Indian Accounting Standards'.

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The cost of Assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress. Impairment loss is charged to the standalone Statement of Profit and Loss of the period in which the asset is identified as impaired, when the carrying amount of an asset exceeds its recoverable value. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the standalone statement of profit and loss.

2.8 Intangible Assets

Hospital Management System Software of the company is treated as an intangible asset in accordance with the Accounting Standard 26- "Intangible Assets".

2.9 Depreciation / Amortisation

Depreciation is provided on Straight Line Method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Block of Assets	Useful life
Building (RCC)	60 years
Building (Non RCC)	30 years
Medical equipment	13 years
Other equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Electrical installation	10 years
Computers	3 years

Cost of software treated as intangible assets is amortised under straight line method over a period of 5 years.

2.10 Impairment of non financial assets

The Company assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

2.11 Inventories

Inventories of medicines, consumables and other items of inventory are valued at lower of cost or net realizable value, on First In First Out basis. The net realizable value of bought out inventories is taken at their current replacement value.

Crockery and Cutlery are valued at cost and are subject to 1/3 rd write off wherever applicable applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

2.12 Equity instruments & Financial instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at amortized cost, except investments which are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Trade Receivables

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance. The Company recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the company uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Off setting of financial instruments

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

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

2.13 Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.14 Foreign Currency Transactions

The standalone financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Foreign Currency Transactions:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the standalone statement of Profit and Loss.

Effective from April 1, 2018, the Company has adopted Appendix B of Ind AS 21, Foreign currency transaction and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expense or income, when an entity has received or paid advance consideration in a foreign currency. The effect on the adoption of Ind AS 21 was insignificant.

2.15 Provision, Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Contingent liability is disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

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

2.16 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Operating income

With effect from April 1, 2018 the Company has adopted IND AS 115 - Revenue from contracts with customers, using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of IND AS 115 is insignificant.

Operating income is recognised as and when the services are rendered / pharmacy items are sold. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

The Company recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the Company transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the Company expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

(ii) Income from academic services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

(iii) Export benefits

Income from 'Served from India Scheme/Service Exports from India Scheme' is recognized as and when the claims are admitted.

(iv) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the Standalone Statement of Profit and Loss.

v) Research Projects

In respect of grants received for research projects/programmes from sponsor institutions for payment to investigators who are consultant doctors of the company, for carrying out research activities/ specified clinical studies in terms of tripartite agreement entered into between the company, sponsor institution and the investigator, the grant received/expenses incurred there against to the extent utilized, are accounted as income/expenditure of the year and the unspent amounts are carried forward to subsequent years to be accounted on actual utilisation thereof.

2.17 Employee benefits

i) Employees Benefits

(i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

(ii) Defined Contribution Plans

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

(iii) Defined Benefit Plans - Gratuity

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Standalone Statement of Profit and Loss for the period in which they occur.

(iv) Long Term Employee Benefits

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the Standalone Statement of Profit and Loss for the period in which they occur.

ii) Expense on issue of Sweat Equity Shares

In respect of shares issued as sweat equity shares, the accounting value of the fair price of the shares as determined shall be treated as part of managerial remuneration and disclosed as compensation to the employee or director under Employee Benefits Expense in the Standalone Statement of Profit and Loss during the relevant accounting period in accordance with the provisions of the Companies Act, 2013.

2.18 Borrowing cost

General and specific borrowing costs directly attributable to acquisition/ construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.19 Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.
As a lessee:

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:
(i) the contract involves the use of an identified asset
(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (shortterm leases) and leases of low value assets. For these shortterm and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease. The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor:

Leases under which the Company is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.20 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.21 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.22 Earnings Per Share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.23 Segment Reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly the company has only one reportable segment i.e. "Hospital Activities".

2.24 Cash flow statement

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

For the purpose of cash flow statement, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts are disclosed within borrowings in current liabilities in the Balance Sheet.

2.25 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

2.26 Investment in Subsidiaries

A subsidiary is an entity that is controlled by the company.

The company accounts for the investments in equity shares of subsidiaries at cost in accordance with Ind AS 27 - Separate Financial Statements.

3. Recent accounting pronouncements - Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 4 : Property, Plant and Equipment

₹ in Lakhs

Particulars	Gross carrying amount				Depreciation				Net Carrying amount	
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Adjustment/ (withdrawal)	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
(A) Land	3,322.73	-	-	3,322.73	-	-	-	-	3,322.73	3,322.73
(B) Buildings	14,683.36	1,082.49	-	15,765.85	562.72	285.45	-	848.17	14,917.68	14,120.64
(C) Plant And Equipment										
(I) Medical Equipments	10,798.18	1,008.07	63.71	11,742.54	2,073.04	928.81	4.51	2,997.34	8,745.20	8,725.14
(Ii) Other Equipments	3,421.29	92.62	2.91	3,511.00	498.34	242.86	0.50	740.70	2,770.30	2,922.95
(D) Furniture And Fixtures	1,172.22	24.13	2.84	1,193.51	189.65	118.36	0.53	307.48	886.03	982.57
(E) Vehicles	104.63	22.88	-	127.51	41.39	15.72	-	57.11	70.40	63.24
(F) Office Equipment	26.20	-	-	26.20	19.04	3.39	-	22.43	3.77	7.16
(G) Electrical Installations	3,095.22	163.93	-	3,259.15	415.81	312.69	-	728.50	2,530.65	2,679.41
(H) Computers	196.90	36.75	-	233.65	110.75	50.28	-	161.03	72.62	86.15
Total	**36,820.73**	**2,430.87**	**69.46**	**39,182.14**	**3,910.74**	**1,957.56**	**5.54**	**5,862.76**	**33,319.38**	**32,909.99**

Particulars	Gross carrying amount				Depreciation				Net Carrying amount	
	Deemed cost as at 1st April 2018	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2019	As at 1st April 2018	For the year	Adjustment/ (withdrawal)	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
(a) Land	3,072.72	250.01	-	3,322.73	-	-	-	-	3,322.73	3,072.72
(b) Buildings	10,817.19	3,866.17	-	14,683.36	295.44	267.28	-	562.72	14,120.64	10,521.75
(c) Plant and Equipment										
(i) Medical Equipments	9,922.61	876.84	1.27	10,798.18	1,216.08	857.43	0.47	2,073.04	8,725.14	8,706.53
(ii) Other Equipments	3,056.92	430.69	66.31	3,421.29	333.06	228.30	63.02	498.34	2,922.95	2,723.86
(d) Furniture and Fixtures	1,084.27	89.02	1.07	1,172.22	80.54	110.15	1.04	189.65	982.57	1,003.73
(e) Vehicles	75.99	28.64	-	104.63	29.67	11.72	-	41.39	63.24	46.32
(f) Office equipment	26.21	-	0.01	26.20	12.15	6.90	0.01	19.04	7.16	14.06
(g) Electrical Installations	2,326.98	768.25	0.01	3,095.22	127.89	287.93	0.01	415.81	2,679.41	2,199.09
(h) Computers	153.89	43.01	-	196.90	65.58	45.17	-	110.75	86.15	88.31
Total	**30,536.77**	**6,352.63**	**68.67**	**36,820.73**	**2,160.41**	**1,814.88**	**64.55**	**3,910.74**	**32,909.99**	**28,376.36**

Note 5 : Capital work -in -progress

₹ *in Lakhs*

Particulars	As at 31.03.2019	As at 31.03.2018
Building under Construction		
(a) Existing block	-	0.41
(b) Expansion project	1,339.81	2,139.27
(c) Equipment under installation	6.25	6.25
	1,346.06	2,145.93
Others	14.16	90.26
Total	**1,360.22**	**2,236.19**

Note 6 : Other Intangible assets

₹ *in Lakhs*

	Gross carrying amount				Amortisation				Net Carrying amount	
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Adjustment/ (withdrawal)	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Software	30.26	23.03	-	53.29	8.53	9.37	-	17.90	35.39	21.73
	30.26	23.03	-	53.29	8.53	9.37	-	17.90	35.39	21.73

₹ *in Lakhs*

	Gross carrying amount				Amortisation				Net Carrying amount	
	Deemed cost as at 1st April 2018	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2019	As at 1st April 2018	For the year	Adjustment/ (withdrawal)	As at 31st March 2019	As at 31st March 2019	As at 31st March 2018
Software	20.44	9.82	-	30.26	3.92	4.61	-	8.53	21.73	16.52
	20.44	9.82	-	30.26	3.92	4.61	-	8.53	21.73	16.52

Note 7 : Right-of-use assets

₹ *in Lakhs*

	Gross carrying amount				Depreciation				Net Carrying amount
Particulars	As at 1st April 2019	Additions	Disposal	As at 31st March 2020	As at 1st April 2019	For the year	Disposal	As at 31st March 2020	As at 31st March 2020
(a) Land	95.55	-	-	**95.55**	0.97	0.97	-	**1.94**	**93.61**
(b) Land & Building	-	295.49	-	**295.49**	-	24.62		24.62	270.87
Total	**95.55**	**295.49**	**-**	**391.04**	**0.97**	**25.59**	**-**	**26.56**	**364.48**

Note 8 : Investments

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Investment carried at cost - Unquoted equity shares		
Investment in Subsidiary Company	5.00	-
Lakeshore Food and Beverages Private Limited		
5,000 equity shares (March 31, 2019: Nil) of ₹ 100 each, fully paid up.		
Total	**5.00**	**-**

Note 9 : Other Financial Assets - Non Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Deposits	178.39	236.01
Bank deposits with maturity period more than 12 months	59.72	115.57
Total	**238.11**	**351.58**

Note 10 : Non Current/ Current tax assets / liability (Net)

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Non current tax assets		
Advance income tax net of provisions	1,213.99	1,090.36
Current tax assets		
Advance income tax net of provisions	-	-
Current tax liability		
Provision for current tax	544.13	441.87
Total	**669.86**	**648.49**

Income tax recognised in profit & loss

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Current tax:		
Current income tax charge in Profit & Loss	532.91	432.33
Current income tax charge in Other Comprehensive Income	11.23	9.54
Adjustment in respet of prior years	-	-
Total (A)	**544.14**	**441.87**
Deferred tax:		
In respect of current year (Profit & Loss)	261.64	(72.93)
In respect of current year (Other Comprehensive Income)	18.71	12.89
Total (B)	**280.35**	**(60.04)**
Income tax expense recognised in the Statement of Profit and Loss (A+B)	824.49	381.83

The income tax expense for the year can be reconciled to the accounting profit as follows:- ₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Profit before tax	2,450.06	1,607.26
Income tax expense calculated @ 29.12% (29.12%)	713.46	468.03
Effect/ adjustment for MAT (lower tax rate)	464.52	432.33
Effect of expenses/income that are not deductible in determining taxable profit	(0.08)	0.04
Effect of expenses that are allowable in determining taxable profit	-	-
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	4.70	-
Effect of change in tax rate (subsequently enaacted rate taken for Deferred tax)	-	-
Others:		
MAT Credit availed during AY 2020-21	(464.52)	-585.06
Adjustments recognised in the current year in relation to the current/ deferred tax of prior years	-	-
Other adjustments	87.70	53.61
Adjustments for changes in estimates of deferred tax assets	-	-
Income tax expense recognised in the Statement of Profit and Loss	805.78	368.95

Under the Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax (MAT). MAT paid can be carried forward for a certain period and can be set off against the future tax liabilities. MAT is recognised as deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefits associated with the asset will be realised.

The Company has evaluated the impact of the newly introduced Section 115BAA of the Taxation Laws (Amendment) Ordinance, 2019 and has decided not to opt for the same in view of the carry forward losses and MAT Credit carried by the Company in the tax books.

Deferred tax assets/(liabilities) in relation to 2019-20 ₹ *in Lakhs*

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Closing Balance
Provisions	652.12	161.62	813.74
Property, plant and equipment	(2,250.42)	(332.74)	(2,583.16)
MAT Credit availed	585.06	388.09	973.15
Others*	539.50	(497.32)	42.18
Total	**(473.74)**	**(280.35)**	**(754.09)**

*Opening balance of deferred tax on lease liabilities has been restated by ₹ 0.04 lakhs to give impact of transition to Ind AS 116

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Deferred tax assets/(liabilities) in relation to 2018-19

₹ *in Lakhs*

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Closing Balance
Provisions	467.19	184.93	652.12
Property, plant and equipment	(1,762.22)	(488.20)	(2,250.42)
MAT Credit availed		585.06	585.06
Others	761.21	(221.75)	539.46
Total	**(533.82)**	**60.04**	**(473.78)**

Note 11: Other non-current assets

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured, considered good		
Deposits with statutory authorities	68.95	70.45
Capital advances	223.97	293.55
Total	**292.92**	**364.00**

11.1 Deposits include ₹ 64.72 lakhs (₹ 64.72 lakhs) made against disputed provident fund demands (See Note 40)

Note 12: Inventories

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Inventories are valued at lower of cost or net realisable value		
(a) Medicines	296.31	306.98
(b) Medicines-in-transit	9.60	14.92
(c) Medical Consumables	493.21	278.07
(d) Consumables-in-transit	23.81	66.20
(e) Other Consumables	39.08	40.77
Total	**862.01**	**706.94**

Note 13: Trade Receivables-Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured		
Considered good	1,845.38	1,531.27
Receivable from related parties (refer note 42)	37.82	-
Credit impaired	1,011.31	411.31
Significant increase in credit risk	-	-
Less: Allowance for doubtful debts (Expected credit loss allowace) against credit impaired trade receivables	1,011.31	411.31
Total	**1,883.20**	**1,531.27**

13.1 Trade receivables are non-interest bearing and receivable in normal operating cycle.

13.2 The Company has sent balance confirmation letters to the Insurance & Corporate Debtors and started the reconciliation process. The Company is not expecting any material impact while reconciling the same.

Movement in the expected credit loss allowance

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Opening balance	411.31	12.28
Add: Loss allowance based on Expected Credit Loss	385.00	199.03
Add: Additional provision	215.00	200.00
Less: Write off of provisions	-	-
Total	**1,011.31**	**411.31**

Note 14: Cash and Cash equivalents

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Balance with Banks		
In current account	517.58	103.56
Term deposits with original maturity of less than three months	285.23	2.14
Cash on hand	12.01	40.92
Total	**814.82**	**146.62**

14.1 Balances with banks in current accounts include earmarked balances for unpaid dividend ₹1.40 lakhs (₹ 2.31 lakhs) and debit balances in overdraft account amounting to ₹392.37 lakhs (₹Nil).

Note 15: Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Term Deposits with banks with original maturity more than 3 months and less than 12 months	712.99	672.70
Total	**712.99**	**672.70**

15.1 Term Deposits with banks includes deposit of ₹ 708.60 lakhs (₹603.32 lakhs) held as security against bank guarantees issued towards EPCG scheme and ₹4.39 lakhs (₹ 0.78 lakhs) held as security against other bank guarantees, not expected to be withdrawn in the next 12 months.

Note 16: Loans - Current

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured, considered good		
Employee advances	8.17	20.18
Total	**8.17**	**20.18**

Note 17: Other Financial Assets - Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Interest accrued on bank deposits	2.71	1.96
Unbilled revenue	318.04	464.54
Deposits	10.50	10.62
Total	**331.25**	**477.12**

Note 18: Other Current Assets

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured, considered good		
Advances other than capital advances	82.00	36.66
Total	**82.00**	**36.66**

Note 19: Equity Share Capital

₹ *in Lakhs*

Particulars	As at 31.03.2020		As at 31.03.2020	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity shares of Rs 10/- each	100,000,000	10,000.00	100,000,000	10,000.00
Issued, Subscribed and Fully paid up				
Equity shares of Rs 10 each fully paid up	100,000,000	10,000.00	100,000,000	10,000.00
Total	**100,000,000**	**10,000.00**	**100,000,000**	**10,000.00**

19.1 Reconciliation of number of shares and amounts outstanding

₹ *in Lakhs*

Particulars	As at 31.03.2020		As at 31.03.2020	
	Number	₹ in lakhs	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	100,000,000	10,000.00	100,000,000	10,000.00
Add : shares issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	100,000,000	10,000.00	100,000,000	10,000.00

19.2 Details of shareholders holding more than 5% shares in the company

₹ *in Lakhs*

Particulars	As at 31.03.2020		As at 31.03.2020	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Mr. Shamsheer Vayalil Parambath	42,622,423	42.62%	42,622,423	42.62%
Mr. Yusuff Ali M A	18,800,668	18.80%	18,800,668	18.80%

19.3 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

19.4 Details of shares issued for consideration other than cash

10,00,000 sweat equity shares of Rs 10 each at a premium of Rs 20 per share was allotted during the financial year ended 31.03.2016 to Dr. Philip Augustine as fully paid-up without payment being received in cash.

Note 20: Other Equity

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Capital Redemption Reserve		
Balance as at the beginning and end of the year	**500.00**	**500.00**
Securities Premium		
Balance as at the beginning of the year	14,000.00	14,000.00
Less: Amortisation of premium		
Balance as at the end of the year	**14,000.00**	**14,000.00**
Other Reserves		
Retained Earnings		
Balance as at the beginning of the year	3,686.92	3,381.66
Less Adjustment on adoption of Ind AS 116	0.09	-
Add: Profit for the period	1,644.28	1,238.32
Add: Other Comprehensive income	45.55	31.38
Total comprehensive income for the current year	5,376.66	4,651.36
Less :		
Dividend on equity shares	1,000.00	800.00
Tax on dividend	205.59	164.44
Balance as at the end of the year	**4,171.07**	**3,686.92**
Total:	**18,671.07**	**18,186.92**

20.1 Capital Redemption Reseerve : Capital redemption reserve is a statutory non-distributable reserve into which the amounts are transferred following the redemption of Company's own preference shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

20.2 Securities Premium : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

20.3: Distribution of dividend paid and proposed

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Dividends on equity shares declared and paid	1,000.00	800.00
(for the year ended 31 March 2019 Re. 1 (₹ 0.80) per equity share)		
Proposed cash dividend for the year (₹ - (₹ 1) per equity share)	-	1,000.00

Note 21: Borrowings

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
From Banks (Secured)		
Term Loan (See Notes 21.1)	3,715.66	3,507.84
Total	**3,715.66**	**3,507.84**

21.1 Term loan is sanctioned by HDFC Bank Ltd, as re-imbursement of capex done during financial year 2017, 2018 & 2019, which is repayable in 7 years including 1 year moratorium, in equal quarterly repayment after the moratorium period with interest at the rate of one year MCLR + 30bps.

Nature of security:

21.2 Term loan from HDFC bank Ltd are secured by way of EM of 205.900 cents of land alongwith 10 floored building with 221700 sq.ft, EM of 54.54 cents of land, EM of the 11 floored building with 260000 sq.ft being constructed on the project land admeasuring 54.54 cents and hypothecation of medical equipment of the Company not specifically charged to other banks/ financial institutions.

Note 22: Lease liability

The Company has lease contracts for land and building. Lease for land has lease term of 99 years, while lease for building has lease term of 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases with lease terms of 12 months or less and leases of low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the period are given in Note 7.

Carrying amounts of lease liabilities and the movements during the year: ₹ *in Lakhs*

Particulars	Amount
As at 1 April 2019	7.15
Additions during the year	279.67
Finance charge	10.65
Repayment	-
As at 31 March 2020	297.47
Current	32.78
Non current	264.69

The following are the amounts recognised in profit or loss: ₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Depreciation expense of right-of-use assets	25.59	-
Interest expense on lease liabilities	10.65	-
Expense relating to short-term leases (included in other expenses)	50.63	35.77
Expense relating to leases of low-value assets (included in other expenses)	14.84	21.18
Total	**101.71**	**56.95**

The effective interest rate for lease liabilities is 8.5%

The maturity analysis of lease liabilities are disclosed in Note 43.

Note 23: Other Financial liabilities - Non Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Retention money deposits	-	4.59
Total	**-**	**4.59**

Note 24: Provisions - Non Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Provision for employee benefits		
(i) Provision for compensated absences	206.18	167.31
(ii) Provision for gratuity	682.59	659.75
Total	**888.77**	**827.06**

Note 25: Deferred Tax Liabilities (Net)

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Deferred tax liabilities	2,583.16	2,250.42
Deferred tax assets	1,829.07	1,776.64
Total	**754.09**	**473.78**

Note 26: Borrowings current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Secured loans repayable on demand from banks		
Cash Credit facility taken from bank	-	717.72
Total	**-**	**717.72**

26.1 Borrowings current represents Cash credit facility taken from HDFC Bank Ltd.

Security : All securities as per the Term Loan facility (Refer Note : 21.1) and exclusive first charge on stock and book debts of the Company.

Note 27: Trade Payables

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
Trade payables (Unsecured)		
Outstanding dues of Micro enterprises and Small enterprises	78.88	45.69
Outstanding dues of creditors other than Micro enterprises and Small enterprises	3,088.68	2,650.64
Total	**3,167.56**	**2,696.33**

There are no material dues owed by the Company to Micro and Small Enterprises which are outstanding for more than 45 days during the year and as at March 31, 2020. This information as required under Micro and Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the Auditors,.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management during 2019-20 is as follows:

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year		
Principal	78.88	45.69
Interest on above Principal	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note 28: Other Financial Liabilities - Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Current maturities of long-term debt (See Note 21)	662.18	599.68
(b) Employee related liabilities	1,698.80	1,384.98
(c) Interest accrued but not due on borrowings	32.39	31.13
(d) Unpaid dividends	1.40	2.31
(e) Other payables:		
(i) Creditors for Capital goods	31.41	142.41
(ii) Advance received towards Research activities (See Note 2.16 (v) of Significant Accounting Policies)	108.11	92.26
(iii) Retention money deposits	43.65	257.19
(iv) Others	584.19	673.11
Total	**3,162.13**	**3,183.07**

Note 29: Other Current Liabilities

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Statutory dues	207.51	401.05
Total	**207.51**	**401.05**

Note 30 : Provisions - Current

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Provision for employee benefits		
(i) Provision for compensated absences	10.85	8.81
(ii) Provision for gratuity	104.69	116.30
Total	**115.54**	**125.11**

Note 31: Revenue from operations

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Sale of Products	10,999.09	9,630.67
Sale of Services	18,032.90	17,194.38
Other operating revenue	1,407.48	1,376.26
Total	**30,439.47**	**28,201.31**

Disaggregated revenue information

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Sale of Products		
(a) Pharmacy Sales	10,999.09	9,630.67
Sale of Services		
(a) Laboratory & Diagnostic services	5,528.07	5,654.50
(b) Other Healthcare services	12,504.83	11,539.88
Other Operating Revenue:		
(a) Income from Research Activities - (See Note 2.16(v) of Significant Accounting Policies) (Net of expense)	8.11	0.48
(b) Course fees	30.62	27.35
(c) Income from Restaurant	1,368.75	1,348.43
Total	**30,439.47**	**28,201.31**

Reconciliation of Gross revenue with the revenue from contracts with customers

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Gross revenue	30,694.63	28,544.06
Less : Discount	-255.16	-342.75
Total	**30,439.47**	**28,201.31**

Contract balances

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
Trade receivables	1,845.38	1,531.27
Unbilled revenue	318.04	464.54
Total	**2,163.42**	**1,995.81**

Note 32: Other Income

₹ *in Lakhs*

Particulars	As at 31.03.2020	As at 31.03.2019
(a) Interest income		
On Fixed deposits	54.90	90.89
Other interest	11.70	8.56
(b) Other Non- Operating income	128.39	84.90
Total	**194.99**	**184.35**

Note 33: PURCHASE OF MEDICINES & CONSUMABLES

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Medicines	4,568.53	4,253.12
(b) Consumables	3,917.08	3,798.17
Total	**8,485.61**	**8,051.29**

Note 34: CHANGES IN INVENTORIES OF MEDICINES & CONSUMABLES

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Inventories at the end of the year :		
(a) Medicines	305.91	321.90
(b) Consumables	517.01	344.27
	822.92	666.17
Inventories at the beginning of the year :		
(a) Medicines	321.90	311.99
(b) Consumables	344.27	327.52
	666.17	639.51
Net (increase) / decrease	**-156.75**	**-26.66**

Note 35: Employee Benefits Expense

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries & wages	6,853.09	6,532.74
Contribution to Provident Fund and other funds	412.43	431.56
Staff welfare expenses	97.07	51.38
Total	**7,362.59**	**7,015.68**

Other Benefit Plan - Leave Plan

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	As at 31.03.2020	As at 31.03.2019
Discount Rate (p.a)	7.50%	7.50%
Rate of increase in compensation levels	5.00%	5.00%

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Amount recognised in the Standalone Statement of Profit and Loss in respect of defined benefit plans are as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Service Cost:		
Current Service Cost	75.93	190.01
Net Interest expense	16.06	24.73
Acturial (Gain)/Loss recognised during the period	35.28	-206.79
Expenses recognised in the standalone statement of profit and loss	127.26	7.95

The amount included in the Standalone Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Present Value of Defined Benefit Obligation at end of the year	217.03	176.12
Fair Value of Plan Assets at the end of the year	-	-
Net Liabilities /(Assets) recognized in the Standalone Balance Sheet	**217.03**	**176.12**

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Defined Benefit Obligation at beginning of the year	176.12	234.73
Current & Past Service Cost	75.93	190.01
Current Interest Cost	16.06	24.73
Actuarial (Gain)/ Loss	35.28	-206.79
Benefits paid	-86.35	-66.56
Defined Benefit Obligation at end of the year	217.03	176.12

Movements in the fair value of the plan assets are as follows: *₹ in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/ Loss	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Fair Value of the Assets at the end of the year	-	-

Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows: *₹ in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Discount Rate (p.a)	7.50%	7.50%
Rate of increase in compensation levels	5.00%	5.00%
Expected Rate of return on plan assets	NA	NA

Amount recognised in the Statement of Profit and Loss in respect of defined benefit plans are as follows:- *₹ in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Service Cost:		
Current Service Cost	113.54	122.67
Net Interest expense	62.46	55.29
Components of defined benefit costs recognised in standalone statement of profit and loss	176.00	177.96
Remeasurement of the net defined benefit liability:		
Acturial (Gain)/Loss on Plan Obligations	-64.26	-44.27
Difference between Actual Return and Interest income on Plan assets (gain)/loss		
Components of defined benefit costs recognised in Other Comprehensive Income	-64.26	-44.27

The amount included in the Standalone Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Present Value of Defined Benefit Obligation at end of the year	787.28	776.05
Fair Value of Plan Assets at the end of the year	-	-
Defined Benefit Obligation at end of the year	787.28	776.05

Movements in present value of the defined benefit obligation are as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Defined Benefit Obligation at beginning of the year	776.05	675.85
Current Service Cost	113.54	122.67
Current Interest Cost	62.46	55.29
Actuarial (Gain)/ Loss	-64.26	-44.27
Benefits paid	-100.51	-33.49
Defined Benefit Obligation at end of the year	787.28	776.05

Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Fair Value of Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actuarial (Gain)/ Loss	-	-
Contributions from the employer	-	-
Benefits paid	-	-
Fair Value of the Assets at the end of the year	-	-

Note 36: Finance Costs

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Interest expense	364.79	346.45
(b) Interest on lease liabilities	10.65	-
(b) Others	-	1.22
Total	**375.44**	**347.67**

Note 37: Depreciation and Amortisation Expense *₹ in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Depreciation on property, plant and equipments	1,983.15	1,814.87
Amortisation of other intangible asset	9.37	4.61
Total	**1,992.52**	**1,819.48**

Note 38: Other Expenses *₹ in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Power, fuel & water charges	1,086.28	1,054.52
(b) Consultancy charges	5,033.94	4,845.67
(c) House Keeping expenses	703.16	626.47
(d) Lab Test Charges	185.02	166.56
(e) Rent	65.47	56.95
(f) Repairs:		
- Buildings	105.80	52.99
- Machinery	512.51	328.15
- Others	77.07	189.85
(g) Insurance	12.95	8.93
(h) Rates and taxes	28.23	22.27
(i) Restaurant consumption	716.13	642.67
(j) Advertisement & Marketing expenses	334.85	228.24
(k) Printing and Stationery	105.86	104.48
(l) Payments to auditors (See Note: 38.1)	8.66	7.39
(m) Provision for doubtful debts	600.00	399.03
(n) Bad debts written off	-	1.86
(o) Expenditure on Corporate Social Responsibility activities (See Note 38.2)	16.15	-
(p) Professional Charges	39.54	51.20
(q) Bank Charges	73.86	126.31
(l) Security Charges	144.58	116.65
(m) Miscellaneous expenses	274.93	372.96
(n) Net loss on foreign currency transactions and translation	-	167.79
Total	**10,124.99**	**9,570.94**

38.1 Payment to Auditors

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
For statutory audit	5.00	5.00
For taxation matters (including tax audit)	1.00	1.00
Tax on above	1.08	1.08
For other services	1.41	0.14
Reimbursement of expenses	0.17	0.17
Total	**8.66**	**7.39**

38.2 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act 2013, CSR committee has been formed by the Company. The provisions were not applicable during pevious year. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. The utilisation of CSR funds are done through direct spending as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below:

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
(a) Gross amount required to be spent by the company during the year:	18.38	-
(b) Amount spent during the year on:		
(i) Construction/ acquisition of any asset	3.87	-
(ii) On purposes other than (i) above	12.28	-

Note 39: Earnings per Equity Share

₹ *in Lakhs*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Net Profit after tax	1,644.28	1,238.32
Number of Equity Shares	100,000,000	100,000,000
Basic and Diluted Earnings Per Share (EPS) (in ₹)	1.64	1.24
Face value per equity (in ₹)	10.00	10.00

NOTES ON ACCOUNTS

Note 40: CONTINGENT LIABILTIES, CONTINGENT ASSETS AND COMMITMENTS

	Particulars	As at 31.03.2020 (Rs in Lakhs)	As at 31.03.2019 (Rs in Lakhs)	Brief Description of the nature and obligation
A	CONTINGENT LIABILITY (To the extent not provided for)			
(a)	Other money for which the company is contingently liable			
1	Employees Provident Fund and Miscellaneous Provisions Act	129.84	129.84	Demands raised under Employees Provident Fund and Miscellaneous Provisions Act amounting to ₹ 129.84 lakhs (₹129.84 lakhs) disputed on appeal before the Employees Provident Fund Appellate Tribunal are pending disposal as on date. As directed by the Tribunal, company has deposited a sum of ₹64.72 lakhs(₹64.72 lakhs); and the recovery of balance demand is stayed till the disposal of appeal . The company is legally advised that the demands will not be sustainable and in the opinion of the management no provision in this regard is considered necessary at this stage and the amount deposited is carried over as receivables and disclosed under the head "Deposits" under long term loans and advances.
2	Service tax	62.96	62.96	The demand for Service tax amounting to ₹62.96 lakhs (₹ 62.96 lakhs) including penalty of ₹23.42 lakhs (₹23.42 lakhs) on amounts received from Medical companies for clinical research activities was disputed on appeal before the Commissioner of Customs, Central Excise & Service Tax (Appeals). Out of this the appeals for certain years involving demands of ₹39.52 lakhs (₹39.52 lakhs) and penalty of ₹23.44 lakhs (₹ 23.44 lakhs) was decided against the company as per proceedings of the Appellate Authority. The company has filed a second appeal before the Central Excise & Service Tax Appellate Tribunal. As per the advice obtained by the management from the Service Tax consultants, the above referred amounts are exempt services and not liable for Service tax and in the opinion of the management, no provision is considered necessary at this stage.
3	Value Added Tax	652.69	652.69	The demand for Value Added Tax amounting to ₹ 652.69 lakhs (₹ 652.69 lakhs) including penalty of ₹487.20 lakhs (₹ 487.20 lakhs) for the period 2008-09, 2009-10, 2010-11 and 2011-12, has been disputed by the Company and a writ petition has been filed before the Hon. High Court of Kerala, which is pending disposal. The Company received a stay order dated 09.06.2017 from Hon. High Court of Kerala. As per the advice obtained by the management from the consultants and in the opinion of the management, no provision is considered necessary at this stage.

4	Income Tax	1.18	1.18	The demand for Income tax amounting to ₹1.18 lakhs for Assessment year 2007-08, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		4.72	4.72	The demand for Income tax amounting to ₹4.72 lakhs for Assessment year 2010-11, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		3.78	3.78	The demand for Income tax amounting to ₹3.78 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		26.41	-	The demand for Income tax amounting to ₹26.41 lakhs for Assessment year 2011-12, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		52.87	-	The demand for Income tax amounting to ₹52.87 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
5	Legal cases for compensation/ claims filed against the company	354.80	325.60	Legal cases for compensation/claims filed against the company amounts to ₹354.80 lakhs (₹325.60 lakhs). In the opinion of the management, the cases are not sustainable and hence no provision is considered necessary at this stage.
6	Tide Water	821.91	821.91	A case filed against the company in an earlier year for non-compliance of the contract terms amounting to ₹ 821.91 lakhs (₹ 821.91 lakhs) which was under arbitration as per the order of the Honourable High Court of Kerala, was partly decided against the company and as per the arbitration award, an amount of ₹ 257.30 lakhs (₹ 257.30 lakhs) was determined as payable to the claimant. The company has been legally advised that the order of the Arbitrator is not to be accepted and had filed an appeal before the District Court, Ernakulam, challenging the arbitration award. Later, the case has been transferred to the Special Court constituted for hearing the commercial disputes, which is pending disposal. In the opinion of the management, having regard to the legal advice obtained, no provision is considered necessary at this stage.

7	Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board	19.54	19.54	During a previous year, the Company has received notice from Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board regarding non-payment of the amount due u/s 12 of the Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Act, 2006 and interest thereon (for the period from 1-8-2008 to 31-8-2014), aggregating to ₹19.54 lakhs (₹ 19.54 lakhs). The Qualified Medical Practitioners Association of which the company is a member has filed a Writ Petition before the Hon. High Court of Kerala and has obtained an interim stay vide order dated 16-1-2009 on the proceedings against the members of the Association under the aforesaid Act, as the employees are covered under Employees Provident Fund and Miscellaneous Provisions Act. Pending disposal of the Writ Petition filed as above, in the opinion of the management, no provision is to be made in the accounts at this stage.
8	Payment of Bonus(Amendment)Act 2015	245.00	245.00	During the financial year 2015-16, consequent to the amendment of the Payment of Bonus (Amendment) Act 2015, the ceiling of salary for the computation of bonus was increased with retrospective effect from 1-4-2014. The Company filed a writ petition before the Hon' High Court of Kerala, and vide order dated 13th October 2016, the Hon' High Court had granted an interim stay on the retrospective application of the amendment. The additional liability for the financial year 2014-15 is estimated by the company at ₹245 lakhs (₹245 lakhs). Based on the interim stay and as per the legal advice obtained, the management is of the opinion that no provision is considered necessary at this stage.
B	COMMITMENTS (To the extent not provided for)			
1	Estimated amount of contracts remaining to be executed on capital account and not provided for:	297.78	85.83	
2	Bank Gurantees	645.31	567.86	Bank guarantee issued on behalf of the company for EPCG scheme, KSEB, ECHS, Cochin Shipyard & High Court for the case of Mr.Philip Augustian.
3	EPCG Scheme	-	1,075.98	In respect of capital equipments imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation of Rs. Nil (₹ 1075.98 lakhs) which is required to be fulfilled at different dates until 2025. In the event of non fulfilment of the export obligation, the company will be liable for the customs duties and penalties as applicable.

41. Litigation : The Company is subject to legal proceedings and claims, in the ordinary course of business. The Company's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Company's results of operation.

42. Related Party disclosure as per Ind AS 24

A. Related parties and nature of relationship

Nature of relationship	Name of related parties
(a) Key Managerial Personnel:	Dr. Shamsheer Vayalil Parambath - Chairman & Managing Director S.K. Abdullah - Chief Executive Officer P.B. Sasidharan Pillai - Chief Financial Officer (resigned w.e.f. February 11, 2020) R. Narayanan - Chief Financial Officer (appointed w.e.f. February 12, 2020) R. Muraleedharan - Company Secretary
(b) Subsidiary Company:	Lakeshore Food and Beverages Private Limited
(c) Enterprises where key managerial personnel or their relatives exercise significant influence/control/joint control	VPS Healthcare Private Limited Burjeel Hospital, Oman

B. Summary of transactions and outstanding balances with above related parties are as follows:

₹ *in Lakhs*

Particulars	2019-20	2018-19
(i) Sale of Services - Other Healthcare services		
Enterprises where key managerial personnel or their relatives exercise significant control		
Burjeel Hospital, Oman	52.83	-
(ii) Other Non- Operating income		
Subsidiary Company		
Lakeshore Food and Beverages Private Limited	29.42	-
(iii) Employee benefit expenses		
Remuneration to Key Managerial Personnel		
S.K. Abdullah - Chief Executive Officer	99.71	88.09
P.B. Sasidharan Pillai - Chief Financial Officer (resigned w.e.f. February 11, 2020)	43.02	33.75
R. Narayanan - Chief Financial Officer (appointed wef February 12, 2020)	3.75	-
R. Muraleedharan - Company Secretary	23.54	23.54

₹ in Lakhs

(iv) Other expenses - Restaurant consumption Subsidiary Company Lakeshore Food and Beverages Private Limited	23.45	-
(v) Trade Receivables - Considered good Enterprises where key managerial personnel or their relatives exercise significant control Burjeel Hospital, Oman	24.33	-
Subsidiary Company Lakeshore Food and Beverages Private Limited	13.48	-
(vi) Other Non Current Financial Assets - Deposits Enterprises where key managerial personnel or their relatives exercise significant control VPS Healthcare Private Limited	40.26	-
Subsidiary Company Lakeshore Food and Beverages Private Limited	0.30	-
(vii) Lease Rentals Subsidiary Company Lakeshore Food and Beverages Private Limited	0.50	-

43. Lease arrangements

₹ in Lakhs

Particulars	As at 31.03.2020	As at 31.03.2019
a) Towards lease rent		
Not later than one year	57.09	18.04
Later than one year and not latter than five years	303.23	48.50
Later than five years	84.60	-

44. Segment Reporting

Based on the guiding principles given in Ind AS- "Segment Reporting", the company has only one reportable segment i.e. "Hospital Activities". During the period there are no customers who is contributing more than 10% of revenue from operations.

45. Capital Management

Part A:

The company's objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The company is not subject to any externally imposed capital requirements.

Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

₹ in Lakhs

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Borrowings including current maturities	**4,377.84**	**4,107.52**
Borrowings as a percentage of Total Capital	13.25	12.72
Equity Share Capital	10,000.00	10,000.00
Other equity	18,671.07	18,186.92
Total Equity	**28,671.07**	**28,186.92**
Total equity as a percentage of Total Capital	86.75	87.28
Total Capital (Equity and Borrowings)	**33,048.91**	**32,294.44**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Part B:

FINANCIAL INSTRUMENTS

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

₹ in Lakhs

Financial assets/ financial liabilities	Fair value as at		Fair Value hierarchy
	Number	₹ in lakhs	
Financial Assets			
Non Current			
(i) Investments	5.00	-	Level III
(ii) Trade Receivables	-	-	Level II
(iii) Loans	-	-	Level II
(iv)Others	238.11	351.58	Level II
Current			
(i) Investments	-	-	
(ii) Trade Receivables	1,883.20	1,531.27	Level II
(iii)Cash & Cash equivalents	814.82	146.62	Level II
(iv)Bank Balances other than (iii)	712.99	672.70	Level II
(v) Loans	8.17	20.18	Level II
(vi)Others	331.25	477.12	Level II
Total Financial Assets	**3,993.54**	**3,199.47**	
Financial Liabilities			
Non Current			
(i) Borrowings	3,715.66	3,507.84	Level I
(ii) Lease liabilities	264.69	-	Level II
(iii) Trade Payables	-	-	Level II
(iv) Other financial liablities	-	4.59	Level II
Current			
(i) Borrrowings	-	717.72	Level II
(ii) Lease liabilities	32.78	-	
(iii) Trade Payables	3,167.56	2,696.33	Level II
(iv) Other financial liablities	3,162.13	3,183.07	Level II
Total Financial Liabilities	10,342.82	10,109.55	

Note:

1. There were no transfers between Level 1 and 2 in the period.

2. Loans, Borrowings are at the market rates and therefore the carrying value is the fair value

3. The carrying amount of trade receivables, trade and other payables, short term loans are considered to be the same as their fair value due to their short term nature.

Difference between carrying amounts and fair values of bank deposits, other financial assets,other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

Financial Instruments by category

₹ in Lakhs

Financial assets/ financial liabilities	31st March 2020			31st March 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets						
Investments						
-Equity instruments			5.00			-
Trade receivables			1,883.20			1,531.27
Cash & Cash equivalents			814.82			146.62
Bank Balances Other than Above			712.99			672.70
Loans			8.17			20.18
Other Financial Assets			569.36			828.70
Total Financial Assets	**-**	**-**	**3,993.54**	**-**	**-**	**2912.41**
Financial liabilities						
Borrowings			3,715.66			4,225.56
Lease liabilities			297.47			
Trade payables			3,167.56			2,696.33
Capital creditors			31.41			142.41
Other financial liabilties			3,130.72			3,045.25
Total Financial Liabilities	**-**	**-**	**10,342.82**	**-**	**-**	**10,109.55**

46. Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company takes due care while extending any credit as per the approval matrix approved by Board of Directors.

47. The Company has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Company do not have any long term derivative contracts for which there were any material foreseeable losses.

48. Previous year figures have been regrouped and classified wherever necessary to conform to the current year presentation.

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants (Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

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INDEPENDENT AUDITOR'S REPORT

To the Members of Lakeshore Hospital and Research Centre Limited

Report on the Audit of the Consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Lakeshore Hospital And Research Centre Limited (hereinafter referred to as "the Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March 2020, the consolidated Statement of Profit and Loss including Other Comprehensive Income, the consolidated Cash Flow Statement and the consolidated Statement of changes in equity for the year then ended, and notes to the consolidated financial statements, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at 31st March 2020, its consolidated profits including other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the 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.

Responsibility of Management for consolidated financial statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors/management of the companies included in the Group are responsible for 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 the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements.;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement 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 consolidated 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report:

g) The provisions of Section 197 read with Schedule V of the Act are not applicable to the Group for the year ended March 31 2020 and

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, in our opinion and to the best of our information and according to the explanations given to us:

   I. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note no 37 and 38 to the consolidated Financial Statements;

   II. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses- Refer Note No 46 to the consolidated Financial Statements:

   III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

R. Venugopal
Partner
Membership No. 202632
UDIN: 20202632AAAAFG8934

Kochi
21.10.2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in Paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

Independent Auditor's Report on the Internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Lakeshore Hospital and Research Centre Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group'),as at and for the year ended 31 March 2020, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 judgment, 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 internal financial controls with reference to financial statements of the Holding Company and its subsidiary company as aforesaid.

Meaning of Internal financial controls with reference to consolidated financial statements

A company's internal financial controls with reference to consolidated financial statements 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 controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of 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 with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements 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 Holding Company and its subsidiary company, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Krishnamoorthy & Krishnamoorthy
Chartered Accountants
(FRN:001488S.)

R. Venugopal
Partner
Membership No. 202632
UDIN: 20202632AAAAFG8934

Kochi
21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Balance Sheet as at March 31, 2020

₹ in Lakhs

Particulars	Note No.	As at 31.03.2020
Assets:		
Non-current assets		
(a) Property, Plant and Equipment	4	33,319.38
(b) Capital work-in-progress	5	1,360.22
(c) Intangible assets	6	35.97
(d) Right-of-use assets	7	364.48
(e) Financial Assets		
(i) Other Financial assets	8	238.11
(f) Income tax assets (Net)	9	669.54
(g) Other non-current assets	10	292.92
		36,280.62
Current assets		
(a) Inventories	11	862.01
(b) Financial Assets		
(i) Trade receivables	12	1,870.35
(ii) Cash and cash equivalents	13	845.98
(iii) Bank balances other than (ii) above	14	713.51
(iv) Loans	15	8.17
(v) Other Financial assets	16	331.25
(c) Other current assets	17	82.00
		4,713.27
Total Assets		**40,993.89**

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₹ in Lakhs

Particulars	Note No.	As at 31.03.2020
EQUITY AND LIABILITIES		
Equity :		
(a) Equity Share capital	18	10,000.00
(b) Other Equity	19	18,671.52
		28,671.52
Liabilities :		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	20	3,715.66
(ii) Lease liabilities	21	249.96
(b) Provisions	22	888.87
(c) Deferred tax liabilities (Net)	23	753.91
		5,608.40
Current liabilities		
(a) Financial Liabilities		
(i) Lease liabilities	21	47.51
(ii) Trade payables	24	
- Total outstanding dues of micro enterprises and small enterprises		78.88
- Total outstanding dues of creditors other than micro enterprises and small enterprises		3,101.99
(iii) Other financial liabilities	25	3,161.90
(b) Other current liabilities	26	208.15
(c) Provisions	27	115.54
		6,713.97
Total Equity and Liabilities		**40,993.89**

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The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

Sd/- Shamsheer Vayalil Parambath Chairman & Managing Director DIN: 02371712	Sd/- A.J. Pai Director DIN:00115688	Sd/- S.K. Abdulla Chief Executive Officer
Sd/- R. Narayanan Chief Financial Officer	Sd/- R. Muraleedharan Company Secretary	

Place : Kochi

Date : 21.10.2020

As per our report attached

For M/s Krishnamoorthy & Krishnamoorthy,

Chartered Accountants

(Firm Registration No.001488S)

Sd/-

R. Venugopal

Partner

Membership No: 202632

Date : 21.10.2020

vps | lakeshore Global Lifecare

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Statement of Profit and loss for the year ended March 31, 2020

₹ in Lakhs

	Particulars	Note No.	For the year ended 31.03.2020
I	**Income**		
	Revenue from operations	28	30,485.94
	Other income	29	165.59
	Total Income		**30,651.53**
II	**Expenses:**		
	Purchase of Medicines & Consumables	30	8,485.61
	Changes in inventories of Medicines & Consumables	31	-156.75
	Employee benefits expense	32	7,368.86
	Finance costs	33	375.44
	Depreciation and amortisation expense	34	1,992.54
	Other expenses	35	10,135.19
	Total expenses		**28,200.89**
III	**Profit before tax**		**2,450.64**
IV	Tax expense:		
	(1) Current tax	9	533.23
	(2) Deferred tax	23	272.68
			805.91
V	**Profit for the year**		**1,644.73**
VI	**Other comprehensive income**		
	A) Items that will not be reclassified to profit or loss		
	i) Remeasurements of post employment benefit obligations		64.26
	ii) Income tax relating to items that will not be reclassified to profit or loss		-18.71

₹ in Lakhs

	Particulars	Note No.	For the year ended 31.03.2020
	Other comprehensive income for the year		**45.55**
VII	**Total Comprehensive Income for the year**		**1,690.28**
VIII	**Earnings per equity share of Rs 10 each:**	**36**	
	(1) Basic (Rs)		**1.64**
	(2) Diluted (Rs)		**1.64**

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Notes to the Financial Statements	4-47

The accompanying notes are an integral part of these financial statements

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants
(Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

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LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2020

₹ in Lakhs

Particulars	For the year ended 31.03.2020
A. Cash flow from operating activites	
Profit before tax	**2,514.90**
Adjustments for :	
Depreciation and amortisation	1,992.54
Interest expense	375.44
Interest income	-66.61
Net (Profit)/ Loss on sale/write off of Property Plant and Equipment	-0.14
Bad debts and advances written off	-
Provision for doubtful debts	600
Net (gain) /loss on foreign currency transactions	-
Operating cash flow before working capital changes	5,416.12
Movements in working capital :	
(Increase) / decrease in inventories	-155.07
(Increase) / decrease in trade and other receivables	-855.00
Increase / (decrease) in trade and other payables	416.16
	4,822.21
Direct taxes paid net of refunds	-565.50
Net cash flows from operating activities (A)	**4,256.71**
B. Cashflow from investing activities	
Additions to Property, Plant & Equipment (including capital work in progress)	-1,619.95
Sale or withdrawal of property, plant and equipment	14.14
Interest received	65.86
Net cash flows from investing activites (B)	**-1,539.95**
C. Cashflow from financing activities	
Proceeds/(Repayment) of Buyers credit/ Term Loan	-447.40
Movement in Short term borrowings (Net)	-
Dividend paid	-1,000.91

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₹ in Lakhs

Particulars	For the year ended 31.03.2020
Dividend distribution tax paid	-205.59
Interest paid	-363.52
Net cash flows from financing activities (C)	**-2,017.41**
D. Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	**699.36**
Cash and cash equivalent at the beginning of the Year	**146.62**
Cash and cash equivalent at the end of the Year	
Cash on hand	12.01
Balance with Banks in current account and deposit account	833.96
Effect of unrealised foreign exchange (gain)/ loss on cash and cash equivalents	839.96
Cash and cash equivalents	**845.98**
Net increase/(decrease) in Cash and Cash equivalents	**699.36**

Notes:

1) Figures in brackets indicate outflow.

2) Previous year figures have been regrouped/rearranged/recasted wherever necessary to make them comparable with those of current year.

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants (Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2020

A. Equity Share Capital

₹ in Lakhs

As at 01.04.2019	Changes in equity share capital during the year	As at 31.03.2020
10000.00	-	10000.00

B. Other Equity

₹ in Lakhs

	Securities Premium	Retained Earnings	Capital Redemption reserve	Total
Balance as at April 1, 2019	14,000.00	3,686.92	500.00	18,186.92
Less Adjustment on adoption of Ind AS 116	-	0.09		0.09
Add Profit for the year	-	1,644.73		1,644.73
Add Other comprehensive income for the year	-	45.55		45.55
Total comprehensive income for the year	-	1,690.28		1,690.28
Less Dividends (including taxes)	-	1,205.59		1,205.59
Balance as at March 31, 2020	**14,000.00**	**4,171.52**	**500.00**	**18,671.52**

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
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Chief Executive Officer

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Sd/-
R. Muraleedharan
Company Secretary

Place : Kochi
Date : 21.10.2020

As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants
(Firm Registration No.001488S)

Sd/-
R. Venugopal
Partner
Membership No: 202632

Date : 21.10.2020

1. Corporate Overview And Significant Accounting Policies

1.1. Corporate information

LAKESHORE HOSPITAL AND RESEARCH CENTRE LIMITED was incorporated on April 4, 1996 as a Public Limited Company. The Company is domiciled in India and having registered office at Nettoor, Kerala. The Company is engaged in providing healthcare services and has a super speciality hospital at Kochi. The consolidated financial statements comprise financial statements of Lakeshore Hospital And Research Centre Limited ("the company") and its subsidiary (collectively,"the Group") for the year ended 31 March 2020. The consolidated financial statements were approved by the Board of Directors and authorised for issue in accordance with a resolution of the directors on October 21, 2020.

2. Significant Accounting Policies

2.1 Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (IndianAccounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Consolidated Financial Statement (CFS).

2.2 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Basis of consolidation

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 March 2020. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
b. Exposure, or rights, to variable returns from its involvement with the investee, and
c. The ability to use its power over the investee to affect its returns
   Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:
a. The contractual arrangement with the other vote holders of the investee.
b. Rights arising from other contractual arrangements.
c. The Group's voting rights and potential voting rights.
d. The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

a Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

c Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

a. Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
b. Derecognises the carrying amount of any non-controlling interests
c. Derecognises the cumulative translation differences recorded in equity
d. Recognises the fair value of the consideration received
e. Recognises the fair value of any investment retained
f. Recognises any surplus or deficit in profit or loss
g. Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
h. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

2.4 Application of New Accounting Pronouncements

The group has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, . The effect is described below:

a. Ind AS 116 – Leases

The group has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

This has resulted in recognising a right-of-use asset of ₹ 94.58 lakhs and a corresponding lease liability of ₹ 7.15 lakhs. The difference of ₹ 0.09 lakhs (net of deferred tax asset created of ₹ 0.04 lakhs) has been adjusted to retained earnings as at 1st April 2019. Prepaid rent which were earlier classified under "Other Assets" have been reclassified to right-of-use assets by ₹ 87.56 lakhs.

In the consolidated statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share. The weighted average incremental borrowing rate of 8.5% has been applied to lease liabilities recognised in the balance sheet at the date of initial application. The group does not recognize RoU assets and lease liabilities for leases with less than twelve months of lease term and low-value assets on the date of initial application.

During the year ended March 31, 2020, the group recognized in the statement of profit and loss

i. Depreciation expense from right-of-use assets of ₹ 25.59 lakhs (Refer to Note 7)

ii. Interest expenses on lease liabilities of ₹ 10.65 lakhs

iii. Rent expense amounting to ₹ 65.47 lakhs pertaining to leases of low-value assets and leases with less than twelve months of lease term has been included under other expenses.

b. Appendix C to Ind AS 12 - Uncertainty over income tax treatments

Appendix C to Ind AS 12 clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The adoption of Appendix C to Ind AS 12 did not have any material impact on the consolidated financial statements.

c. Amendment to Ind AS 12 – Income Taxes

The Ministry of Corporate Affairs issued amendments to Ind AS 12 – Income Taxes. The amendments clarify that an entity shall recognize the income tax consequences of dividends on financial instruments classified as equity according to where the entity originally recognized those past transactions or events that generated distributable profits were recognized. The adoption of amendment to Ind AS 12 did not have any material impact on the consolidated financial statements.

d. Amendment to Ind AS 19 - Plan Amendment, Curtailment or Settlement

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements requiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. The adoption of amendment to Ind AS 19 did not have any material impact on the consolidated financial statements.

2.5 Current versus non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/ liabilities are classified as non-current assets/ liabilities.

2.6 Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with the Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the consolidated financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.7 Uncertainty relating to the global health pandemic on COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic and suggested guidelines for containment and mitigation worldwide. As the operations of the group have been affected in the short term, the Management expects some slide in revenue due to reduction in patient inflow. As at March 31, 2020, the Management has used internal and external sources of information upto the date of approval of these financial statements in determining the impact of the COVID-19 pandemic on various elements of the consolidated financial statements. The Management has used the principles of prudence in developing estimates, assumptions, exercising judgements and performing sensitivity analysis. Based on the current estimates, the group expects to fully recover the carrying amount of its assets as at March 31, 2020. The impact of COVID-19 remains uncertain and may be different from what we have estimated as of the date of approval of these consolidated financial statements and the group will continue to closely monitor any material changes to future economic conditions.

2.8 Critical Accounting estimates and judgements:

The application of significant accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in the financial statements have been disclosed below:

Useful lives of property, plant and equipment

The group reviews the estimated useful lives and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant its capitalisation and which component of the asset may be capitalised. Reassessment of life may result in change in depreciation expense in future periods.

Recognition of deferred tax assets

The group reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgements are involved in determining the elements of deferred tax items.

Impairment of unquoted investments

The group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources and on past experience and circumstance known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in provisions.

Contingencies and commitments

In the normal course of business, contingent liabilities may arise from litigations and other claims against the group. Where the potential liabilities have a low probability of crystallizing or are very difficult to quantify reliably, we treat them as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the consolidated financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, we do not expect them to have a materially adverse impact on our financial position or profitability.

Provision for doubtful debts

The group makes provisions for doubtful debts based on an assessment of the recoverability of trade and other receivables. The identification of doubtful debts requires use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy.

2.9 Property , Plant and Equipment (PPE)

On adoption of Ind AS, the group retained the carrying value for all of its property , plant and equipment as recognised in the consolidated financial statements as at the date of transition to Ind AS measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 ‘First time adoption of Indian Accounting Standards’.

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the group and the cost of the item can be measured reliably.

The cost of Assets not ready for use as at the consolidated balance sheet date are disclosed under Capital Work-In-Progress. Impairment loss is charged to the consolidated statement of profit and loss of the period in which the asset is identified as impaired, when the carrying amount of an asset exceeds its recoverable value. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/ expenses in the consolidated statement of profit and loss.

2.10 Intangible Assets

Hospital Management Systems and other softwares of the group is treated as an intangible asset in accordance with the Accounting Standard 26- “Intangible Assets”.

2.11 Depreciation / Amortisation

Depreciation is provided on Straight Line Method. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Block of Assets	Useful life
Building (RCC)	60 years
Building (Non RCC)	30 years
Medical equipment	13 years
Other equipment	15 years
Furniture and fixtures	10 years
Vehicles	8 years
Office equipment	5 years
Electrical installation	10 years
Computers	3 years

Cost of software treated as intangible assets is amortised under straight line method over a period of 5 years.

2.12 Impairment of non financial assets

The group assesses the impairment of assets with reference to each cash generating unit, at each Balance Sheet date. If events or changes in circumstances based on internal and external factors indicate that the carrying value may not be recoverable in full, the loss on account and the recoverable amount, is accounted for accordingly. The recoverable amount is the higher of an asset’s fair value less costs of disposal and value in use.

2.13 Inventories

Inventories of medicines, consumables and other items of inventory are valued at lower of cost or net realizable value, on First In First Out basis. The net realizable value of bought out inventories is taken at their current replacement value.

Crockery and Cutlery are valued at cost and are subject to 1/3 rd write off wherever applicable applying FIFO method. The net realisable value is not applicable in the absence of any further modification/alteration before being consumed in-house.

Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location.

2.14 Equity instruments & Financial instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at amortized cost, except investments which are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Trade Receivables

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial asset is impaired. Ind AS 109 requires expected credit loss to be measured through a loss allowance. The Group recognises lifetime expected credit losses for all trade receivables that do not constitute a financing transaction. Impairment loss allowance is based on a simplified approach as permitted by Ind AS 109. As a practical expedient, the group uses a provision matrix to determine the impairment loss on the portfolio of its trade receivables.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Off setting of financial instruments

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

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Groups's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Fair value of financial instruments

In determining the fair value of its financial instruments, the group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized. For all other financial instruments the carrying amounts approximate fair value due to the short maturity of those instruments.

2.15 Cash and cash equivalents

The group considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.16 Foreign Currency Transactions

The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the group.

Foreign Currency Transactions:

Foreign exchange transactions are recorded in functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary items denominated in foreign currencies at the year end are re-measured at the exchange rate prevailing on the balance sheet date. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on restatement is recognised in the consolidated statement of Profit and Loss.

Effective from April 1, 2018, the group has adopted Appendix B of Ind AS 21, Foreign currency transaction and advance consideration, which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related assets, expense or income, when an entity has received or paid advance consideration in a foreign currency. The effect on the adoption of Ind AS 21 was insignificant.

2.17 Provision , Contingent Liabilities and Contingent assets

A provision is recognised if, as a result of a past event, the group has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions (excluding retirement benefits and compensated leave) are not discounted to its present value and are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. These are reviewed at each reporting date adjusted to reflect the current best estimates.

Contingent liability is disclosed when the group has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are not disclosed in the consolidated financial statements unless an inflow of economic benefits is probable.

2.18 Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

i Operating income

With effect from April 1, 2018 the group has adopted IND AS 115 - Revenue from contracts with customers, using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018. Accordingly, the comparatives have not been retrospectively adjusted. The effect of adoption of IND AS 115 is insignificant.

Operating income is recognised as and when the services are rendered / pharmacy items are sold. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods.

The Group recognises a deferred income (contract liability) if consideration has been received (or has become receivable) before the group transfers the promised goods or services to the customer. Deferred income mainly relates to remaining performance obligations in (partially) unsatisfied long-term contracts or are related to amounts the group expects to receive for goods and services that have not yet been transferred to customers under existing, non-cancellable or otherwise enforceable contracts.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

ii Income from academic services

Revenue is recognized on pro-rata basis on the completion of such services over the duration of the program.

iii Export benefits

Income from 'Served from India Scheme/Service Exports from India Scheme' is recognized as and when the claims are admitted.

iv Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the consolidated Statement of Profit and Loss.

v Research Projects

In respect of grants received for research projects/programmes from sponsor institutions for payment to investigators who are consultant doctors of the company, for carrying out research activities/ specified clinical studies in terms of tripartite agreement entered into between the company, sponsor institution and the investigator, the grant received/ expenses incurred there against to the extent utilized, are accounted as income/expenditure of the year and the unspent amounts are carried forward to subsequent years to be accounted on actual utilisation thereof.

2.19 Employee benefits

i) Employees Benefits

(i) Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

(ii) Defined Contribution Plans

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

(iii) Defined Benefit Plans - Gratuity

The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost if any, is recognised in the accounts. Actuarial gains and losses are recognised in full in the consolidated Statement of Profit and Loss for the period in which they occur.

(iv) Long Term Employee Benefits

The group has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in full in the consolidated statement of profit and loss for the period in which they occur.

ii) Expense on issue of Sweat Equity Shares

In respect of shares issued as sweat equity shares, the accounting value of the fair price of the shares as determined shall be treated as part of managerial remuneration and disclosed as compensation to the employee or director under Employee Benefits Expense in the consolidated Statement of Profit and Loss during the relevant accounting period in accordance with the provisions of the Companies Act, 2013.

2.20 Borrowing cost

General and specific borrowing costs directly attributable to acquisition / construction or production of qualifying assets (net of income earned on temporary deployment of funds) are capitalized as part of cost of such assets upto the date when such assets are ready for intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the consolidated Statement of Profit and Loss in the period in which they are incurred.

2.21 Leases

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

As a lessee:

The Groups's lease asset classes primarily consist of leases for Land and Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) the contract involves the use of an identified asset

(ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (shortterm leases) and leases of low value assets. For these shortterm and leases of low value assets, the Group recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the consolidated Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor:

Leases under which the group is a lessor are classified as finance or operating leases. Lease contracts where all the risks and rewards are substantially transferred to the lessee, the lease contracts are classified as finance leases. All other leases are classified as operating leases.

2.22 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the group, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position.

2.23 Taxes on Income

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in consolidated Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the Balance Sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognised only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the group will pay normal income tax during the specified period.

2.24 Earnings Per Share

Basic EPS are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the group (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

2.25 Segment Reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly the group has only one reportable segment i.e. "Hospital Activities".

2.26 Cash flow statement

Cash Flows are reported using the Indirect Method, whereby profit/loss before tax is adjusted for the effect of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financial cash flows. Cash flows from operating, investing and financial activities of the group are segregated based on the available information.

For the purpose of consolidated cash flow statement, Cash and cash equivalent comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts, if any. Bank overdrafts are disclosed within borrowings in current liabilities in the consolidated Balance Sheet.

2.27 Dividend to equity shareholders

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' equity, in the period in which the dividends are approved by the equity shareholders in the general meeting.

3. Recent accounting pronouncements - Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Note 4 : Property, Plant and Equipment

₹ *in Lakhs*

Particulars	Gross carrying amount				Depreciation				Net Carrying amount	
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Adjust-ment/ (with-drawal)	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
(a) Land	3,322.73	-	-	**3,322.73**	-	-	-	-	**3,322.73**	3,322.73
(b) Buildings	14,683.36	1,082.49	-	**15,765.85**	562.72	285.45	-	**848.17**	**14,917.68**	14,120.64
(c) Plant and Equipment										
(i) Medical Equipments	10,798.18	1,008.07	63.71	**11,742.54**	2,073.04	928.81	4.51	**2,997.34**	**8,745.20**	8,725.14
(ii) Other Equipments	3,421.29	92.62	2.91	**3,511.00**	498.34	242.86	0.50	**740.70**	**2,770.30**	2,922.95
(d) Furniture and Fixtures	1,172.22	24.13	2.84	**1,193.51**	189.65	118.36	0.53	**307.48**	**886.03**	982.57
(e) Vehicles	104.63	22.88	-	**127.51**	41.39	15.72	-	**57.11**	**70.40**	63.24
(f) Office equipment	26.20	-	-	**26.20**	19.04	3.39	-	**22.43**	**3.77**	7.16
(g) Electrical Installations	3,095.22	163.93	-	**3,259.15**	415.81	312.69	-	**728.50**	**2,530.65**	2,679.41
(h) Computers	196.90	36.75	-	**233.65**	110.75	50.28	-	**161.03**	**72.62**	86.15
Total	**36,820.73**	**2,430.87**	**69.46**	**39,182.14**	**3,910.74**	**1,957.56**	**5.54**	**5,862.76**	**33,319.38**	**32,909.99**

Note 5 : Capital work -in -progress

₹ *in Lakhs*

Particulars	As at 31.03.2020
Building under Construction	
(a) Existing block	-
(b) Expansion project	1,339.81
(c) Equipment under installation	6.25
	1,346.06
Others	14.16
Total	**1,360.22**

Note 6 : Other Intangible assets

₹ *in Lakhs*

	Gross carrying amount				Amortisation				Net Carrying amount	
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Adjustment/ (withdrawal)	As at 31st March 2020	As at 31st March 2020	As at 1st April 2019
Software	30.26	23.63	-	53.89	8.53	9.39	-	17.92	35.97	21.73
	30.26	23.63	-	53.89	8.53	9.39	-	17.92	35.97	21.73

Note 7 : Right-of-use assets

₹ *in Lakhs*

	Gross carrying amount				Depreciation				Net Carrying amount
Particulars	As at 1st April 2019	Additions	Disposal	As at 31st March 2020	As at 1st April 2019	For the year	Disposal	As at 31st March 2020	As at 31st March 2020
(a) Land	95.55	-	-	**95.55**	0.97	0.97	-	**1.94**	**93.61**
(b) Land & Building	-	295.49	-	**295.49**	-	24.62		24.62	270.87
Total	**95.55**	**295.49**	**-**	**391.04**	**0.97**	**25.59**	**-**	**26.56**	**364.48**

Note 8 : Other Financial Assets - Non Current

₹ in Lakhs

Particulars	As at 31.03.2020
Deposits	178.39
Bank deposits with maturity period more than 12 months	59.72
Total	**238.11**

Note 9 : Non Current/ Current tax assets / liability (Net)

₹ in Lakhs

Particulars	As at 31.03.2020
Non current tax assets	
Advance income tax net of provisions	1,213.99
Current tax assets	
Advance income tax net of provisions	-
Current tax liability	
Provision for current tax	544.45
Total	**669.54**

Income tax recognised in profit & loss

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Current tax:	
Current income tax charge in Profit & Loss	533.23
Current income tax charge in Other Comprehensive Income	11.23
Adjustment in respet of prior years	-
Total (A)	**544.46**
Deferred tax:	
In respect of current year (Profit & Loss)	272.68
In respect of current year (Other Comprehensive Income)	7.48
Total (B)	**280.16**
Income tax expense recognised in the Statement of Profit and Loss (A+B)	824.62

The income tax expense for the year can be reconciled to the accounting profit as follows:-

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Profit before tax	2,450.64
Income tax expense calculated @ 29.12%	713.63
Effect/ adjustment for MAT (lower tax rate)	464.52
Effect of expenses/income that are not deductible in determining taxable profit	(0.08)
Effect of expenses that are allowable in determining taxable profit	-
Effect of expenses incurred on Corporate Social Responsibility not deductible in determining taxable profit	4.70
Effect of change in tax rate (subsequently enaacted rate taken for Deferred tax)	-
Others:	
MAT Credit availed during AY 2020-21	(464.52)
Adjustments recognised in the current year in relation to the current/ deferred tax of prior years	-
Other adjustments	87.67
Adjustments for changes in estimates of deferred tax assets	-
Income tax expense recognised in the Statement of Profit and Loss	805.91

Under the Income Tax Act, 1961, the Company is liable to pay Minimum Alternate Tax (MAT). MAT paid can be carried forward for a certain period and can be set off against the future tax liabilities. MAT is recognised as deferred tax asset only when the asset can be measured reliably and it is probable that the future economic benefits associated with the asset will be realised.

Deferred tax assets/(liabilities) in relation to 2019-20

₹ in Lakhs

Particulars	Opening balance	Recognised in Statement of Profit and Loss	Closing Balance
Provisions	652.12	161.65	813.77
Property, plant and equipment	-2,250.42	(332.77)	-2,583.18
MAT Credit availed	585.06	388.26	973.32
Others*	539.50	(497.32)	42.18
Total	**-473.74**	**(280.18)**	**-753.91**

*Opening balance of deferred tax on lease liabilities has been restated by ₹ 0.04 lakhs to give impact of transition to Ind AS 116.

Note 10: Other non-current assets

₹ in Lakhs

Particulars	As at 31.03.2020
Unsecured, considered good	
Deposits with statutory authorities	68.95
Capital advances	223.97
Total	**292.92**

10.1 Deposits include ₹ 64.72 lakhs made against disputed provident fund demands (See Note 37)

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Note 11: Inventories

₹ in Lakhs

Particulars	As at 31.03.2020
Inventories are valued at lower of cost or net realisable value	
(a) Medicines	296.31
(b) Medicines-in-transit	9.60
(c) Medical Consumables	493.21
(d) Consumables-in-transit	23.81
(e) Other Consumables	39.08
Total	**862.01**

Note 12: Trade Receivables-Current

₹ in Lakhs

Particulars	As at 31.03.2020
Unsecured	
Considered good	1,870.35
Credit impaired	1,011.31
Significant increase in credit risk	-
Less: Allowance for doubtful debts (Expected credit loss allowace) against credit impaired trade receivables	1,011.31
Total	**1,870.35**

12.1 Trade receivables are non-interest bearing and receivable in normal operating cycle.

12.2 The Company has sent balance confirmation letters to the Insurance & Corporate Debtors and started the reconciliation process. The Company is not expecting any material impact while reconciling the same.

Movement in the expected credit loss allowance

₹ in Lakhs

Particulars	As at 31.03.2020
Opening balance	411.31
Add: Loss allowance based on Expected Credit Loss	385.00
Add: Additional provision	215.00
Less: Write off of provisions	-
Closing Balance*	**1,011.31**

* Current

Note 13: Cash and Cash equivalents

₹ in Lakhs

Particulars	As at 31.03.2020
Balance with Banks	
In current account	548.74
Term deposits with original maturity of less than three months	285.23
Cash on hand	12.01
Total	**845.98**

13.1 Balances with banks in current accounts include earmarked balances for unpaid dividend ₹1.40 lakhs and debit balances in overdraft account amounting to ₹392.37 lakhs.

Note 14: Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at 31.03.2020
Term Deposits with banks with original maturity more than 3 months and less than 12 months	713.51
Total	**713.51**

14.1 Term Deposits with banks includes deposit of ₹ 708.60 lakhs held as security against bank guarantees issued towards EPCG scheme and ₹4.39 lakhs held as security against other bank guarantees, not expected to be withdrawn in the next 12 months.

Note 15: Loans - Current

₹ in Lakhs

Particulars	As at 31.03.2020
Unsecured, considered good	
Employee advances	8.17
Total	**8.17**

Note 16: Other Financial Assets - Current

₹ in Lakhs

Particulars	As at 31.03.2020
Interest accrued on bank deposits	2.71
Unbilled revenue	318.04
Deposits	10.50
Total	**331.25**

Note 17: Other Current Assets

₹ in Lakhs

Particulars	As at 31.03.2020
Unsecured, considered good	
Advances other than capital advances	82.00
Total	**82.00**

Note 18: Equity Share Capital

₹ in Lakhs

Particulars	As at 31.03.2020	
	Number	₹ in lakhs
<u>**Authorised**</u>		
Equity shares of ₹ 10/- each	100,000,000	10,000.00
<u>**Issued, Subscribed and Fully paid up**</u>		
Equity shares of ₹ 10 each fully paid up	100,000,000	10,000.00
Total	**100,000,000**	**10,000.00**

18.1 Reconciliation of number of shares and amounts outstanding

₹ in Lakhs

Particulars	As at 31.03.2020	
	Number	₹ in lakhs
Equity Shares outstanding at the beginning of the year	100,000,000	10,000.00
Add : shares issued during the year	-	-
Equity Shares outstanding at the end of the year	100,000,000	10,000.00

18.2 Details of shareholders holding more than 5% shares in the company

₹ in Lakhs

Name of Shareholder	As at 31.03.2020	
	Number of Shares held	% of holding
Mr. Shamsheer Vayalil Parambath	42,622,423	42.62%
Mr. Yusuff Ali M A	18,800,668	18.80%

18.3 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

18.4 Details of shares issued for consideration other than cash

10,00,000 sweat equity shares of ₹ 10 each at a premium of ₹ 20 per share was allotted during the financial year ended 31.03.2016 to Dr. Philip Augustine as fully paid-up without payment being received in cash.

Note 19: Other Equity

₹ in Lakhs

Particulars	As at 31.03.2020
Capital Redemption Reserve	
Balance as at the beginning and end of the year	**500.00**
Securities Premium	
Balance as at the beginning of the year	14,000.00
Less: Amortisation of premium	
Balance as at the end of the year	**14,000.00**
Other Reserves	
Retained Earnings	
Balance as at the beginning of the year	3,686.92
Less Adjustment on adoption of Ind AS 116	0.09
Add: Profit for the period	1,644.73
Add: Other Comprehensive income	45.55
Total comprehensive income for the current year	5,377.11

₹ in Lakhs

Particulars	As at 31.03.2020
Less :	
Dividend on equity shares	1,000.00
Tax on dividend	205.59
Balance as at the end of the year	**4,171.52**
Total	**18,671.52**

19.1 Capital Redemption Reseerve : Capital redemption reserve is a statutory non-distributable reserve into which the amounts are transferred following the redemption of Company's own preference shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

19.2 Securities Premium : Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

Note 20: Borrowings

₹ in Lakhs

Particulars	As at 31.03.2020
From Banks (Secured)	
Term Loan (See Notes 20.1)	3,715.66
Total	**3,715.66**

20.1 Term loan is sanctioned by HDFC Bank Ltd, as re-imbursement of capex done during financial year 2017, 2018 & 2019, which is repayable in 7 years including 1 year moratorium, in equal quarterly repayment after the moratorium period with interest at the rate of one year MCLR + 30bps.

Nature of security:

20.2 Term loan from HDFC bank Ltd are secured by way of EM of 205.900 cents of land alongwith 10 floored building with 221700 sq.ft, EM of 54.54 cents of land, EM of the 11 floored building with 260000 sq.ft being constructed on the project land admeasuring 54.54 cents and hypothecation of medical equipment of the Company not specifically charged to other banks/ financial institutions.

Note 21: Lease liability

₹ in Lakhs

The Company has lease contracts for land and building. Lease for land has lease term of 99 years, while lease for building has lease term of 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. The Company also has certain leases with lease terms of 12 months or less and leases of low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognised and the movements during the period are given in Note 7.

Carrying amounts of lease liabilities and the movements during the year:

₹ in Lakhs

Particulars	As at 31.03.2020
As at 1 April 2019	7.15
Additions during the year	279.67

₹ in Lakhs

Finance charge	10.65
Repayment	-
As at 31 March 2020	297.47
Current	47.51
Non current	249.96

The following are the amounts recognised in profit or loss: ₹ in Lakhs

Particulars	As at 31.03.2020
Depreciation expense of right-of-use assets	25.59
Interest expense on lease liabilities	10.65
Expense relating to short-term leases (included in other expenses)	50.63
Expense relating to leases of low-value assets (included in other expenses)	14.84
Total	**101.71**

The effective interest rate for lease liabilities is 8.5%

The maturity analysis of lease liabilities are disclosed in Note 41.

Note 22: Provisions - Non Current

₹ in Lakhs

Particulars	As at 31.03.2020
(a) Provision for employee benefits	
(i) Provision for compensated absences	206.18
(ii) Provision for gratuity	682.69
Total	**888.87**

Note 23: Deferred Tax Liabilities (Net)

₹ in Lakhs

Particulars	As at 31.03.2020
Deferred tax liabilities	2,583.16
Deferred tax assets	1,829.25
Total	**753.91**

Note 24: Trade Payables

₹ in Lakhs

Particulars	As at 31.03.2020
Trade payables (Unsecured)	
Outstanding dues of Micro enterprises and Small enterprises	78.88
Outstanding dues of creditors other than Micro enterprises and Small enterprises	3,101.99
Deferred tax assets	1,829.25
Total	**3,180.87**

There are no material dues owed by the group to Micro and Small Enterprises which are outstanding for more than 45 days during the year and as at March 31, 2020. This information as required under Micro and Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group and has been relied upon by the Auditors,.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management during 2019-20 is as follows: ₹ in Lakhs

Particulars	As at 31.03.2020
(a) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	
Principal	78.88
Interest on above Principal	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

Note 25: Other Financial Liabilities - Current

₹ in Lakhs

Particulars	As at 31.03.2020
(a) Current maturities of long-term debt (See Note 20)	662.18
(b) Employee related liabilities	1,698.87
(c) Interest accrued but not due on borrowings	32.39
(d) Unpaid dividends	1.40
(e) Other payables:	
(i) Creditors for Capital goods	31.41
(ii) Advance received towards Research activities (See Note 2.16 (v) of Significant Accounting Policies)	108.11
(iii) Retention money deposits	43.65
(iv) Others	583.89
Total	**3,161.90**

Note 26: Other Current Liabilities

₹ in Lakhs

Particulars	As at 31.03.2020
Statutory dues	208.15
Total	**208.15**

Note 27: Provisions - Current

₹ in Lakhs

Particulars	As at 31.03.2020
(a) Provision for employee benefits	
(i) Provision for compensated absences	10.85
(ii) Provision for gratuity	104.69
Total	**115.54**

Note 28: Revenue from operations

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Sale of Products	10,999.09
Sale of Services	18,032.90
Other operating revenue	1,453.95
Total	**30,485.94**

Disaggregated revenue information

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Sale of Products	
(a) Pharmacy Sales	10,999.09
Sale of Services	
(a) Laboratory & Diagnostic services	5,528.07
(b) Other Healthcare services	12,504.83
Other Operating Revenue:	
(a) Income from Research Activities - (See Note 2.18(v) of Significant Accounting Policies) (Net of expense)	8.11
(b) Course fees	30.62
(c) Sale of food & beverages/restaurant income	1,415.22
Total	**30,485.94**

Reconciliation of Gross revenue with the revenue from contracts with customers

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Gross revenue	30,741.10
Less : Discount	-255.16
Total	**30,485.94**

Contract balances

₹ in Lakhs

Particulars	As at 31.03.2020
Trade receivables	1,870.35
Unbilled revenue	318.04
Total	**2,188.39**

Note 29: Other Income

₹ in Lakhs

Particulars	For the year ended 31.03.2020
(a) Interest income	
On Fixed deposits	54.91
Other interest	11.70
(b) Other Non- Operating income	98.98
Total	**165.59**

Note 30: Purchase Of Medicines & Consumables

₹ in Lakhs

Particulars	For the year ended 31.03.2020
(a) Medicines	4,568.53
(b) Consumables	3,917.08
Total	**8,485.61**

Note 31: Changes In Inventories Of Medicines & Consumables

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Inventories at the end of the year :	
(a) Medicines	305.91
(b) Consumables	517.01
	822.92
Inventories at the beginning of the year :	
(a) Medicines	321.90
(b) Consumables	344.27
	666.17
Net (increase) / decrease	**-156.75**

Note 32: Employee Benefits Expense

₹ in Lakhs

Particulars	For the year ended 31.03.2020
Salaries & wages	6,859.18
Contribution to Provident Fund and other funds	412.58
Staff welfare expenses	97.10
Total	**7,368.86**

Other Benefit Plan - Leave Plan

The principal assumptions used for the purpose of actuarial valuation were as follows:

₹ in Lakhs

Particulars	As at 31.03.2020
Discount Rate (p.a)	7.50%
Rate of increase in compensation levels	5.00%

Amount recognised in the Consolidated Statement of Profit and Loss in respect of defined benefit plans are as follows:- ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Service Cost:	
Current Service Cost	75.93
Net Interest expense	16.06
Acturial (Gain)/Loss recognised during the period	35.28
Expenses recognised in the statement of profit and loss	127.26

The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:- ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Present Value of Defined Benefit Obligation at end of the year	217.03
Fair Value of Plan Assets at the end of the year	-
Net Liabilities/(Assets) recognized in the Consolidated Balance Sheet	217.03

Movements in present value of the defined benefit obligation are as follows:- ₹ in Lakhs

Particulars	For the year ended 31.03.2020
Defined Benefit Obligation at beginning of the year	176.12
Current & Past Service Cost	75.93
Current Interest Cost	16.06
Particulars	**For the year ended 31.03.2020**
Actuarial (Gain)/ Loss	35.28
Benefits paid	-86.35
Defined Benefit Obligation at end of the year	**217.03**

Movements in the fair value of the plan assets are as follows: ₹ in Lakhs

Particulars	For the year ended 31.03.2020
Fair Value of Plan Assets at the beginning of the year	-
Expected Return on Plan Assets	-
Actuarial (Gain)/ Loss	-
Contributions from the employer	-
Benefits paid	-
Fair Value of the Assets at the end of the year	-

Defined Benefit Plan-Gratuity

The principal assumptions used for the purpose of actuarial valuation were as follows:

Particulars	For the year ended 31.03.2020
Discount Rate (p.a)	7.50%
Rate of increase in compensation levels	5.00%
Expected Rate of return on plan assets	NA

Amount recognised in the Consolidated Statement of Profit and Loss in respect of defined benefit plans are as follows:- ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Service Cost:	
Current Service Cost	**113.64**
Net Interest expense	62.46
Components of defined benefit costs recognised in Consolidated statement of profit and loss	176.10
Remeasurement of the net defined benefit liability:	
Acturial (Gain)/Loss on Plan Obligations	-64.26
Difference between Actual Return and Interest income on Plan assets (gain)/loss	
Components of defined benefit costs recognised in Other Comprehensive Income	**-64.26**

The amount included in the Consolidated Balance Sheet arising from the entity's obligation in respect of its defined benefit plan is as follows:- ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Present Value of Defined Benefit Obligation at end of the year	787.38
Fair Value of Plan Assets at the end of the year	-
Net Liabilities/(Assets) recognized in the Consolidated Balance Sheet	787.38

Movements in present value of the defined benefit obligation are as follows:- ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Defined Benefit Obligation at beginning of the year	776.05
Current Service Cost	113.64
Current Interest Cost	62.46
Actuarial (Gain)/ Loss	-64.26
Benefits paid	-100.51
Defined Benefit Obligation at end of the year	787.38

Movements in the fair value of the plan assets are as follows:

₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Fair Value of Plan Assets at the beginning of the year	-
Expected Return on Plan Assets	-
Actuarial (Gain)/ Loss	-
Contributions from the employer	-
Benefits paid	-
Fair Value of the Assets at the end of the year	-

Note 33: Finance Costs

₹ in Lakhs

Particulars	For the year ended 31 March, 2020
(a) Interest expense	364.79
(b) Interest on lease liabilities	10.65
Total	**375.44**

Note 34: Depreciation and Amortisation Expense

₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Depreciation on property, plant and equipments	1,983.15
Amortisation of other intangible asset	9.39
Total	**1,992.54**

Note 35: Other Expenses

₹ in Lakhs

Particulars	For the year ended 31 March, 2020
(a) Power, fuel & water charges	1,086.28
(b) Consultancy charges	5,033.94
(c) House Keeping expenses	703.16
(d) Lab Test Charges	185.02
(e) Rent	65.47
(f) Repairs:	
- Buildings	105.80
- Machinery	512.51
- Others	77.07
(g) Insurance	13.00
(h) Rates and taxes	28.23
(i) Restaurant consumption	720.81
(j) Advertisement & Marketing expenses	334.85
(k) Printing and Stationery	105.86
(l) Payments to auditors (See Note: 35.1)	8.96
(m) Provision for doubtful debts	600.00
(n) Bad debts written off	-
(o) Expenditure on Corporate Social Responsibility activities (See Note 35.2)	16.15
(p) Professional Charges	39.96
(q) Bank Charges	74.27
(l) Security Charges	144.58
(m) Miscellaneous expenses	279.27
(n) Net loss on foreign currency transactions and translation	-
Total	**10,135.19**

35.1 Payment to Auditors

₹ in Lakhs

For statutory audit	5.25
For taxation matters (including tax audit)	1.00
Tax on above	1.13
For other services	1.42
Reimbursement of expenses	0.17
	8.96

35.2 Corporate Social Responsibility (CSR) : As per section 135 of the Companies Act 2013, CSR committee has been formed by the Group. The provisions were not applicable during pevious year. The areas of CSR activity includes Health Care, Education, Social Empowerment, etc., and those specified in Schedule VII of the Companies Act 2013. The utilisation of CSR funds are done through direct spending as per the recommendations of CSR committee. Details of amount required to be spent and the amount utilised are given below: ₹ in Lakhs

Particulars	For the year ended 31 March, 2020
(a) Gross amount required to be spent by the group during the year:	18.38
(b) Amount spent during the year on:	
(i) Construction/ acquisition of any asset	3.87
(ii) On purposes other than (i) above	12.28

Note 36: Earnings per Equity Share

₹ in Lakhs

Particulars	For the year ended 31 March, 2020
Net Profit after tax	1,644.73
Number of Equity Shares	100,000,000
Basic and Diluted Earnings Per Share (EPS) (in ₹)	1.64
Face value per equity (in ₹)	10.00

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NOTES ON ACCOUNTS

Note 37: CONTINGENT LIABILTIES , CONTINGENT ASSETS AND COMMITMENTS

	Particulars	As at 31.03.2020 (₹ in Lakhs)	Brief Description of the nature and obligation
A	CONTINGENT LIABILITY (To the extent not provided for)		
(a)	Other money for which the company is contingently liable		
1	Employees Provident Fund and Miscellaneous Provisions Act	129.84	Demands raised under Employees Provident Fund and Miscellaneous Provisions Act amounting to ₹ 129.84 lakhs (₹129.84 lakhs) disputed on appeal before the Employees Provident Fund Appellate Tribunal are pending disposal as on date. As directed by the Tribunal, company has deposited a sum of ₹64.72 lakhs(₹64.72 lakhs); and the recovery of balance demand is stayed till the disposal of appeal . The company is legally advised that the demands will not be sustainable and in the opinion of the management no provision in this regard is considered necessary at this stage and the amount deposited is carried over as receivables and disclosed under the head " Deposits" under long term loans and advances.
2	Service tax	62.96	The demand for Service tax amounting to ₹62.96 lakhs (₹ 62.96 lakhs) including penalty of ₹23.42 lakhs (₹23.42 lakhs) on amounts received from Medical companies for clinical research activities was disputed on appeal before the Commissioner of Customs, Central Excise & Service Tax (Appeals). Out of this the appeals for certain years involving demands of ₹39.52 lakhs (₹39.52 lakhs) and penalty of ₹23.44 lakhs (₹ 23.44 lakhs) was decided against the company as per proceedings of the Appellate Authority. The company has filed a second appeal before the Central Excise & Service Tax Appellate Tribunal. As per the advice obtained by the management from the Service Tax consultants, the above referred amounts are exempt services and not liable for Service tax and in the opinion of the management, no provision is considered necessary at this stage.
3	Value Added Tax	652.69	The demand for Value Added Tax amounting to ₹ 652.69 lakhs (₹ 652.69 lakhs) including penalty of ₹487.20 lakhs (₹ 487.20 lakhs) for the period 2008-09, 2009-10, 2010-11 and 2011-12, has been disputed by the Company and a writ petition has been filed before the Hon. High Court of Kerala, which is pending disposal. The Company received a stay order dated 09.06.2017 from Hon. High Court of Kerala. As per the advice obtained by the management from the consultants and in the opinion of the management, no provision is considered necessary at this stage.
4	Income Tax	1.18	The demand for Income tax amounting to ₹1.18 lakhs for Assessment year 2007-08, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		4.72	The demand for Income tax amounting to ₹4.72 lakhs for Assessment year 2010-11, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		3.78	The demand for Income tax amounting to ₹3.78 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		26.41	The demand for Income tax amounting to ₹26.41 lakhs for Assessment year 2011-12, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.
		52.87	The demand for Income tax amounting to ₹52.87 lakhs for Assessment year 2016-17, has been disputed and appeal was filed by the Company against the order with Commissioner of Income Tax (Appeals), no provision is considered necessary at this stage.

5	Legal cases for compensation/claims filed against the company	354.80	Legal cases for compensation/claims filed against the company amounts to ₹354.80 lakhs (₹325.60 lakhs). In the opinion of the management, the cases are not sustainable and hence no provision is considered necessary at this stage.
6	Tide Water	821.91	A case filed against the company in an earlier year for non-compliance of the contract terms amounting to ₹ 821.91 lakhs (₹ 821.91 lakhs) which was under arbitration as per the order of the Honourable High Court of Kerala, was partly decided against the company and as per the arbitration award, an amount of ₹ 257.30 lakhs (₹ 257.30 lakhs) was determined as payable to the claimant. The company has been legally advised that the order of the Arbitrator is not to be accepted and had filed an appeal before the District Court, Ernakulam, challenging the arbitration award. Later, the case has been transferred to the Special Court constituted for hearing the commercial disputes, which is pending disposal. In the opinion of the management, having regard to the legal advice obtained, no provision is considered necessary at this stage.
7	Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board	19.54	During a previous year, the Company has received notice from Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Board regarding non-payment of the amount due u/s 12 of the Kerala Shops and Commercial Establishment Thozhilali Kshema Nidhi Act, 2006 and interest thereon (for the period from 1-8-2008 to 31-8-2014), aggregating to ₹19.54 lakhs (₹ 19.54 lakhs). The Qualified Medical Practitioners Association of which the company is a member has filed a Writ Petition before the Hon.High Court of Kerala and has obtained an interim stay vide order dated 16-1-2009 on the proceedings against the members of the Association under the aforesaid Act, as the employees are covered under Employees Provident Fund and Miscellaneous Provisions Act. Pending disposal of the Writ Petition filed as above, in the opinion of the management, no provision is to be made in the accounts at this stage.
8	Payment of Bonus(Amendment)Act 2015	245.00	During the financial year 2015-16, consequent to the amendment of the Payment of Bonus (Amendment) Act 2015, the ceiling of salary for the computation of bonus was increased with retrospective effect from 1-4-2014. The Company filed a writ petition before the Hon' High Court of Kerala, and vide order dated 13th October 2016, the Hon' High Court had granted an interim stay on the retrospective application of the amendment. The additional liability for the financial year 2014-15 is estimated by the company at ₹245 lakhs (₹245 lakhs). Based on the interim stay and as per the legal advice obtained, the management is of the opinion that no provision is considered necessary at this stage.
B	COMMITMENTS (To the extent not provided for)		
1	Estimated amount of contracts remaining to be executed on capital account and not provided for:	297.78	
2	Bank Gurantees	645.31	Bank guarantee issued on behalf of the company for EPCG scheme, KSEB, ECHS, Cochin Shipyard & High Court for the case of Mr.Philip Augustian.
3	EPCG Scheme	-	In respect of capital equipments imported at concessional rate of duty under the Export Promotion Capital Goods Scheme, the company has an export obligation of ₹ Nil (₹1075.98 lakhs) which is required to be fulfilled at different dates until 2025. In the event of non fulfilment of the export obligation, the company will be liable for the customs duties and penalties as applicable.

38. Litigation : The group is subject to legal proceedings and claims, in the ordinary course of business. The Group's Management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have material and adverse effect on the Group's results of operation.

39. Related Party disclosure as per Ind AS 24

Nature of relationship	Name of related parties
(a) Key Managerial Personnel:	Dr. Shamsheer Vayalil Parambath - Chairman & Managing Director S.K. Abdullah - Chief Executive Officer P.B. Sasidharan Pillai - Chief Financial Officer (resigned w.e.f. February 11, 2020) R. Narayanan - Chief Financial Officer (appointed w.e.f. February 12, 2020) R. Muraleedharan - Company Secretary
(b) Enterprises where key managerial personnel or their relatives exercise significant influence/control/joint control.	VPS Healthcare Private Limited, Kochi. Burjeel Hospital, Oman

B. Summary of transactions and outstanding balances with above related parties are as follows:

₹ *in Lakhs*

Nature of relationship	2019-20
(i) Sale of Services - Other Healthcare services	
Enterprises where key managerial personnel or their relatives exercise significant control	
Burjeel Hospital, Oman	52.83
(ii) Employee benefit expenses	
Remuneration to Key Managerial Personnel	
S.K. Abdullah - Chief Executive Officer	99.71
P.B. Sasidharan Pillai - Chief Financial Officer (resigned w.e.f. February 11, 2020)	43.02
R. Narayanan - Chief Financial Officer (appointed wef February 12, 2020)	3.75
R. Muraleedharan - Company Secretary	23.54
(iii) Trade Receivables - Considered good	
Enterprises where key managerial personnel or their relatives exercise significant control	
Burjeel Hospital, Oman	24.33
(iv) Other Non Current Financial Assets - Deposits	
Enterprises where key managerial personnel or their relatives exercise significant control	
VPS Healthcare Private Limited	40.26

40. Group Information

Information about subsidiaries

The consolidated financial statements of the Group include subsidiaries listed in the table below:

Name	Principal activities	Country of incorporation	% equity interest As at 31.03.2020
Lakeshore Food And Beverages Private Limited	Catering Services	India	100%

41. Lease arrangements

₹ in Lakhs

Particulars	As at 31.03.2020
a) Towards lease rent	
Not later than one year	57.09
Later than one year and not latter than five years	303.23
Later than five years	84.60

42. Segment Reporting

Based on the guiding principles given in Ind AS- "Segment Reporting", the company has only one reportable segment i.e. "Hospital Activities". During the period there are no customers who is contributing more than 10% of revenue from operations.

43. Capital Management

Part A:

The group's objective when managing capital are to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and maintain an optimal capital structure to reduce the cost of capital.

For the purpose of capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the group. The group is not subject to any externally imposed capital requirements.

Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio. *₹ in Lakhs*

Particulars	As at 31.03.2020
Borrowings including current maturities	**4,377.84**
Borrowings as a percentage of Total Capital	13.25
Equity Share Capital	10,000.00
Other equity	18,671.52
Total Equity	**28,671.52**
Total equity as a percentage of Total Capital	86.75
Total Capital (Equity and Borrowings)	**33,049.36**

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

Part B:

FINANCIAL INSTRUMENTS

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the asset or liability

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required)

₹ *in Lakhs*

Financial assets/ financial liabilities	Fair value as at 31-Mar-20	Fair Value hierarchy
Financial Assets		
Non Current		
(i) Investments	-	Level III
(ii) Trade Receivables	-	Level II
(iii) Loans	-	Level II
(iv)Others	238.11	Level II
Current		
(i) Investments	-	
(ii) Trade Receivables	1,870.35	Level II
(iii)Cash & Cash equivalents	845.98	Level II
(iv)Bank Balances other than (iii)	713.51	Level II
(v) Loans	8.17	Level II
(vi)Others	331.25	Level II
Total Financial Assets	**4,007.37**	
Financial Liabilities		
Non Current		
(i) Borrowings	3,715.66	Level I
(ii) Lease liabilities	249.96	Level II
(iii) Trade Payables	-	Level II
(iv) Other financial liablities	-	Level II
Current		
(i) Borrrowings	-	Level II
(ii) Lease liabilities	47.51	
(iii) Trade Payables	3,180.87	Level II
(iv) Other financial liablities	3,161.90	Level II
Total Financial Liabilities	**10,355.90**	

Note:

1. There were no transfers between Level 1 and 2 in the period.
2. Loans, Borrowings are at the market rates and therefore the carrying value is the fair value
3. The carrying amount of trade receivables, trade and other payables, short term loans are considered to be the same as their fair value due to their short term nature

Difference between carrying amounts and fair values of bank deposits, other financial assets,other financial liabilities and borrowings subsequently measured at amortised cost is not significant in each of the years presented.

Financial Instruments by category

₹ *in Lakhs*

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either obs

	31st March 2020		
	FVPL	FVOCI	Amortised Cost
Financial Assets			
Investments			
-Equity instruments			-
Trade receivables			1,870.35
Cash & Cash equivalents			845.98
Bank Balances Other than Above			713.51
Loans			8.17
Other Financial Assets			569.36
Total Financial Assets	-	-	4,007.37
Financial liabilities			
Borrowings			3,715.66
Lease liabilities			297.47
Trade payables			3,180.87
Capital creditors			31.41
Other financial liabilties			3,130.49
Total Financial Liabilities	-	-	10,355.90

44. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013 - 'General instructions for the preparation of consolidated financial statements.'

₹ *in Lakhs*

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consoli-dated net assets	Amount	As % of consoli-dated profit and loss	Amount	As % of consoli-dated other compre-hensive income	Amount	As % of total compre-hensive income	Amount
Parent								
Lakeshore Hospital And Research Centre Limited	99.98%	28,665.79	99.98%	1,644.40	99.99%	45.55	99.98%	1,689.94
Subsidiary								
Indian subsidiaries								
Lakeshore Food And Beverages Private Limited	0.02%	5.73	0.02%	0.33	0.01%	0.00	0.02%	0.34
Total	**100.00%**	**28,671.52**	**100%**	**1,644.73**	**100%**	**45.55**	**100%**	**1,690.28**

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45. Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group takes due care while extending any credit as per the approval matrix approved by Board of Directors.

46. The Group has made adequate provision towards material foreseeable losses wherever required, in respect of long term contracts. The Group do not have any long term derivative contracts for which there were any material foreseeable losses.

47. This being the first reporting period, figures for the previous year are not stated.

For and on behalf of Board of Directors

Sd/-
Shamsheer Vayalil Parambath
Chairman & Managing Director
DIN: 02371712

Sd/-
A.J. Pai
Director
DIN:00115688

Sd/-
S.K. Abdulla
Chief Executive Officer

Sd/-
R. Narayanan
Chief Financial Officer

Sd/-
R. Muraleedharan
Company Secretary

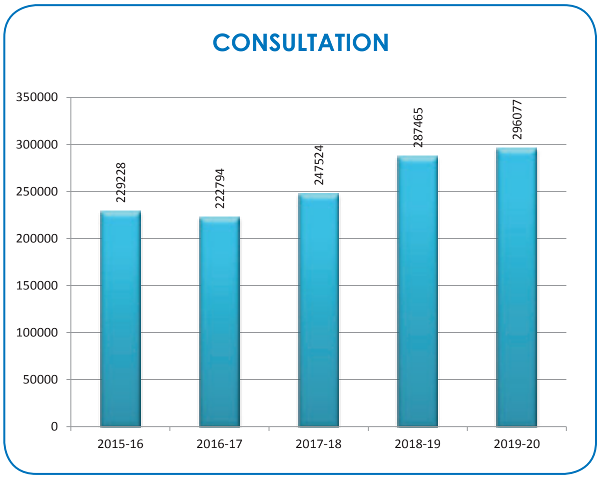
Place : Kochi
Date : 21.10.2020

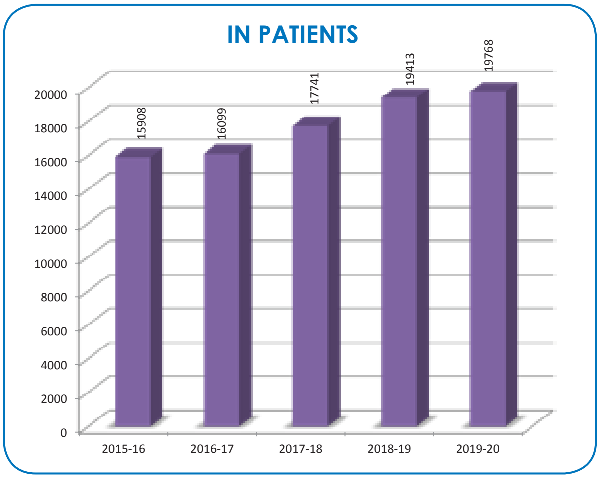
As per our report attached
For M/s Krishnamoorthy & Krishnamoorthy,
Chartered Accountants
(Firm Registration No.001488S)

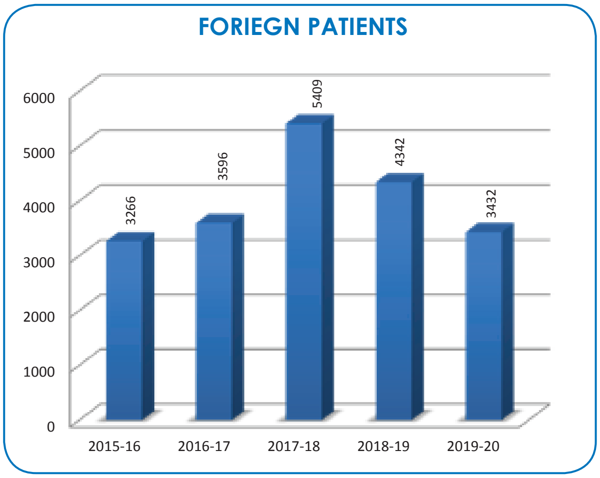
Sd/-
R. Venugopal
Partner
Membership No: 202632

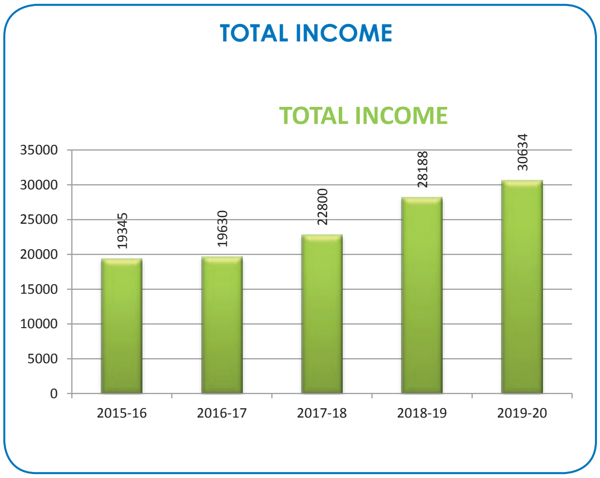
Date : 21.10.2020

PERFORMANCE ANALYSIS









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