

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF FORTIS EMERGENCY SERVICES LIMITED**

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

**Opinion**

We have audited the accompanying standalone financial statements of **FORTIS EMERGENCY SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' 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.



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial 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.

The Board of Directors are 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 skepticism throughout the audit. We also:

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



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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor' 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 the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**"; and



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i.) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – **Refer Note 12 to the Ind AS financial statements.**
  - ii) The Company does not have any long-term contracts including derivatives contracts as at March 31, 2021 for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor and Education and Protection Fund by the Company during the year ended March 31, 2021.
- h) In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197(16) of the act is presently not applicable to the Company.

**For Sharma Sudhir & Associates**  
**Chartered Accountants**  
**(Firm Regn. No. 0033878N)**

**Sudhir Sharma**  
**(Partner)**  
**Membership No. 097380**  
**UDIN: 21097380AAAALC1403**

**New Delhi**  
**Date: July 12<sup>th</sup>, 2021**

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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Fortis Emergency Services Limited of even date)

- i. In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given to us, the Company does not have any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the order are not applicable to the Company and hence not commented upon.
- ii. The Company is in the business of providing emergency ambulances services and medical services, and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. As per the information and explanations given to us, 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. Thus paragraphs 3(iii) (a) & (b) of the Order are not applicable.
- iv. In our opinion and according to the information and explanation given to us, the company has complied with the provision of section 185 and 186 of the companies Act, 2013 with respect to the loans and investments made.
- v. As per the information and explanation given to us, the company has not accepted any deposits. Thus paragraph 3(v) of the Order is not applicable.
- vi. To the best of our knowledge and according to the explanation given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31,2021 for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no material dues of Goods and Service Tax, duty of customs, duty of excise, value added tax and cess which have not been deposited with the appropriate authorities on account of any dispute as at 31st March, 2021.



- viii. Based on our audit procedures the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or borrowings to any financial institution, banks and government. There are no debenture holders of the company.
- ix. According to the information and explanations given to us, the company has not raised any moneys by way of initial public offer or further public offer. The term loans raised during the year have been applied for the purposes for which they were raised.
- x. According to the information and explanation given to us, no material fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanation given to us, company has not paid or provided any managerial remuneration. Thus, paragraph 3(xi) of the Order is not applicable.
- xii. In our opinion and according to the information and explanation given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanation given to us, all the transactions with the related parties are in compliance with section 177 and 188 of Companies Act 2013 where applicable and the details have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and on the basis of 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 debenture during the year.
- xv. According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(XV) of the order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Sharma Sudhir & Associates**  
**Chartered Accountants**  
**(Firm Regn. No. 0033878N)**

  
  
**Sudhir Sharma**  
**(Partner)**  
**Membership No. 097380**  
**UDIN: 21097380AAAALC1403**

**New Delhi**  
**Date: July 12<sup>th</sup>, 2021**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Fortis Emergency Services Limited of even date)

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

We have audited the internal financial controls over financial reporting of **FORTIS EMERGENCY SERVICES LIMITED** (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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.

#### **Auditor’s Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 system over financial reporting of the Company.

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company;



and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sharma Sudhir & Associates**  
**Chartered Accountants**  
**(Firm Regn. No. 0033878N)**

**Sudhir Sharma**  
**(Partner)**

**Membership No. 097380**

**UDIN: 21097380AAAALC1403**



**New Delhi**

**Date: July 12<sup>th</sup>, 2021**



**FORTIS EMERGENCY SERVICES LIMITED**  
**BALANCE SHEET AS AT 31st March 2021**

Particulars	Notes	As at March 31, 2021 (Rupees in Lacs)	As at March 31, 2020 (Rupees in Lacs)
<b>ASSETS</b>			
<b>A. Non-current assets</b>			
(a) Property, plant and equipment	4 (i)	29.19	35.15
(b) Other intangible assets	4 (ii)	0.28	0.42
(c) Non-current tax assets (net)	4 (iii)	27.04	30.51
(d) Other non-current assets	4 (iv)	735.85	735.84
<b>Total non-current assets (A)</b>		<u>792.36</u>	<u>801.92</u>
<b>B. Current assets</b>			
<b>(a) Financial assets</b>			
(i) Trade receivables	4 (v)	23.82	64.61
(ii) Cash and cash equivalents	4 (vi)	15.43	11.58
(iii) Bank balances other than (ii) above	4 (vii)	73.70	111.02
(iv) Other financial assets	4 (viii)	5.82	6.77
<b>(b) Other current assets</b>	4 (iv)	1.83	0.21
<b>Total current assets (B)</b>		<u>120.60</u>	<u>194.19</u>
<b>Total assets (A+B)</b>		<u>912.96</u>	<u>996.11</u>
<b>EQUITY AND LIABILITIES</b>			
<b>A. Equity</b>			
(a) Equity share capital	4 (ix)	5.00	5.00
(b) Other equity		<u>(7,190.23)</u>	<u>(6,529.97)</u>
<b>Total equity (A)</b>		<u>(7,185.23)</u>	<u>(6,524.97)</u>
<b>Liabilities</b>			
<b>B. Non-current liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	4 (x)	7,215.31	6,586.29
(b) Provisions	4 (xi)	7.12	6.85
<b>Total non-current liabilities (B)</b>		<u>7,222.43</u>	<u>6,593.14</u>
<b>C. Current liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Trade payables	4 (xii)		
- Total outstanding dues of micro enterprises and small enterprises			
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1.44	0.81
(ii) Other financial liabilities	4 (xiii)	747.60	800.42
(b) Provisions	4 (xi)	112.83	111.42
(c) Other current liabilities	4 (xiv)	13.89	15.29
<b>Total current liabilities ( C )</b>		<u>875.76</u>	<u>927.94</u>
<b>Total liabilities (B+C)</b>		<u>8,098.19</u>	<u>7,521.08</u>
<b>Total equity and liabilities (A+B+C)</b>		<u>912.96</u>	<u>996.11</u>

See accompanying notes forming integral part of the financial statements  
In terms of our report attached

1-13

For Sharma Sudhir & Associates  
Chartered Accountants  
Firm Registration Number:-0033878N

Sudhir Sharma  
(Partner)  
Membership No:-097380  
UDIN No:-21097380AAAALCI403



For and on behalf of the Board of Directors of  
Fortis Emergency Services Ltd

Manu Kapila  
Director  
DIN: 03403696

Ajay Vij  
Director  
DIN: 07939034

Place : New Delhi  
Date : July 12, 2021

Place : Gurgaon  
Date : July 12, 2021

Place : Gurgaon  
Date : July 12, 2021



**FORTIS EMERGENCY SERVICES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2021**

Particulars	Notes	Year ended March 31, 2021 (Rupees in Lacs)	Year ended March 31, 2020 (Rupees in Lacs)
<b>INCOME</b>			
I Revenue from operations	4(xv)	109.86	127.62
II Other income	4(xvi)	6.83	11.96
<b>III Total income (I+II)</b>		<b>116.69</b>	<b>139.58</b>
<b>IV EXPENSES</b>			
(i) Employee benefits expense	4(xvii)	101.68	110.64
(ii) Finance costs	4(xviii)	640.74	693.89
(iii) Depreciation and amortisation expense	4(xix)	6.09	7.75
(iv) Other expenses	4(xx)	28.73	39.33
<b>Total expenses</b>		<b>777.24</b>	<b>851.61</b>
<b>V Loss before tax (III-IV)</b>		<b>(660.55)</b>	<b>(712.03)</b>
<b>VI Tax expense</b>			
(i) Current tax		-	-
(ii) Deferred tax		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>VII Loss after tax for the year (V-VI)</b>		<b>(660.55)</b>	<b>(712.03)</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of the defined benefit liabilities		0.29	(1.17)
<b>VIII Total other comprehensive income</b>		<b>0.29</b>	<b>(1.17)</b>
<b>IX Total comprehensive loss for the year (VII+VIII)</b>		<b>(660.26)</b>	<b>(713.20)</b>
<b>Earning per share of ₹10 each</b>			
(i) Basic (in ₹)		(1,320.53)	(1,426.39)
(ii) Diluted (in ₹)		(1,320.53)	(1,426.39)

See accompanying notes forming integral part of the financial statements  
As per our report of even date attached

1-13

**For Sharma Sudhir & Associates**  
Chartered Accountants  
Firm Registration Number:-0033878N

**Sudhir Sharma**  
(Partner)  
Membership No:-097380  
UDIN No:-21097380AAAALC1403

Place : New Delhi  
Date : July 12, 2021

**For and on behalf of the Board of Directors of**  
**Fortis Emergency Services Ltd**

**Manu Kapila**  
Director  
DIN: 03403696

**Ajay Vij**  
Director  
DIN: 07939034

Place : Gurgaon  
Date : July 12, 2021

Place : Gurgaon  
Date : July 12, 2021



**FORTIS EMERGENCY SERVICES LIMITED**  
**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Notes	Year ended March 31, 2021 (Rupees in Lacs)	Year ended March 31, 2020 (Rupees in Lacs)
<b>A. Cash flows from operating activities</b>			
Loss for the year		(660.26)	(713.20)
Adjustments for:			
Finance costs		640.62	693.83
Interest income		(6.17)	(8.11)
Depreciation and amortisation expense		6.09	7.75
		<u>(19.72)</u>	<u>(19.73)</u>
<b>Movements in working capital:</b>			
Decrease in trade and other receivables		40.79	41.07
Increase in other assets		(0.68)	(26.34)
Increase/ (Decrease) in trade payables		0.63	(9.36)
Increase/ (Decrease) in provisions		0.83	(1.32)
Decrease in other liabilities		(2.16)	(55.12)
<b>Cash generated from operations</b>		<u>19.69</u>	<u>(70.80)</u>
Income taxes paid		3.47	0.67
<b>Net cash generated by/(used in) operating activities</b>		<u>23.16</u>	<u>(70.13)</u>
<b>B. Cash flows from investing activities</b>			
Interest received		6.17	8.11
Fixed deposits matured/ (placed) with banks (net)		37.32	-6.39
<b>Net cash generated by investing activities</b>		<u>43.49</u>	<u>1.72</u>
<b>C. Cash flows from financing activities</b>			
Loan (repaid)/ received to/from holding company		(50.00)	70.02
Interest paid*		(12.80)	(13.94)
<b>Net cash (used in)/generated by financing activities</b>		<u>(62.80)</u>	<u>56.07</u>
<b>Net increase/ (decrease in) cash and cash equivalents (A + B + C)</b>		<u>3.85</u>	<u>(12.34)</u>
Cash and cash equivalents at the beginning of the year		11.58	23.92
<b>Cash and cash equivalents at the end of the year</b>	4 (vi)	<u>15.43</u>	<u>11.58</u>

**Changes in liabilities arising from financing activities**

Particulars	Borrowings	Interest accrued
<b>As at 31 March 2019</b>	<b>5,893.50</b>	<b>622.77</b>
Proceeds from borrowings	70.02	-
Finance cost paid	-	(13.94)
Finance cost	-	692.95
Reclassifications	622.77	(622.77)
<b>As at 31 March 2020</b>	<b>6,586.29</b>	<b>679.02</b>
Repayment of borrowings	(50.00)	-
Finance cost paid	-	(12.80)
Finance cost	-	639.77
Reclassifications	679.02	(679.02)
<b>As at 31 March 2021</b>	<b>7,215.31</b>	<b>626.97</b>

See accompanying notes forming integral part of the financial statements  
As per our report of even date attached.

1-13

For, Sharma Sudhir & Associates  
Chartered Accountants  
Firm Registration Number:-0033878N  
  
Sudhir Sharma  
(Partner)  
Membership No:-097380  
UDIN No:-21097380AAAALC1403

Place : New Delhi  
Date : July 12, 2021

For and on behalf of the Board of Directors of  
Fortis Emergency Services Ltd

  
Manu Kapila  
Director  
DIN: 03403696

  
Ajay Vij  
Director  
DIN: 07939034

Place : Gurgaon  
Date : July 12, 2021

Place : Gurgaon  
Date : July 12, 2021



**FORTIS EMERGENCY SERVICES LIMITED**  
**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021**

(Rupees in Lacs)

Particular	Equity	Other equity	Total
	Equity share capital	Retained earnings	
Balance at April 1, 2019	5.00	(5,816.77)	(5,811.77)
Loss for the year	-	(712.03)	(712.03)
Other comprehensive income for the year, net of income tax	-	(1.17)	(1.17)
<b>Balance at March 31, 2020</b>	<b>5.00</b>	<b>(6,529.97)</b>	<b>(6,524.97)</b>
Loss for the year	-	(660.55)	(660.55)
Other comprehensive income for the year, net of income tax	-	0.29	0.29
<b>Total comprehensive income for the year</b>	<b>5.00</b>	<b>(7,190.23)</b>	<b>(7,185.23)</b>
<b>Balance at March 31, 2021</b>	<b>5.00</b>	<b>(7,190.23)</b>	<b>(7,185.23)</b>

See accompanying notes forming integral part of the financial statements  
As per our report of even date attached

For Sharma Sudhir & Associates  
Chartered Accountants  
Firm Registration Number:-0033878N

Sudhir Sharma  
(Partner)  
Membership No:-097380  
UDIN No:-21097380AAAALC1403

Place : New Delhi  
Date : July 12, 2021

For and on behalf of the Board of Directors of  
Fortis Emergency Services Ltd

Manu Kapila  
Director  
DIN: 03403696

Ajay Vij  
Director  
DIN: 07939034

Place : Gurgaon  
Date : July 12, 2021

Place : Gurgaon  
Date : July 12, 2021



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**Note 1. Corporate Information**

Fortis Emergency Services Limited (the 'Company') was incorporated on April 30, 2009 to undertake and to carry on the work of providing emergency ambulances services and medical services, quality improvement in health delivery channels, skills up gradation and adaption of best management practices in delivering emergency medical care, research and development of techniques for administering emergency medical care, adoption of information technology, global positioning system and state of the art life support medical equipment's to provide the best emergency medical services to the public at large. The company is a subsidiary of Fortis Hospitals Limited.

The registered office of the company is located Escorts Heart Institute and Research Centre, Okhla Road, New Delhi-110025, and the corporate office of the company is located at Tower A, Unitech Business Park, Block - F South City - 1, Sector-41 Gurgaon 122001, Haryana.

**Note 2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with the previous financial year

**(a) Basis of preparation**

**(i) Statement of compliance**

These Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, ("the Act") and other relevant provisions of the Act. All the amounts included in the financial statements are reported in lacs of Indian Rupees and are rounded to the nearest lac rounded off to two decimals, except per share data.

The financial statements have been authorized for issue by the Company's Board of Directors on July 12, 2021.

**(ii) Historical cost convention**

The financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated. 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.

**(b) 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 realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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- 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.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

**(c) Measurement of fair values**

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**(d) Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**(e) Property, plant and equipment (PPE) and intangible assets**

**(i) Property, plant and equipment**

The items of property, plant and equipment are stated at cost, which includes capitalized finance costs, less accumulated depreciation and any accumulated impairment loss. The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price..

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Advances paid towards acquisition of property, plant and equipment outstanding at each Balance Sheet date, are shown under other non-current assets and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 01 April 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the property, plant and equipment.

**(ii) Goodwill and Intangible assets**

- For measurement of goodwill that arises from business combination.. Subsequent measurement is at cost less any accumulated impairment losses.
- Internally generated goodwill is not recognised as an asset. With regard to other internally generated intangible assets:
  - Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the Statement of Profit and Loss as incurred.
  - Development expenditure including regulatory cost and legal expenses leading to product registration/ market authorisation relating to the new and/or improved product and/or process development capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and directly attributable finance costs (in the same manner as in the case of tangible fixed assets). Other development expenditure is recognised in the Statement of Profit and Loss as incurred.
- Intangible assets that are acquired and implementation of software system are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at 01 April 2015 measured as per the previous GAAP and used that carrying value as the deemed cost of the intangible assets.



**FORTIS EMERGENCY SERVICES LIMITED**  
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**(iii) Depreciation and amortization methods, estimated useful lives and residual value**

Depreciation is provided on straight line basis on the original cost/ acquisition cost of assets or other amounts substituted for cost of fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act, read with notification dated 29 August 2014 of the Ministry of Corporate Affairs, except for the following classes of fixed assets which are depreciated based on the internal technical assessment of the management as under:

Category of assets	Useful life as per Schedule II
Medical Equipment	13 years
Computers	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	4-8 years

Depreciation on leasehold improvements is provided over the period of lease or over the useful lives of the respective assets, whichever is shorter.

Estimated useful lives of the intangible assets are as follows:

Computer software	3-6 years
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Depreciation and amortization on property, plant and equipment and intangible assets added/disposed off during the year has been provided on pro-rata basis with reference to the date/month of addition/disposal.

Depreciation and amortization methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

**(iv) Derecognition**

A property, plant and equipment and intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

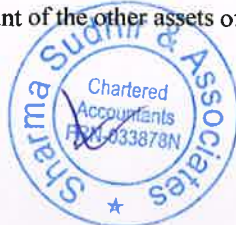
**(f) Impairment of non-financial assets**

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows (i.e. corporate assets) are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amount of the other assets of the CGU (or group of CGUs) on a pro rata basis.





**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

**(g) Financial instrument**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

*Financial assets*

*Initial recognition and measurement*

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

*Subsequent measurement*

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

*Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

*Debt instrument at FVOCI*

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

*Debt instrument at FVTPL*

FVPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

*Equity investments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

*Impairment of financial assets*

The Company recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Statement of Profit and Loss.

*Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

*Write-off of financial assets*

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off.

*Financial liabilities*

Financial liabilities are classified as measured at amortised cost or FVPL. A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

*Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

*Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

**(h) Inventories**

Inventories are valued at lower of cost or net realizable value except scrap, which is valued at net estimated realizable value.

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



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**(i) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less which are subject to an insignificant risk of change in values.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

**(j) Contingent liabilities and contingent assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities and commitments are reviewed by the management at each balance sheet date.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**(k) Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**(l) Revenue recognition**

Revenue primarily comprises fees charged for providing emergency ambulance services.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Company assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue for each distinct performance obligation is measured to at an amount that reflects the consideration which the Company expects to receive in exchange for those products or services and is net of tax collected from customers and remitted to government authorities such as sales tax, excise duty, value added tax and applicable discounts and allowances including claims. Further, the Company also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue is recognized as and when services are performed and from sale of products is recognised upon transfer of control of products to customers at the time of delivery of goods to the customers.

Revenue includes only those sales for which the Company has acted as a principal in the transaction, takes title to the products, and has the risks and rewards of ownership, including the risk of loss for collection, delivery and returns. Any revenue transaction for which the Company has acted as an agent or broker without assuming the risks and rewards of ownership have been reported on a net basis.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as other financial assets when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Unearned and deferred revenue ("contract liability") is recognised as other current liability when there is billings in excess of revenues.

**Interest Income**

Interest income on financial assets (including deposits with banks) is recognized using the effective interest rate method on a time proportionate basis

**(m) Employee benefits**

*Short-term employee benefits*

All employee benefits falling due within twelve months of the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

*Post-employment benefits*

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

a) **Gratuity**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. The liability in respect of gratuity is recognised in the books of account based on actuarial valuation by an independent actuary.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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b) **Provident fund**

(i) The Company makes contribution to the recognized provident fund – “Fortis Healthcare Limited” Provident Fund Trust” for most of its employees in India, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified rate. The Company’s obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government.

(ii) The Company's contribution to the provident fund is charged to Statement of Profit and Loss.

*Other long-term employee benefits:*

*Compensated absences:*

As per the Company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods to either be utilised during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. Accumulated compensated absences are treated as other long-term employee benefits.

*Termination benefits:*

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

*Actuarial valuation*

The liability in respect of all defined benefit plans and other long term benefits is accrued in the books of account on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurement gains and losses on other long term benefits are recognised in the Statement of Profit and Loss in the year in which they arise. Remeasurement gains and losses in respect of all defined benefit plans arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in other equity in the Statement of Changes in Equity and in the Balance Sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Any differential between the plan assets (for a funded defined benefit plan) and the defined benefit obligation as per actuarial valuation is recognised as a liability if it is a deficit or as an asset if it is a surplus (to the extent of the lower of present value of any economic benefits available in the form of refunds from the plan or reduction in future contribution to the plan).

Past service cost is recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, the past service cost is recognised immediately in the Statement of Profit and Loss. Past service cost may be either positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**(n) Finance costs**

Finance costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Finance cost also includes exchange differences to the extent regarded as an adjustment to the finance costs. General and specific borrowing costs that are directly attributable to the construction or production or development of a qualifying asset are capitalized as part of the cost of that asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other finance costs are expensed in the period in which they occur.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the finance costs eligible for capitalization. Ancillary costs incurred in connection with the arrangement of borrowings are amortised over the period of such borrowings.

**(o) Income tax**

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

*Current taxes*

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

*Deferred taxes*

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

For operations carried out in under tax holiday facilities, deferred tax assets or liabilities, if any, have been established for the tax consequences of those temporary differences between the carrying values of assets and liabilities and their respective tax bases that reverse after the tax holiday ends



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

**(p) Leases**

At inception of a contract, the assesses whether a contract is, or contains, a lease. 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:

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset through the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases, where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Company has the right to operate the asset; or
  - the Company designed the asset in a way that predetermines how and for what purpose it will be used

An entity shall reassess whether a contract is, or contains, a lease only if the terms and conditions of the contract are changed.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

**(i) As a lessee**

The Company accounts for assets taken under lease arrangement in the following manner:

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The estimated useful lives of right-of-use are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate.





**FORTIS EMERGENCY SERVICES LIMITED**  
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Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**(ii) As a lessor**

The Company accounts for assets given under lease arrangement in the following manner:

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Rental income on operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased assets and recognised on a straight-line basis over the lease term.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**(q) Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

**(r) Segment reporting**

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

The Company is primarily engaged in the business of healthcare services which is the only reportable business segment



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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**(s) Earnings per share**

**(i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year.

**(ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

**(t) Critical estimates and judgements**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes.

- Financial instruments - Note 7
- Fair value measurement – Note 8
- Recognition and measurement of contingency: Key assumption about the likelihood and magnitude of an outflow of resources – 12
- Assessment of useful life and residual value of property, plant and equipment and intangible asset – Note 2(e)(iii)
- Estimation of assets and obligations relating to employee benefits (including actuarial assumptions) – Note 6

**3. Recent Pronouncements but not yet effective**

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

**Balance Sheet:**

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

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- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

**Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

4 (i) **Property, Plant & Equipment**

(Rupees in Lacs)

Particulars	Medical equipments	Furniture & fittings	Computers	Office equipments	Vehicles	Total
<b>Gross carrying amount</b>						
As at 01 April, 2019	62.45	0.16	4.05	2.18	52.17	121.01
Additions						
As at March 31,2020	62.45	0.16	4.05	2.18	52.17	121.01
Additions						
As at March 31,2021	62.45	0.16	4.05	2.18	52.17	121.01
<b>Accumulated Depreciation</b>						-
As at 01 April, 2019	29.18	0.15	3.86	1.91	43.34	78.44
Charge for the year	4.69	-	0.01	0.12	2.61	7.43
As at March 31,2020	33.87	0.15	3.87	2.03	45.95	85.87
Charge for the year	4.09	-	-	0.07	1.79	5.95
As at March 31,2021	37.96	0.15	3.87	2.10	47.74	91.82
Net Block(As at March 31,2020)	28.58	0.01	0.18	0.15	6.22	35.15
Net Block(As at March 31,2021)	24.49	0.01	0.18	0.08	4.43	29.19



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

4 (ii) Other intangible assets

(Rupees in Lacs)

Particulars	Software	Total
<b>Gross carrying amount</b>		
As at 01 April, 2019	7.18	7.18
Additions		-
As at March 31,2020	7.18	7.18
Additions		-
As at March 31,2021	7.18	7.18
<b>Amortization and impairment</b>		
As at 01 April, 2019	6.44	6.44
Charge for the year	0.32	0.32
As at March 31,2020	6.76	6.76
Charge for the year	0.14	0.14
As at March 31,2021	6.90	6.90
<b>Net block</b>		
Net Block(As at March 31,2020)	0.42	0.42
Net Block(As at March 31,2021)	0.28	0.28



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

Particulars	As at March 31, 2021 (Rupees in Lacs)	As at March 31, 2020 (Rupees in Lacs)
<b>4 (iii) Non-current tax assets (net)</b>		
(a) Advance income tax (net of provision for taxation)	27.04	30.51
	<u>27.04</u>	<u>30.51</u>
<b>4 (iv) Other assets (unsecured)</b>		
<b>Non-current</b>		
<b>Considered good</b>		
(a) Capital Advances	671.43	671.43
(b) Balances with customs excise and other authorities	64.42	64.42
	<u>735.85</u>	<u>735.84</u>
<b>Current</b>		
(a) Prepaid expense	1.83	0.21
	<u>1.83</u>	<u>0.21</u>
<b>4 (v) Trade receivables (unsecured)</b>		
<b>Current</b>		
(a) Considered good		
From Others	-	-
From Related Parties	23.82	64.61
	<u>23.82</u>	<u>64.61</u>
<b>Age of receivables</b>		
Within the credit period		
1-30 days past due	11.92	11.51
31-60 days past due	4.76	21.50
61-90 days past due	3.57	12.30
More than 90 days past due	3.57	19.30
	<u>23.82</u>	<u>64.61</u>
<b>4 (vi) Cash and cash equivalents</b>		
For the purposes of the statement of cash flow, cash and cash equivalents include cash on hand and in banks. Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows can be reconciled to the related items in the Ind AS balance sheet as follows:		
(a) Balances with banks		
(i) in current accounts	15.43	11.53
(ii) Cash on hand	-	0.05
<b>Cash and cash equivalents as per balance sheet and statement of cash flows</b>	<u>15.43</u>	<u>11.58</u>
<b>4 (vii) Other bank balances</b>		
(a) Deposits with original maturity of more than 3 months but less	10.00	0.00
(b) Deposits with maturity of more than 12 months	63.70	111.02
	<u>73.70</u>	<u>111.02</u>
<b>4 (viii) Other financial assets (unsecured)</b>		
<b>Current</b>		
<b>Considered good</b>		
(a) Interest accrued but not due on loans and deposits	5.04	5.55
(b) Full and Final Settlement Employees Recoverable	0.00	0.22
(c) Full Final Settlement Retainership Charges Recoverable	0.75	0.97
(d) Staff Advance	0.03	0.03
	<u>5.82</u>	<u>6.77</u>



**FORTIS EMERGENCY SERVICES LTD**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	As at March 31, 2021 (Rupees in Lacs)	As at March 31, 2020 (Rupees in Lacs)
<b>4 (ix) Equity share capital</b>		
<b>Authorised Shares</b>		
50,000 (Previous year 50,000) Equity shares of Rupees 10 each	5.00	5.00
<b>Total authorised share capital</b>	<b>5.00</b>	<b>5.00</b>
<b>Issued, subscribed and fully paid up shares</b>		
50,000 (Previous year 50,000) Equity shares of Rupees 10 each	5.00	5.00
<b>Total issued, subscribed and fully paid up share capital</b>	<b>5.00</b>	<b>5.00</b>

Notes :

- (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

**Equity Shares**

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
	Number	Rupees in Lacs	Number	Rupees in Lacs
At the beginning of the year	50,000	5.00	50,000	5.00
<b>Outstanding at the end of the year</b>	<b>50,000</b>	<b>5.00</b>	<b>50,000</b>	<b>5.00</b>

- (b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rupees 10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the current and previous year, there has been no dividend proposed by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

- (c) For the period of five years immediately preceding the date of the balance sheet, there were no share allotment made for consideration other than cash and also no bonus shares were issued. Further, there has been no buyback of shares during the period of five years preceding the date of balance sheet.

- (d) Shares held by the holding/ ultimate holding company and/ or their subsidiaries

**Equity Shares**

Name of Shareholder	As at March 31, 2021		Year ended March 31, 2020	
	Number	Rupees in Lacs	Number	Rupees in Lacs
Fortis Hospitals Ltd	50,000	5.00	50,000	5.00

- (e) Details of shareholders holding more than 5% shares in the Company

**Equity Shares**

Name of Shareholder	As at March 31, 2021		Year ended March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Fortis Hospitals Ltd	50,000	100%	50,000	100%

As per records of the Company, including its register of share holders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

Particulars	As at March 31, 2021 (Rupees in Lacs)	As at March 31, 2020 (Rupees in Lacs)
<b>4 (x) Borrowing</b>		
<b>Unsecured - at amortised cost</b>		
(a) Loans from holding company	7,215.31	6,586.29
	<u>7,215.31</u>	<u>6,586.29</u>
<b>4 (xi) Provisions</b>		
<b>Non- current</b>		
<b>Provision for employee benefits</b>		
(a) Gratuity (Refer note 6 )	7.12	6.85
	<u>7.12</u>	<u>6.85</u>
<b>Current</b>		
<b>Provision for employee benefits</b>		
(a) Gratuity (Refer note 6 )	1.47	1.23
(b) Compensated absences	6.35	5.18
<b>Others</b>		
(a) Provision for litigation	105.01	105.01
	<u>112.83</u>	<u>111.42</u>
<b>4 (xii) Trade Payable</b>		
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 9)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.44	0.81
	<u>1.44</u>	<u>0.81</u>
<b>4 (xiii) Other financial liabilities</b>		
<b>Current</b>		
(a) Interest accrued but not due on borrowings*	626.97	679.02
(b) Capital creditors	75.00	75.00
(c) Other Liabilities	45.63	46.40
	<u>747.60</u>	<u>800.42</u>
*Interest accrued at the year end has been converted into loan on subsequent 01 April 2020 and 01 April 2019 respectively.		
<b>4 (xiv) Other current liabilities</b>		
(a) Statutory dues payables	13.89	15.29
	<u>13.89</u>	<u>15.29</u>





**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Year ended March 31, 2021 (Rupees in Lacs)	Year ended March 31, 2020 (Rupees in Lacs)
<b>4 (xv) Revenue from operations</b>		
(a) <b>Sale of services</b>		
Income from hospital and medical services	109.86	127.62
	<u>109.86</u>	<u>127.62</u>
<b>4 (xvi) Other Income</b>		
(a) <b>Interest income from</b>		
- bank deposits	6.17	8.11
- income tax refunds	0.46	0.19
(b) <b>Other non-operating income</b>		
Miscellaneous income	0.20	3.66
	<u>6.83</u>	<u>11.96</u>
<b>4 (xvii) Employee benefits expense</b>		
(a) Salaries, wages and bonus	93.32	100.02
(b) Gratuity expenses	1.20	1.36
(c) Compensated absences	1.25	1.99
(d) Contribution to provident fund and other funds	5.91	7.18
(e) Staff welfare expenses	-	0.09
	<u>101.68</u>	<u>110.64</u>
<b>4 (xviii) Finance costs</b>		
(a) <b>Interest expense</b>		
-on loan from holding company	639.77	692.95
- on defined benefit plan	0.85	0.88
(b) Other borrowing cost	0.12	0.06
	<u>640.74</u>	<u>693.89</u>
<b>4 (xix) Depreciation and amortisation expense</b>		
(a) Depreciation of property, plant and equipment	5.95	7.43
(b) Amortisation of intangible assets	0.14	0.32
	<u>6.09</u>	<u>7.75</u>
<b>4 (xx) Other expenses</b>		
(a) Power and fuel	1.98	2.25
(b) Housekeeping expenses including consumables	-	0.25
(c) Cost of medical services	4.98	5.08
(d) Repairs and maintenance -		
- Plant and machinery	6.47	8.71
(e) Legal and professional fee (see note below)	13.47	19.19
(f) Travel and conveyance	-	0.23
(g) Printing and stationary	-	0.22
(h) Communication expenses	0.10	0.24
(i) Directors' sitting fees	-	1.30
(j) Insurance	0.31	0.39
(k) Auditors' remuneration	1.42	1.42
(l) Miscellaneous expenses	-	0.05
	<u>28.73</u>	<u>39.33</u>
<b>Payments to auditors (Exclusive of Indirect Tax)</b>		
(a) Statutory audit fee	1.00	1.00
(b) Tax audit fee	0.20	0.20
	<u>1.20</u>	<u>1.20</u>



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

5) **Related party disclosures**

**Names of related parties and related party relationship**

Names of Related parties (as certified by the management):-

Ultimate Holding Company	1	IHH Healthcare Berhad
Intermediate Holding Company	1	Integrated Healthcare Holdings Limited
	2	Parkway Pantai Limited
	3	Northern TK Venture Pte Ltd
	4	Fortis Healthcare Limited
Holding Company	1	Fortis Hospitals Limited
Key Managerial Personnel (KMP)	1	Jitender Kumar (Director) (w.e.f. December 13, 2018 till September 23, 2020)
	2	Arnab Acharya (Director) (w.e.f. December 13, 2018 till September 23, 2020)
	3	Gaurav Chugh (Director) (w.e.f. December 13, 2018 till September 23, 2020)
	4	Kapil Jain ( Director) ( w.e.f. May 21, 2019 to January 29, 2020)
	5	Manu Kapila (Director) (w.e.f. September 23, 2020)
	6	Prabhat Kumar (Director) (w.e.f. September 23, 2020)
	7	Ajay Vij (Director) (w.e.f. September 23, 2020)
Fellow Subsidiaries (with whom transactions have taken place)	1	Escorts Heart Institute And Research Centre Limited ('EHIRCL')
	2	Fortis C-Doc Healthcare Limited ('C-DOC')
	3	Fortis Health Management (East) Limited ('FHM(E)L')

The disclosures in respect of Related Party Transactions are as under:

Transactions details	(Rupees in Lacs)	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Transactions during the year</b>		
<b>Interest expense on loan taken from</b>		
Fortis Hospitals Limited	639.77	692.95
<b>Loans taken during the year</b>		
Fortis Hospitals Limited	-	70.00
<b>Interest accrued converted into loan</b>		
Fortis Hospitals Limited	679.02	622.77
<b>Income of Medical Services</b>		
Escorts Heart Institute & Research Centre Limited	23.81	22.26
Fortis Hospitals Limited	39.04	45.42
Fortis Healthcare Ltd	26.12	37.26
<b>Reimbursement of Expenses</b>		
Escorts Heart Institute & Research Centre Ltd	4.20	2.22
Fortis Healthcare Limited -Fortis Shalimar Bagh	7.70	-
Fortis Hospitals Limited -Fortis-Noida	3.65	-
<b>Director sitting fee</b>		
Jitender Kumar	-	0.40
Arnab Acharya	-	0.50
Gaurav Chugh	-	0.40



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

(Rupees in Lacs)		
Balance outstanding at the year end	As at March 31, 2021	As at March 31, 2020
<b>Borrowings</b>		
Fortis Hospitals Limited	7,215.31	6,586.29
<b>Interest accrued but not due on borrowings</b>		
Fortis Hospitals Limited	626.97	679.02
<b>Trade Receivables</b>		
Escorts Heart Institute & Research Centre Ltd	10.75	38.48
Fortis Hospitals Limited	6.01	14.40
Fortis Healthcare Ltd	5.75	9.50
Fortis Health Management (East) Limited	-	-

All the above related party transaction mentioned above is at arm's length.

The above outstanding are unsecured and will be settled in cash. No expenses has been recognized in the current or prior years for bad or doubtful debt in respect of the amounts owned by related party

**6) Employee Benefits Plan:**

**Defined Contribution Plan**

The Company's contribution towards its provident fund is a defined contribution retirement plan for qualifying employees. The Company's contribution to the Employees Provident Fund is deposited with Provident Fund Commissioner which is recognized by the Income Tax authorities. The Company recognized Rs. 5.91 lakhs (previous year Rs. 7.18 lakhs) for Provident Fund and Employee state insurance contribution in the statement of profit and loss account. The Contribution payable to the plan by the Company is at the rate specified in rules to the scheme

**Defined Benefit Plan**

The Company has a defined benefit gratuity plan, where under employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn basic salary) for each completed year of service subject. Vesting occurs upon completion of 5 years of service. The Gratuity is unfunded.

The following table summarizes the components of net benefit expenses recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet.

**Gratuity**

(Rupees in Lacs)		
Particulars	As at March-2021	As at March-2020
<b>Movement in Net Liability</b>		
Present value of obligation at the beginning of the year	8.08	8.31
Current service cost	1.20	1.36
Interest cost	0.51	0.55
Amount recognized to OCI	(0.29)	1.17
Benefits paid	(0.91)	(2.05)
Acquisition (credit)/ cost	0	(1.26)
Present value of obligations at the end of the year	8.59	8.08



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

(Rupees in Lacs)

Particulars	As at March 2021	As at March-2020
<b>Present value of unfunded obligation</b>		
<b>Amounts in the Balance Sheet</b>		
(a) Liabilities	8.59	8.08
(b) Assets	-	-
c) Net liability/(asset) recognized in the Balance Sheet	8.59	8.08
Current Liability	1.47	1.23
Non-Current Liability	7.12	6.85

(Rupees in Lacs)

Expense recognized in Statement of Profit and Loss is as follows:	As at March-2021	As at March-2020
<b>Amount recognized in employee benefit expense</b>		
Service cost	1.20	1.36
Past Service Cost	-	-
<b>Total</b>	<b>1.20</b>	<b>1.36</b>
<b>Amount recognized in finance cost</b>		
Interest cost	0.51	0.55
<b>Total</b>	<b>0.51</b>	<b>0.55</b>
<b>Total Amount charged to Statement to Profit and Loss</b>	<b>1.71</b>	<b>1.91</b>

(Rupees in Lacs)

Expense recognized in Statement of Other comprehensive income is as follows:	As at March-2021	As at March-2020
Net actuarial loss / (gain) due to experience adjustment recognized during the year	(0.29)	0.86
Net actuarial loss / (gain) due to assumptions changes recognized during the year	0	0.31
<b>Total</b>	<b>(0.29)</b>	<b>1.17</b>

The Principal assumptions used in determining gratuity and compensated absences obligation for the Company's plan are shown below:



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

Principal Actuarial assumptions for gratuity and compensated absences	As at March-2021	As at March-2020
Discounting rate (p.a)	6.75%	6.75%
Expected salary increase rate (p.a.)	5 %	5 %
Withdrawal rate		
Age from 20 to 30 year	12.5%	12.5%
Age from 31 to 58 years	15%	15%
Mortality table used	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

**Notes:**

- a) The estimates of future salary increase, considered in actuarial valuation, take account of inflation, Seniority, promotion and other relevant factors, such as supply and demand in the employment market
- b) Significant actuarial assumption for the determination of the defined obligation are discount rate, expected salary escalation rate and withdrawal rate. The sensitivity analyses below have been determined by the actuarial based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

(Rupees in lacs)

Particulars	For the year ended 31 March, 2021		For the year ended 31 March, 2020	
	Increase	Decrease	Increase	Decrease
Change in discount rate by 0.50%	(0.21)	0.23	(0.21)	0.21
Change in Salary escalation by 1%	0.47	(0.43)	0.45	(0.42)
Change in withdrawal rate by 5%	0.19	(0.31)	0.13	(0.26)

**c) Expected benefit payment for the future year**

For the year ended	Amount in lakhs
March 31, 2022	1.52
March 31, 2023	1.56
March 31, 2024	1.55
March 31, 2025	1.53
March 31, 2026	1.50
March 31, 2027 to March 31, 2031	6.79



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

**7) Financial Instruments**

**i) Capital Management**

The Company manages its capital to ensure that the company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

**Gearing Ratio**

The gearing ratio at end of the reporting period was as follows:

(Rupees in lacs)

Particulars	As at March-2021	As at March- 2020
Debt*	(7,842.28)	(7,265.31)
Less: Cash and cash equivalents	15.43	11.58
Net debt	(7,826.85)	(7,253.73)
Total equity	(7,185.23)	(6,524.97)
Net debt to equity ratio	108.93%	111.76%

\*Debt is defined as borrowing and interest accrued but not due on borrowing

**ii) Categories of financial instruments**

(Rupees in lacs)

Financial assets	As at March 31, 2021	As at March 31, 2020
<b>Measured at amortized cost</b>		
(a) Cash and cash equivalents ( combine with bank balance)	15.43	11.58
(b) Bank balances other than above (a)	73.70	111.02
(c) Trade Receivables	23.82	64.61
(d) Other Financial assets	5.82	6.77
<b>Total</b>	<b>118.77</b>	<b>193.98</b>

At the end of the reporting period, there are no significant concentrations of credit risk for financial assets designated at FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such financial assets.

(Rupees in lacs)

Financial liabilities	As at March 31, 2021	As at March 31, 2020
<b>Measured at amortized cost</b>		
(a) Borrowings (current and non-current)	7,215.31	6,586.29
(b) Trade payables	1.44	0.81
(c) Other financial liabilities	747.60	800.42
<b>Total</b>	<b>7,964.35</b>	<b>7,387.52</b>

**iii) Financial risk management objectives**

The Company's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets including market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

The Audit & Risk Committee manages the financial risk of the company through internal risk reports which analyses exposure by magnitude of risk.

**a) Interest rate risk management**

The company is not exposed to interest rate risk because company borrow funds at fixed interest rates.

**b) Credit risk management**

Credit risk refers to the risk that a counterparty 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 ECRM.

**c) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's short-term, medium-term and long-term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Note given below sets out details of additional undrawn facilities that the company has at its disposal to further reduce liquidity risk.

**Liquidity and interest risk tables**

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period.

The contractual maturity is based on the earliest date on which the company may be required to pay.

(Rupees in lacs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
<b>As at March 31, 2021</b>				
<b>Fixed interest rate instrument</b>				
Borrowings	7,215.31	-	7,215.31	7,215.31
<b>Other financial liabilities</b>				
Trade payables	1.44	-	1.44	1.44
Other financial liabilities	747.60	-	747.60	747.60
<b>Total</b>	<b>7,964.35</b>	<b>0</b>	<b>7,964.35</b>	<b>7,964.35</b>



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

(Rupees in lacs)

Particulars	Within 1 year	More than 1 year	Total	Carrying amount
<b>As at March 31, 2020</b>				
<b>Fixed interest rate instrument</b>				
Borrowings	6,586.29	-	6,586.29	6,586.29
<b>Other financial liabilities</b>				
Trade payables	0.81	-	0.81	0.81
Other financial liabilities	800.43	-	800.43	800.42
<b>Total</b>	<b>7,387.52</b>	<b>0</b>	<b>7,387.52</b>	<b>7,387.52</b>

8) Fair value measurement

D) Financial Assets measured at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

(Rupees in lacs)

Particulars	Carrying value as at		Fair value as at	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
<b>Financial assets</b>				
<b>Measured at amortized cost</b>				
Trade Receivables	23.82	64.61	23.82	64.61
Cash and cash equivalent	15.43	11.58	15.43	11.58
Other bank balances	73.70	111.02	73.70	111.02
Other financial assets	5.82	6.77	5.82	6.77
<b>Total</b>	<b>118.77</b>	<b>193.98</b>	<b>118.77</b>	<b>193.98</b>
<b>Financial liabilities</b>				
<b>Measured at amortized cost</b>				
Borrowings – noncurrent	7,215.31	6,586.29	7,215.31	6,586.29
Borrowings – current	-	-	-	-
Trade payables – current	1.44	0.81	1.44	0.81
Other financial liabilities	747.60	800.42	747.62	800.42
<b>Total</b>	<b>7,964.35</b>	<b>7,387.52</b>	<b>7,964.35</b>	<b>7,387.52</b>

9) Details of dues to Micro and Small Enterprises as per MSMED Act, 2006

During the period ended December 31, 2006, Government of India has promulgated an Act namely The Micro, Small and Medium Enterprises Development Act, 2006 which comes into force with effect from October 2, 2006. As per the Act, the Company is required to identify the Micro, Small and Medium suppliers and pay them interest on overdue beyond the specified period irrespective of the terms agreed with the suppliers. The management has confirmed that none of the suppliers have confirmed that they are registered under the provision of the Act. In view of this, the liability of the interest and disclosure are not required to be disclosed in the financial statements.





**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

**10) Earning per share(EPS)**

Particulas	As at 31 March, 2021	As at 31 March, 2020
Loss as per statement of profit and loss (Rupees in Lacs)	(660.26)	(713.20)
Weighted average number of equity shares in calculating Basic EPS and DPS (Numbers)	50,000	50,000
Basic and Diluted EPS	(1320.53)	(1426.39)

**11) Commitment**

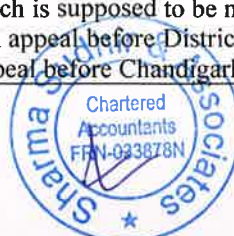
- a) The Company does not have any long-term commitments/contracts including derivative contracts for which there will be any material foreseeable losses.
- b) The Company does not have any remaining contract to be executed on capital account and not provided for.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**12) Matters related to litigations and claims :**

The Company had procured 76 Ambulances under the PPP agreement on behalf of The Principal Secretary, Department of Health and Family Welfare, Govt. Of Delhi. After inspection of the ambulances, the Govt. Of Delhi raised the issues relating to the quality of the ambulances and refused to accept the ambulances. The matter went into Mediation process and the matter was unresolved in mediation. With the mutual consent of the company and the Govt. Of Delhi, an application was made to Hon'ble Delhi High Court for the nomination of the Arbitrator in the case. The application is still pending with the Hon'ble Delhi Court. Further, the Management is hopeful of recovering the amount incurred on behalf of the Delhi Government, therefore, no provision has been made so far.

Apart from the above a provision of Rs 105.01 lakhs has been created towards the below mention cases.

BRIEF PARTICULARS OF CASE	Amount (Rupees in Lacs)
Perfect Mechanical Industries, Faridabad has also filed a claim application with the Micro and Small Enterprises Facilitation Council of Haryana claiming a sum of Rs. 28.01 lakhs along with interest. The Council has referred the matter for arbitration before Ld. Arbitrator Mr. O P Gupta.	28.00
Fortis Emergency Services Limited (FESL) vide purchase cum work order dated November 20, 2009 (PO) placed an order on Bafna Healthcare Private Limited (Bafna) for fabrication of 37 vehicles and purchase of medical equipment's for 74 Ambulances. In the terms of the PO Bafna was supposed to deliver the 37 fabricated vehicles from December 23, 2009 till January 05, 2010. Further it was also stated in the PO that in the event of delay, Rs. 5000/- per day per vehicle shall be charged as penalty towards late delivery. Against the PO FESL has advanced sum of Rs 46.98 lakhs on 16.12.2009 and Rs.20.37 lakhs on 19.12.2009 to Bafna. The fabricated ambulances were delivered by Bafna beyond the agreed time lines (18.01.2010 till March 31, 2010) and medical equipment's were delivered from January 01, 2010 till March 31, 2010. Bafna through their legal counsel sent a legal notice dated September 10, 2010 for recovery of Rs.127.27 lakhs. Bafna has alleged that FESL only delivered 18 ambulances instead of 37 ambulances as provided in the Purchase order. It is further alleged that FESL entered into criminal conspiracy with the business rival of Bafna and blocked the material purchased by Bafna by not providing other 19 ambulances. FESL through their legal counsel replied to the abovesaid notice and denied all the allegations. FESL further stated that FESL obligation to pay Bafna the balance amount arises only after approval of fabricated vehicle by Principal Secretary Department of Health and Family Welfare. FESL further stated that the approval is still pending with the Department. Also FESL has also made payment Rs. 18.34 lakhs to Assistant Commissioner, Central Excise which is supposed to be made by Bafna. The matter has been decided against Fortis by the Council. Fortis filed appeal before District Court Chandigarh which was also decided against Fortis. Now Fortis has filed an appeal before Chandigarh High Court.	77.00



**FORTIS EMERGENCY SERVICES LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2021**

13. The previous year's figures has been regrouped/reclassified wherever necessary, to conform to current year's classification.

As per our report of even date attached.

**For Sharma Sudhir & Associates**  
**Chartered Accountants**  
**Firm Registration Number:-0033878N**

**Sudhir Sharma**  
(Partner)  
Membership No:-097380  
UDIN No:-21097380AAAALC1403

Place : New Delhi  
Date : July 12, 2021



**For and on behalf of the Board of Directors of**  
**Fortis Emergency Services Ltd**

**Manu Kapila**  
Director  
DIN: 03403696

Place : Gurgaon  
Date : July 12, 2021

A handwritten signature in blue ink, appearing to be 'Manu Kapila', written over a circular stamp.



**Ajay Vij**  
Director  
DIN: 07939034

Place : Gurgaon  
Date : July 12, 2021