

**INDEPENDENT AUDITOR'S REPORT  
TO THE PARTNERS OF Health Care Diwanchand Imaging LLP**

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

**Opinion**

We have audited the financial statements of Health Care Diwanchand Imaging LLP ("entity"), which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss account, and statement of cash flows) for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the entity as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India ("ICAI").

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of the entity in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity'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 entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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

## **S G M & Associates LLP**

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 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.

**For S G M & Associates LLP**  
Chartered Accountants  
(LLP Registration No. 200058S)

Sd/-

**S Vishwamurthy**  
Partner

(Membership No.215675)

Bengaluru, 16 Aug 2023

**HealthCare Diwanchand Imaging LLP**  
Balance Sheet as at 31 March 2023  
(Amount in ₹ Millions, unless otherwise specifically mentioned)

Particulars	Note No.	As at	
		31-Mar-2023	31-Mar-2022
<b>Capital and Liabilities</b>			
Partners' capital account	3	1.00	1.00
Partners' current account	3	29.27	29.38
<b>Current liabilities</b>			
Trade payables	4	0.38	0.35
Other current liabilities	5	0.04	0.03
<b>Total</b>		<b>30.69</b>	<b>30.76</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Long-term loans and advances	6	0.37	0.36
<b>Current assets</b>			
Trade receivables	7	27.73	27.73
Short-term loans and advances	8	2.59	2.67
<b>Total</b>		<b>30.69</b>	<b>30.76</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
**For S G M & Associates LLP**  
Chartered Accountants

**For HealthCare Diwanchand Imaging LLP**

Sd/-  
**S Vishwamurthy**  
Partner

Sd/-  
**Dr. B S Ajaikumar**  
Designated Partner

Sd/-  
**Shailendra Tandon**  
Designated Partner

Bengaluru, 16 August 2023

Bengaluru, 16 August 2023 New Delhi, 16 August 2023

**HealthCare Diwanchand Imaging LLP****Statement of Profit and Loss for the year ended 31 March 2023**

(Amount in ₹ Millions, unless otherwise specifically mentioned)

Particulars	Note No.	For the year ended	
		31-Mar-2023	31-Mar-2022
Revenue from operations		-	-
Other income	9	0.02	0.02
<b>Total revenue (A)</b>		<b>0.02</b>	<b>0.02</b>
<b>Expenses</b>			
Other expenses	10	0.13	0.29
<b>Total expenses (B)</b>		<b>0.13</b>	<b>0.29</b>
<b>(Loss) / profit before tax (C) = (A-B)</b>		<b>(0.11)</b>	<b>(0.27)</b>
<b>Tax expense / (benefit)</b>			
Current tax		-	-
Deferred tax		-	-
<b>Total tax expense / (income) (D)</b>		<b>-</b>	<b>-</b>
<b>(Loss) / profit for the year transferred to partners' current account (E) = (C-D)</b>		<b>(0.11)</b>	<b>(0.27)</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

**For S G M & Associates LLP**

Chartered Accountants

**For HealthCare Diwanchand Imaging LLP**

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**S Vishwamurthy**  
Partner

Bengaluru, 16 August 2023

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Designated Partner

Bengaluru, 16 August 2023 New Delhi, 16 August 2023

Sd/-  
**Shailendra Tandon**  
Designated Partner

**HealthCare Diwanchand Imaging LLP**  
**Cashflow Statement for the year ended 31 March 2023**  
(Amount in ₹ Millions, unless otherwise specifically mentioned)

Particulars	For the year ended	
	31-Mar-2023	31-Mar-2022
Cash flow from operating activities		
<b>Net profit before tax</b>	<b>(0.11)</b>	<b>(0.27)</b>
Adjustments for:		
Interest income on bank deposit	(0.02)	(0.02)
<b>Operating profit before working capital changes</b>	<b>(0.13)</b>	<b>(0.29)</b>
Adjustment for (increase)/ decrease in operating assets:		
Trade receivables	-	-
Loans, advances and other current assets	0.07	0.15
Adjustment for increase/ (decrease) in operating liabilities:		
Trade payables	0.03	0.11
Other current liabilities	0.01	0.01
<b>Cash generated from operations</b>	<b>(0.02)</b>	<b>(0.02)</b>
Taxes (paid) / refund received during the year	-	-
<b>Net cash generated from operating activities (A)</b>	<b>(0.02)</b>	<b>(0.02)</b>
<b>Cash flows from investing activities</b>		
Interest income	0.02	0.02
<b>Net cash flow from investing activities (B)</b>	<b>0.02</b>	<b>0.02</b>
<b>Cash flows from financing activities</b>		
Investment / (drawings) by partners	-	-
<b>Net cash flows from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>-</b>	<b>-</b>
Cash and cash equivalents at beginning of the year	-	-
Cash and cash equivalents at end of the year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

See accompanying notes forming part of the financial statements

In terms of our report attached  
**For S G M & Associates LLP**  
Chartered Accountants

**For HealthCare Diwanchand Imaging LLP**

Sd/-  
**S Vishwamurthy**  
Partner

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Sd/-  
**Shailendra Tandon**  
Designated Partner

Bengaluru, 16 August 2023

Bengaluru, 16 August 2023

New Delhi, 16 August 2023

**HealthCare Diwanchand Imaging LLP**  
**Notes forming part of financial statements**

**Note**  
**No.**

**1 Nature of operations:**

The HealthCare Diwan Chand Imaging LLP ('HealthCare Diwan Chand' or 'LLP') is a Limited Liability Partnership registered under Limited Liability Partnership Act, 2008 and incorporated on 15 October 2009. HealthCare Global Enterprises Limited (HCG) and Diwan Chand Medical Services Private Limited (DCMSPL) are partners in LLP having capital and profit sharing ratio of 75 : 25.

**2 Significant accounting policies**

**2.1 Basis of accounting and preparation of financial statements**

The financial statements of the LLP have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and relevant provisions of the Limited Liability Partnership Act 2008. The accrual method of accounting is followed, except where otherwise stated.

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

**2.3 Revenue recognition**

Income is recognised on accrual basis. Fees are recognised on the basis of net revenue sharing with business facilitators.  
Rental income is recognised on accrual basis and as per the term & conditions of the rental agreement.  
Interest income on deposits with banks is accounted on accrual basis.

**2.4 Property plant and equipment**

Property plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Costs directly attributable to the acquisition are capitalized until the asset is ready for use, as intended by the management. Subsequent expenditure relating to Property plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

**2.5 Depreciation and amortisation**

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible Property plant and equipment has been provided on the written-down value method at the rates arrived on the basis of useful life of the assets assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, maintenance support, etc., except in case of Property plant and equipment costing up to Rs. 5,000/- where it is being depreciated 100% in the year of acquisition itself. Following are the rates at which the assets are depreciated:

Plant and medical equipment: 10-15 years  
Data processing equipment: 3-6 years  
Furniture and fixtures: 10 years  
Office equipment: 5 years

**2.6 Inventories**

Inventories consist of consumables that are carried at lower of cost or net realisable value. Cost is determined on first-in-first -out basis.

**2.7 Foreign currency transactions**

Initial recognition: Transactions in foreign currencies entered into by the LLP are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date: Foreign currency monetary items (other than derivative contracts) of the LLP, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the LLP are carried at historical cost.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the LLP are recognized as income or expense in the Statement of Profit and Loss.

**2.8 Borrowing costs**

Borrowing cost that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of assets. All the borrowing cost are recognised as expenses in the year in which they are incurred.

**Note**

**No.**

**2.9 Employee benefits**

- (i) Short Term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered. Privilege leaves are short term employee benefits and are charged to the statement of income and expenditure at the amount based on the management's decision.
- (ii) Post employment benefits are recognised as an expense in the profit and loss account for the year in which the employee has rendered service. The expense is recognised at the present value of the amount payable towards contribution. The present value is determined using the market yields of government bonds, at the balance sheet date, as the discounting rate.
- (iii) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the profit and loss account.

**2.10 Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Alternate Minimum Tax (AMT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the LLP will pay normal income tax. Accordingly, AMT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the LLP.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the LLP has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

**2.11 Impairment of assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the Statement of Profit and Loss.

**2.12 Provisions and contingencies**

A provision is recognized when the LLP has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognized in the financial statements.

**2.13 Operating cycle**

Based on the nature of products / activities of the LLP and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**HealthCare Diwanchand Imaging LLP**

Notes forming part of financial statements

(Amount in ₹ Millions, unless otherwise specifically mentioned)

Note

No.

**3 Partners' Capital Account**

Particulars	As at					
	31-Mar-2023			31-Mar-2022		
	HCG	DCMSPL	Total	HCG	DCMSPL	Total
<b>Fixed capital</b>						
Opening balance	0.75	0.25	1.00	0.75	0.25	1.00
Invested / (withdrawn) during the year	-	-	-	-	-	-
<b>Closing balance</b>	<b>0.75</b>	<b>0.25</b>	<b>1.00</b>	<b>0.75</b>	<b>0.25</b>	<b>1.00</b>

**Partners' Current Account:**

Particulars	As at					
	31-Mar-2023			31-Mar-2022		
	HCG	DCMSPL	Total	HCG	DCMSPL	Total
Opening balance	25.43	3.95	29.38	25.59	4.01	29.60
Add: Invested during the year	-	-	-	0.04	0.01	0.05
Add: Share of loss for the year	(0.08)	(0.03)	(0.11)	(0.20)	(0.07)	(0.27)
<b>Closing balance</b>	<b>25.35</b>	<b>3.92</b>	<b>29.27</b>	<b>25.43</b>	<b>3.95</b>	<b>29.38</b>

**4 Trade payables**

Particulars	31-Mar-2023	31-Mar-2022
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.38	0.35
<b>Total</b>	<b>0.38</b>	<b>0.35</b>

(a) There are no dues to Micro and Small Enterprises. The information disclosed with regard to Micro and Small Enterprises is based on information collected by the Management. This has been relied upon by the auditors.

**(b) Ageing of trade payables**

Outstanding for following periods from due date of payment	Less one year	One to two years	Two to three years	More than three years	Total
<b>31-Mar-2023</b>					
MSME	-	-	-	-	-
Others	0.14	-	-	0.24	0.38
Unbilled dues	-	-	-	-	-
<b>31-Mar-2022</b>					
MSME	-	-	-	-	-
Others	0.11	-	0.24	-	0.35
Unbilled dues	-	-	-	-	-

**5 Other current liabilities**

Particulars	31-Mar-2023	31-Mar-2022
Other payables		
Statutory remittances	0.04	0.03
<b>Total</b>	<b>0.04</b>	<b>0.03</b>



**HealthCare Diwanchand Imaging LLP**

Notes forming part of financial statements

(Amount in ₹ Millions, unless otherwise specifically mentioned)

Note

No.

**6 Long-term loans and advances**

Particulars	31-Mar-2023	31-Mar-2022
Term deposit more than 12 months maturity	0.37	0.36
Interest accrued on long-term deposit	-	-
<b>Total</b>	<b>0.37</b>	<b>0.36</b>

**7 Trade receivables**

Particulars	31-Mar-2023	31-Mar-2022
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	27.73	27.73
Doubtful	1.37	1.37
	<b>29.10</b>	<b>29.10</b>
Less: Provision for doubtful trade receivables	(1.37)	(1.37)
	<b>27.73</b>	<b>27.73</b>
<b>Total</b>	<b>27.73</b>	<b>27.73</b>

**(a) The ageing of trade receivables as at the end of the reporting period is as follows:**

Outstanding for following period from due date of payment	As at	
	31-Mar-2023	31-Mar-2022
One to two years	-	-
Two to three years	9.60	9.60
More than three years	19.50	19.50
Provision for doubtful trade receivables		
More than three years	(1.37)	(1.37)
<b>Total</b>	<b>27.73</b>	<b>27.73</b>

**8 Short-term loans and advances**

Particulars	31-Mar-2023	31-Mar-2022
Other receivables from related party	2.59	2.67
<b>Total</b>	<b>2.59</b>	<b>2.67</b>

**9 Other income**

Particulars	31-Mar-2023	31-Mar-2022
Interest income from :		
Deposits with bank	0.02	0.02
<b>Total</b>	<b>0.02</b>	<b>0.02</b>

**10 Other expenses**

Particulars	31-Mar-2023	31-Mar-2022
Legal and professional charges	0.07	0.23
Audit fee	0.06	0.06
<b>Total</b>	<b>0.13</b>	<b>0.29</b>

**12**

**HealthCare Diwanchand Imaging LLP**

Notes forming part of financial statements

(Amount in ₹ Millions, unless otherwise specifically mentioned)

**Note****No.**

- 11** Contingent liabilities and commitments (to the extent not provided for): There were no contingent liabilities during the current year and in the previous year.

**12 Auditors remuneration**

<b>Particulars</b>	<b>31-Mar-2023</b>	<b>31-Mar-2022</b>
Statutory audit fee	0.05	0.05
Taxes on above	0.01	0.01
<b>Total</b>	<b>0.06</b>	<b>0.06</b>

**13 Related party disclosure****Name of related party and nature of relationship**

<b>Name of Related Party</b>	<b>Nature</b>
HealthCare Global Enterprises Limited (HCG)	Majority partner
Diwan Chand Medical Services Private Limited (DCMSPL)	Partner

**Transaction during the period with related parties**

<b>Particulars</b>	<b>HCG</b>	<b>DCMSPL</b>
Investment by Partners	- <i>0.04</i>	- <i>0.04</i>

<b>Particulars</b>	<b>HCG</b>	<b>DCMSPL</b>
Fixed contribution	0.75	0.25
	<i>0.75</i>	<i>0.25</i>
Current contribution (net)	25.35	3.92
	<i>25.43</i>	<i>3.95</i>
Trade and other receivables	30.32	-
	<i>30.40</i>	-

*Note: Previous year numbers are in italics*

- 14** During the year and in the previous year, no foreign currency transactions has been entered by the LLP
- 15** Unhedged foreign currency exposures as at 31 March 2023 and 31 March 2023 is Nil
- 16** The LLP's operations comprises of only one segment viz., setting up and managing cancer centres and medical diagnostic / imaging services. The LLP's operations are in India and therefore there are no secondary geographical segments.
- 17** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached

**For S G M & Associates LLP**

Chartered Accountants

**For HealthCare Diwanchand Imaging LLP**

Sd/-

**S Vishwamurthy**

Partner

Bengaluru, 16 August 2023

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