

INDEPENDENT AUDITOR'S REPORT TO THE PARTNERS OF HCG NCHRI ONCOLOGY LLP

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **HCG NCHRI ONCOLOGY LLP** ("entity"), which comprise the balance sheet as of 31 March 2024, 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 of 31 March 2024, 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 involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

S G M & Associates LLP

- 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, 30 August 2024

HCG NCHRI Oncology LLP
Balance Sheet as at 31 March 2023

(Amount in ₹ Million, unless otherwise specifically mentioned)

| Particulars | Note No. | As at | |
|--|----------|---------------|---------------|
| | | 31-Mar-2024 | 31-Mar-2023 |
| Equity and Liabilities | | | |
| Partner's funds | | | |
| Partners capital account | | | |
| Partners' contribution | 3 | 545.58 | 545.58 |
| Partners' current account | 3 | - | - |
| Reserve and surplus | 4 | (553.61) | (548.10) |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 285.02 | 195.27 |
| Long-term provision | 6 | 2.44 | 1.82 |
| Current liabilities | | | |
| Trade payables | 7 | | |
| Total outstanding dues of micro enterprises and small enterprises | | 0.10 | 0.10 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 205.31 | 388.38 |
| Other current liabilities | 8 | 127.83 | 112.34 |
| Short-term provision | 9 | 2.19 | 2.16 |
| Total | | 614.86 | 697.55 |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 10 | 181.08 | 200.02 |
| Long-term loans and advances | 11 | 150.81 | 150.12 |
| Current assets | | | |
| Inventories | 12 | 22.01 | 13.42 |
| Trade receivables | 13 | 242.62 | 282.50 |
| Cash and cash equivalents | 14 | 16.12 | 51.17 |
| Short-term loans and advance | 15 | 2.19 | 0.30 |
| Other current assets | 16 | 0.03 | 0.02 |
| Total | | 614.86 | 697.55 |

See accompanying notes forming part of the financial statements

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

For HCG NCHRI Oncology LLP

Sd/-
S Vishwamurthy
Partner

Sd/-
Srinivasa V Raghavan
Designated Partner

Sd/-
Meghraj Arvindrao Gore
Designated Partner

Bengaluru, 30 August 2024

Bengaluru, 30 August 2024

Nagpur, 30 August 2024

HCG NCHRI Oncology LLP
Statement of Profit and Loss for the year ended 31 March 2023

(Amount in ₹ Million, unless otherwise specifically mentioned)

| Particulars | Note No. | Year ended | |
|--|----------|---------------|----------------|
| | | 31-Mar-2024 | 31-Mar-2023 |
| Revenue from operations | 17 | 717.77 | 514.01 |
| Other income | 18 | 0.27 | 1.07 |
| Total revenue (A) | | 718.04 | 515.08 |
| Expenses | | | |
| Purchase of stock-in-trade | | 370.54 | 233.48 |
| Changes in inventory of stock-in-trade | | (8.58) | 5.24 |
| Employee benefit expenses | 19 | 80.14 | 71.30 |
| Finance costs | 20 | 24.07 | 45.19 |
| Depreciation and amortisation expense | 10 | 27.61 | 27.42 |
| Other expenses | 21 | 229.77 | 211.01 |
| Total expenses (B) | | 723.55 | 593.64 |
| Profit/(Loss) before tax (C) = (A-B) | | (5.51) | (78.56) |
| Tax expense | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Total tax expense / (income) (D) | | - | - |
| Profit/(Loss) for the year transferred to partners' current account (E) = (C-D) | | (5.51) | (78.56) |

See accompanying notes forming part of the financial statements

In terms of our report attached

For S G M & Associates LLP
Chartered Accountants

For HCG NCHRI Oncology LLP

Sd/-
S Vishwamurthy
Partner

Sd/-
Srinivasa V Raghavan
Designated Partner

Sd/-
Meghraj Arvindrao Gore
Designated Partner

Bengaluru, 30 August 2024

Bengaluru, 30 August 2024

Nagpur, 30 August 2024

HCG NCHRI Oncology LLP
Cashflow Statement for the year ended 31 March 2023

(Amount in ₹ Million, unless otherwise specifically mentioned)

| Particulars | Year ended | |
|--|-----------------|----------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Cash flow from operating activities | | |
| Net loss before tax | (5.51) | (78.56) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 27.61 | 27.42 |
| Interest income on bank deposit | (0.15) | (0.14) |
| Provision for doubtful trade and other receivables, loans and advances (net) | 2.79 | 10.35 |
| Interest expense | 24.07 | 45.19 |
| Operating profit before working capital changes | 48.81 | 4.26 |
| Adjustment for (increase)/ decrease in operating assets: | | |
| Inventories | (8.59) | 5.25 |
| Trade receivables | 37.09 | (27.70) |
| Long-term loans and advances | 2.41 | 0.80 |
| Short-term loans and advances | (1.89) | 1.61 |
| Adjustment for increase/ (decrease) in operating liabilities: | | |
| Trade payables | (183.07) | 110.81 |
| Other current liabilities | 0.73 | (1.53) |
| Long-term and short-term provisions | 0.65 | 0.87 |
| Cash generated from operations | (103.86) | 94.37 |
| Taxes paid during the year (net) | - | 0.15 |
| Net cash generated from operating activities (A) | (103.86) | 94.52 |
| Cash flows from investing activities | | |
| Capital expenditure on fixed assets (including capital advance) | (11.62) | (3.64) |
| Interest income | 0.16 | 0.12 |
| Net cash flow from investing activities (B) | (11.46) | (3.52) |
| Cash flows from financing activities | | |
| Investment / (drawings) by partners | - | - |
| Long-term borrowings repaid | 108.26 | (30.04) |
| Interest paid | (27.82) | (28.26) |
| Movement in balance with bank in earmarked accounts | (0.17) | (0.15) |
| Net cash flows from financing activities (C) | 80.27 | (58.45) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | (35.05) | 32.55 |
| Cash and cash equivalents at beginning of the year | 51.17 | 18.62 |
| Cash and cash equivalents at end of the year | 16.12 | 51.17 |

See accompanying notes forming part of the financial statements

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

For HCG NCHRI Oncology LLP

Sd/-
S Vishwamurthy
Partner

Sd/-
Srinivasa V Raghavan
Designated Partner

Sd/-
Meghraj Arvindrao Gore
Designated Partner

Bengaluru, 30 August 2024

Bengaluru, 30 August 2024

Nagpur, 30 August 2024

HCG NCHRI Oncology LLP
Notes forming part of financial statements

Note

No.

1 Nature of operations:

HCG NCHRI Oncology LLP ('Firm' or 'LLP') is a hospital offering specialized services in cancer treatment. The registered office of the Firm is situated at #8, P, Kalinga Rao Road, Sampangi Ram Nagar, Bengaluru - 560 027. The Firm was incorporated on 03 September 2014.

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.

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), outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the LLP are carried at historical cost.

Treatment of exchange differences: 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.

Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items relating to acquisition of depreciable Property, plant and equipment are capitalised as part of the Property, plant and equipment and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable Property, plant and equipment, the exchange difference is amortised over the maturity period / up to the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss.

2.8 Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

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.

Note

No.

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.

Note

No.

3 Partners capital account

| Particulars | As at | | | | | | | |
|---|---------------|--------------|----------------|---------------|---------------|--------------|----------------|---------------|
| | 31-Mar-2024 | | | | 31-Mar-2023 | | | |
| | HCG | NCHRI | Dr. Ajay Mehta | Total | HCG | NCHRI | Dr. Ajay Mehta | Total |
| Fixed capital | | | | | | | | |
| Opening balance | 475.41 | 29.68 | 40.49 | 545.58 | 0.76 | 0.08 | 0.16 | 1.00 |
| (a) Transfer on acquisition | 40.49 | - | (40.49) | 0.00 | - | - | - | - |
| Add: Conversion of variable capital to fixed capital | - | - | - | - | 474.65 | 29.60 | 40.33 | 544.58 |
| Closing balance | 515.90 | 29.68 | - | 545.58 | 475.41 | 29.68 | 40.49 | 545.58 |
| Variable capital | | | | | | | | |
| Opening balance | - | - | - | - | 474.65 | 29.60 | 40.33 | 544.58 |
| Additional contribution | - | - | - | - | - | - | - | - |
| Less: Conversion of variable capital to fixed capital | - | - | - | - | (474.65) | (29.60) | (40.33) | (544.58) |
| Closing balance | - | - | - | - | - | - | - | - |

(a) During the current year, based on the terms and conditions agreed between the Partners to the LLP, HCG has purchased the balance 7.42% stake in the LLP from Dr. Mehta.

Note
No.

4 Reserve and surplus

| Particulars | As at | |
|--|-----------------|-----------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Capital reserve | | |
| Opening balance | 17.53 | 17.53 |
| Changes during the year | - | - |
| Closing balance | 17.53 | 17.53 |
| Undistributed surplus / (deficit) | | |
| Opening balance | (565.63) | (487.07) |
| Loss for the year | (5.51) | (78.56) |
| Closing balance | (571.14) | (565.63) |
| Total | (553.61) | (548.10) |

5 Long-term borrowings

| Particulars | As at | |
|--------------------------------|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Secured | | |
| (i) Long-term loan from bank | 135.05 | 195.27 |
| Unsecured | | |
| (ii) Loan from related parties | 149.97 | - |
| Total | 285.02 | 195.27 |

(i) Terms of repayment and security

| Particulars | As at | |
|--|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Secured long-term from banks | | |
| Non-current portion | 135.05 | 195.27 |
| Amounts included under current maturities of long-term debt | 48.55 | 30.04 |
| Secured by exclusive charge on all movable property, plant and equipment and current assets (both present and future), including refundable deposits placed with NCHRI. This excludes assets charged exclusively to any other lender. Repayment terms and interest in quarterly structured instalments over a period of 10 years after 3 year moratorium from the date of borrowing. Rate of interest: RBI Repo Rate + 3.75% spread over and above the bank's REPO rate. | | |
| Unsecured loan from related parties balance as of 31 March 2024 is not due for repayment within 12 months from the yearend and rate of interest is at 10% per annum. | | |
| (ii) Unsecured loan | | |
| Non-current portion | 149.97 | - |
| Amounts included under current maturities of long-term debt | - | - |
| Unsecured loan from related parties balance as of 31 March 2024 is not due for repayment within 12 months from the yearend and rate of interest is at 10% per annum. | | |

6 Long-term provision

| Particulars | As at | |
|---------------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Provision for employee benefits | | |
| Gratuity | 2.44 | 1.82 |
| Total | 2.44 | 1.82 |

7 Trade payables

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Total outstanding dues of micro enterprises and small enterprises | 0.10 | 0.10 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 205.31 | 388.38 |
| Total | 205.41 | 388.48 |

(i) Note: 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.

Note

No.

(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 |
|--|---------------|------------------|--------------------|-----------------------|---------------|
| 31-Mar-2024 | | | | | |
| MSME | 0.10 | - | - | - | 0.10 |
| Others | 197.19 | 0.67 | 0.07 | 7.38 | 205.31 |
| Unbilled dues | - | - | - | - | - |
| 31-Mar-2023 | | | | | |
| MSME | 0.10 | - | - | - | 0.10 |
| Others | 358.63 | 23.58 | 4.65 | 1.52 | 388.38 |
| Unbilled dues | - | - | - | - | - |

8 Other current liabilities

| Particulars | As at | |
|--------------------------------------|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Current maturities of long term debt | 48.55 | 30.04 |
| Interest accrued but not due | 73.47 | 77.22 |
| Accrued salary benefits | 5.17 | 4.70 |
| Statutory remittances | 0.64 | 0.38 |
| Total | 127.83 | 112.34 |

9 Short-term provision

| Particulars | As at | |
|----------------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Provision for employee benefits: | | |
| Gratuity | 0.50 | 0.50 |
| Compensated absence | 1.69 | 1.66 |
| Total | 2.19 | 2.16 |

Note
No.

11 Long-term loans and advances

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Capital advance | 2.95 | - |
| Security deposit | 143.23 | 143.29 |
| Prepaid expense | 1.93 | 3.81 |
| Term deposit with banks and financial institutions | 2.50 | 2.33 |
| Income tax and tax deducted at Source | 0.20 | 0.67 |
| Interest accrued on long-term deposit | - | 0.02 |
| Total | 150.81 | 150.12 |

12 Inventories

| Particulars | As at | |
|--|--------------|--------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Inventories (lower of cost and net realisable value) | | |
| Medicines | 18.15 | 9.09 |
| Other consumables | 3.86 | 4.33 |
| Total | 22.01 | 13.42 |

13 Trade receivables

| Particulars | As at | |
|--|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Other trade receivables | | |
| Unsecured, considered good | 242.62 | 282.50 |
| Doubtful | 25.42 | 22.63 |
| | 268.04 | 305.13 |
| Less: Provision for doubtful trade receivables | (25.42) | (22.63) |
| | 242.62 | 282.50 |
| Total | 242.62 | 282.50 |

(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-2024 | 31-Mar-2023 |
| Not due | - | - |
| Less than six months | 179.73 | 183.30 |
| Six months to one year | 30.82 | 38.00 |
| One to two years | 21.99 | 46.80 |
| Two to three years | 17.87 | 22.99 |
| More than three years | 17.63 | 14.04 |
| Provision for doubtful trade receivables | (25.42) | (22.63) |
| Total | 242.62 | 282.50 |

14 Cash and cash equivalents

| Particulars | As at | |
|---------------------|--------------|--------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Cash-on-hand | 0.03 | 0.02 |
| Balances with banks | | |
| In current accounts | 16.09 | 51.15 |
| Total | 16.12 | 51.17 |

15 Short-term loans and advance

| Particulars | As at | |
|---------------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Advance to vendor | 1.45 | 0.15 |
| Loans and advances to employees | 0.74 | 0.15 |
| Total | 2.19 | 0.30 |

16 Other current assets

| Particulars | As at | |
|-----------------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Interest accrued on fixed deposit | 0.03 | 0.02 |
| Total | 0.03 | 0.02 |

Note

No.

17 Revenue from operations

| Particulars | Year ended | |
|------------------------|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Pharmacy sales | 422.39 | 31.00 |
| Medical service income | 295.38 | 483.01 |
| Total | 717.77 | 514.01 |

18 Other income

| Particulars | Year ended | |
|------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Interest income from : | | |
| deposits with bank | 0.15 | 0.14 |
| income tax refund | 0.12 | 0.03 |
| Miscellaneous income | - | 0.90 |
| Total | 0.27 | 1.07 |

19 Employee benefit expenses

| Particulars | Year ended | |
|---|--------------|--------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Salaries and wages | 73.03 | 65.09 |
| Contributions to provident and other funds | 4.67 | 4.34 |
| (a) Expense on employee stock option scheme | 0.52 | 0.43 |
| Staff welfare expenses | 1.92 | 1.44 |
| Total | 80.14 | 71.30 |

(a) Certain employees of the LLP have been granted employee stock option under the 'Employee Stock Option Scheme' [ESOP] of the HCG, one of the partner in the LLP. Expense on ESOP relates to stock options granted to employees of the LLP cross charged by HCG.

20 Finance costs

| Particulars | Year ended | |
|---------------------------------------|--------------|--------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Interest on | | |
| Term loan | 19.64 | 21.06 |
| Defined benefit obligation | - | 0.13 |
| Bank charges and other borrowing cost | 1.11 | 7.16 |
| Interest on loan from partners | 3.32 | 16.84 |
| Total | 24.07 | 45.19 |

21 Other expenses

| Particulars | Year ended | |
|--|---------------|---------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Medical consultancy charges | 102.54 | 79.26 |
| Legal and professional fees | 16.58 | 21.84 |
| Lab charges | 9.30 | 7.66 |
| Power, fuel and water | 18.93 | 18.34 |
| Rent including lease rentals | 1.87 | 1.31 |
| Repairs and maintenance: | | |
| Buildings | 1.62 | 1.49 |
| Machinery | 17.57 | 10.61 |
| Others | 4.79 | 13.89 |
| Insurance | 0.14 | 0.75 |
| Rates and taxes | 3.18 | 2.82 |
| Communication | 1.17 | 1.40 |
| Travelling and conveyance | 1.67 | 1.67 |
| Printing and stationery | 1.74 | 0.33 |
| House keeping and security | 19.64 | 18.92 |
| Business promotion expenses | 24.60 | 19.10 |
| Payment to auditors for | | |
| Statutory audit | 0.35 | 0.28 |
| Provision for doubtful trade and other receivables, loans and advances (net) | 2.79 | 10.38 |
| Miscellaneous expenses | 1.29 | 0.96 |
| Total | 229.77 | 211.01 |

Note
No.

10 Property, plant and equipment

| Particulars | Leasehold improvements | Plant & machinery | Furniture & fixtures | Office equipment | Computer | Software | Total |
|------------------------------------|------------------------|-------------------|----------------------|------------------|-------------|-------------|---------------|
| Cost | | | | | | | |
| Balance as at 31 March 2023 | 0.29 | 334.36 | 13.59 | 5.38 | 3.76 | 6.23 | 363.61 |
| Additions | 1.04 | 5.78 | 0.07 | 0.64 | 1.10 | - | 8.63 |
| Deletions | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | 1.33 | 340.14 | 13.66 | 6.02 | 4.86 | 6.23 | 372.24 |
| Accumulated depreciation | | | | | | | |
| Balance as at 31 March 2023 | 0.12 | 141.28 | 7.76 | 4.96 | 3.30 | 6.17 | 163.59 |
| Depreciation for the year | 0.21 | 25.49 | 1.27 | 0.14 | 0.48 | 0.03 | 27.62 |
| Deletions | - | - | - | - | - | - | - |
| Balance as at 31 March 2024 | 0.33 | 166.77 | 9.03 | 5.10 | 3.78 | 6.20 | 191.21 |
| Net block | | | | | | | |
| 31-Mar-2023 | 0.17 | 193.08 | 5.83 | 0.42 | 0.46 | 0.06 | 200.02 |
| 31-Mar-2024 | 1.00 | 173.37 | 4.63 | 0.92 | 1.08 | 0.03 | 181.03 |

Note

No.

- 22 Contingent liabilities: ₹ 55.16 (₹ 55.16) provided to customs department towards import of property, plant and equipment under concessional customs duty, along with other levies, if applicable, which may be levied on evaluation of facts and circumstance by the respective authorities. Commitments (to the extent not provided for) - ₹ Nil.

23 Related party disclosure

Name of the related party and nature of relationship

| Name of the related party | Nature |
|--|---|
| HealthCare Global Enterprises Limited | Majority partner |
| Nagpur Cancer Hospital and Research Institute Private Limited | Partner |
| Niruja Product Development and Healthcare Research Private Limited | Partner [from 22 August 2023] |
| Dr Ajay Mehta | Partner [Upto 22 August 2023] |
| Dr Suchitra Mehta | Relative of Partner [Upto 22 August 2023] |
| Strand Lifesciences Private Limited | Joint venture of HCG [upto 21 September 2021] |
| HCG Medi-Surge Hospitals Private Limited | Subsidiary of HCG |
| HCG Oncology LLP | Subsidiary of HCG |
| APEX HCG Oncology Hospitals LLP | Subsidiary of HCG |

Transaction during the year period with related parties

| Particulars | Year ended | |
|---|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Capital infusion | | |
| HealthCare Global Enterprises Limited | 171.64 | - |
| Purchase of pharmacy products and consumables | | |
| HealthCare Global Enterprises Limited | 4.06 | 3.25 |
| Medical income | | |
| HealthCare Global Enterprises Limited | - | 0.15 |
| Cross charge of expense from | | |
| APEX HCG Oncology Hospitals LLP | 6.20 | 3.02 |
| HealthCare Global Enterprises Limited | 14.73 | 4.49 |
| Payment made on behalf of the Company by | | |
| HealthCare Global Enterprises Limited | 2.40 | 46.65 |
| Revenue from operations | | |
| Nagpur Cancer Hospital and Research Institute Private Limited | 695.82 | 479.74 |
| Professional services charges | | |
| Dr Ajay Mehta | 7.05 | 16.69 |
| Dr Suchitra Mehta | 1.02 | 2.39 |
| Borrowings availed | | |
| HealthCare Global Enterprises Limited | 185.00 | - |
| Borrowings repaid | | |
| HealthCare Global Enterprises Limited | 35.03 | - |
| Interest expense | | |
| HealthCare Global Enterprises Limited | 3.32 | 16.84 |

Balances with related parties

| Particulars | As at | |
|--|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Fixed contribution | | |
| HealthCare Global Enterprises Limited | 515.90 | 475.41 |
| Niruja Product Development and Healthcare Research Private Limited | - | - |
| Nagpur Cancer Hospital and Research Institute Private Limited | 29.68 | 29.68 |
| Dr Ajay Mehta | - | 40.49 |
| Trade payable | | |
| HealthCare Global Enterprises Limited | 50.79 | 97.33 |
| HCG Oncology LLP | - | 3.70 |
| APEX HCG Oncology Hospitals LLP | 6.20 | - |
| Dr. Ajay Mehta | 7.05 | - |
| Dr Suchitra Mehta | 0.22 | 0.18 |
| Trade receivables | | |
| Nagpur Cancer Hospital and Research Institute Private Limited | 320.27 | 305.08 |
| Borrowings | | |
| HealthCare Global Enterprises Limited | 149.97 | - |
| Interest accrued | | |
| HealthCare Global Enterprises Limited | 73.47 | 73.47 |
| Nagpur Cancer Hospital and Research Institute Private Limited | - | 0.58 |
| Dr Ajay Mehta | - | 1.17 |
| Lease rental deposit / security deposit | | |
| Nagpur Cancer Hospital and Research Institute Private Limited | 38.65 | 36.49 |

Note

No.

24 **Unhedged foreign currency exposure**

| Particulars | As at | |
|------------------------------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Currency | | |
| Deferred payment obligations (INR) | - | - |
| Deferred payment obligations (USD) | - | - |

25 The LLP's operations comprises of only one segment viz., is engaged in managing hospitals and medical diagnostic services including scientific testing and consultancy services in the pharmaceutical and medical sector. The LLP's operations are in India and therefore there are no secondary geographical segments.

26 **Employee benefits**

Defined contribution plan

The Company makes Provident Fund contributions (PF) and Employee State Insurance Scheme (ESI), which are a defined contribution plan, for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Contribution to defined plan recognised in the Statement of Profit and Loss:

| Particulars | Year ended | |
|----------------|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Provident fund | 3.35 | 1.97 |

Defined benefit plan

The Company has a defined Gratuity benefit plan. The following table summarizes the components of net employee benefit expenses recognised in the Statement of Profit and Loss and amounts recognised in the Balance Sheet for the plan.

| Particulars | As at | |
|--|---------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Components of employer expense | | |
| Current service cost | 0.75 | 0.53 |
| Past service cost | - | - |
| Interest cost | 0.25 | 0.13 |
| Expected return on plan assets | - | - |
| Actuarial losses / (gain) | 0.43 | 0.26 |
| Total expense recognized in Statement of Profit and Loss | 1.43 | 0.92 |
| Actual contributions and benefits payments | | |
| Actual benefit payments | - | - |
| Actual contributions | - | - |
| Net asset / (liability) recognised in the Balance Sheet | | |
| Present value of defined benefit obligation | 3.66 | 2.32 |
| Fair value of plan assets | - | - |
| Funded status [Surplus / (Deficit)] | 3.66 | 2.32 |
| Unrecognised actuarial (gains) / losses | - | - |
| Net asset / (liability) recognised in the Balance Sheet | 3.66 | 2.32 |
| Current | 0.50 | 0.50 |
| Non-current | 3.16 | 1.82 |
| Change in defined benefit obligations (DBO) during the year | | |
| Present value of DBO at beginning of the year | 2.32 | 1.48 |
| Current service cost | 0.75 | 0.53 |
| Interest cost | 0.25 | 0.13 |
| Actuarial (gains) / losses | 0.43 | 0.26 |
| Past service cost | - | - |
| Benefits paid | (0.09) | (0.08) |
| Present value of DBO at the end of the year | 3.66 | 2.32 |
| Experience adjustment | - | - |
| Defined benefit obligation | 3.66 | 2.32 |
| Fair value of plan assets | - | - |
| Funded status [Surplus / (Deficit)] | 3.66 | 2.32 |
| Experience gain / (loss) adjustments on plan liabilities | 0.43 | 0.26 |
| Experience gain / (loss) adjustments on plan assets | - | - |
| Principal assumptions for Gratuity and Compensated absence | | |
| Discount rate | 7.00% | 7.30% |
| Salary escalation | 5.00% | 5.00% |
| Attrition rate | 30.00% | 36% |
| Retirement age [in years] | 60 | 60 |
| Mortality table | IAL2012-14Ult | |

27 **Leases**

The Company has entered into operating lease arrangements for its hospital / other premises and these lease arrangements are cancellable in nature.

| Particulars | As at | |
|--|-------------|-------------|
| | 31-Mar-2024 | 31-Mar-2023 |
| Amount recognised in statement of profit and loss in respect of above leases | 1.87 | 1.31 |

28 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.