



August 10, 2022

**National Stock Exchange of India Limited,**  
Compliance Department,  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051,  
Maharashtra, India

**BSE Limited,**  
Compliance Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001,  
Maharashtra, India

Dear Sir/Madam,

**Subject : Unaudited Financial Results of HealthCare Global Enterprises Limited (“the Company”)**

**Stock Code BSE – 539787, NSE – HCG**

:

**Reference : Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”)**

This is to inform you that, the Board of Directors of the Company (“Board”), at their meeting held today, has, *inter alia* considered and approved the following:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2022 together with Limited Review Report thereon;
2. Issue and allotment of 64,770 (Sixty Four Thousand Seven Hundred Seventy) equity shares of the Company of INR 10 each, upon exercise of Employee Stock Options in accordance with the existing Employee Stock Option Schemes.

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the following:

1. Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2022;
2. Limited Review Report of the Statutory Auditors on the Standalone and Consolidated Financial Results for the quarter ended June 30, 2022.

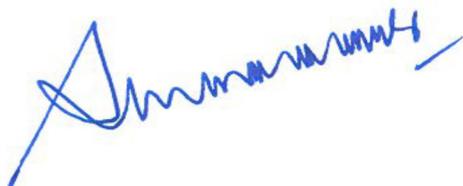


The Meeting of the Board of Directors commenced at 10.30 a.m. and concluded at 4.45 p.m.

Kindly take the intimation on record and acknowledge receipt of the same.

Thanking you,

For **HealthCare Global Enterprises Limited**

A handwritten signature in blue ink, appearing to read 'Sunu Manuel', written over a horizontal line.

**Sunu Manuel**  
**Company Secretary & Compliance Officer**

**Encl: a/a.**

**HealthCare Global Enterprises Limited**

CIN : L15200KA1998PLC023489

Regd. Office: IICG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India

Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022**

(Rs. in Lakhs except share data)

| Sl. No. | Particulars  | Quarter ended<br>30 June 2022 | Preceding quarter ended<br>31 March 2022 | Corresponding quarter ended<br>30 June 2021 | Previous year ended<br>31 March 2022 |
|---------|--|-------------------------------|--|---|--------------------------------------|
|         |  | Unaudited                     | (Refer note 2)                           | Unaudited                                   | Audited                              |
| 1       | <b>Income</b>  |                               |  |   |                                      |
|         | (a) Revenue from operations  | 24,267                        | 21,967                                   | 20,010                                      | 84,983                               |
|         | (b) Income from government grant   | 50                            | 52                                       | 50  | 213                                  |
|         | (c) Other income   | 187                           | 225                                      | 453   | 1,029                                |
|         | <b>Total Income</b>  | <b>24,504</b>                 | <b>22,244</b>                            | <b>20,513</b>                               | <b>86,225</b>                        |
| 2       | <b>Expenses</b>  |                               |  |   |                                      |
|         | (a) Purchases of medical and non-medical items   | 5,749                         | 5,134                                    | 5,862                                       | 21,326                               |
|         | (b) Changes in inventories   | (217)                         | 48                                       | (711)                                       | (294)                                |
|         | (c) Employee benefits expense  | 4,444                         | 3,878                                    | 3,882                                       | 15,663                               |
|         | (d) Finance costs  | 972                           | 922                                      | 1,250                                       | 4,280                                |
|         | (e) Depreciation and amortisation expense (refer note 3)   | 2,170                         | 2,219                                    | 2,097                                       | 8,836                                |
|         | (f) Medical consultancy charges  | 4,654                         | 4,337                                    | 3,700                                       | 16,073                               |
|         | (g) Other expenses   | 5,091                         | 4,579                                    | 4,240                                       | 17,528                               |
|         | <b>Total expenses</b>  | <b>22,863</b>                 | <b>21,117</b>                            | <b>20,320</b>                               | <b>83,412</b>                        |
| 3       | <b>Profit / (loss) before exceptional items and tax (1-2)</b>  | <b>1,641</b>                  | <b>1,127</b>                             | <b>193</b>                                  | <b>2,813</b>                         |
| 4       | Exceptional items, net gain / (loss) (refer note 4)  | -                             | (2,700)                                  | -   | 5,291                                |
| 5       | <b>Profit / (loss) before tax (3+4)</b>  | <b>1,641</b>                  | <b>(1,573)</b>                           | <b>193</b>                                  | <b>8,104</b>                         |
| 6       | <b>Tax expense</b>   |                               |  |   |                                      |
|         | - Current tax  | 543                           | (86)                                     | 43  | 1,570                                |
|         | - Deferred tax   | 13                            | 305                                      | 10  | 2,709                                |
|         | <b>Total tax expense/ (credit)</b>   | <b>556</b>                    | <b>219</b>                               | <b>53</b>                                   | <b>4,279</b>                         |
| 7       | <b>Profit / (loss) for the period / year (5-6)</b>   | <b>1,085</b>                  | <b>(1,792)</b>                           | <b>140</b>                                  | <b>3,825</b>                         |
| 8       | <b>Other comprehensive income</b>  |                               |  |   |                                      |
|         | (i) Items that will not be reclassified subsequently to profit or loss   |                               |  |   |                                      |
|         | - Remeasurements of the defined benefit plans  | -                             | (68)                                     | -   | (68)                                 |
|         | - Income tax effect on (i) above   | -                             | 24                                       | -   | 24                                   |
|         | (ii) Items that will be reclassified to profit or loss   |                               |  |   |                                      |
|         | - Effective portion of gain on hedging instruments in a cash flow hedge  | -                             | -  | 118   | 118                                  |
|         | - Income tax effect on (ii) above  | -                             | -  | (41)  | (41)                                 |
|         | <b>Other comprehensive income for the period / year, net of tax</b>  | <b>-</b>                      | <b>(44)</b>                              | <b>77</b>                                   | <b>33</b>                            |
| 9       | <b>Total comprehensive income / (loss) for the period / year (7+8)</b>   | <b>1,085</b>                  | <b>(1,836)</b>                           | <b>217</b>                                  | <b>3,858</b>                         |
| 10      | Paid-up equity share capital (Face value of Rs. 10 each)   | 13,902                        | 13,901                                   | 12,539                                      | 13,901                               |
| 11      | Reserves, i.e., 'Other equity'   |                               |  |   | 95,868                               |
| 12      | <b>Earnings / (Loss) per equity share (face value of Rs. 10 each)</b>  | Not annualised                | Not annualised                           | Not annualised                              | Annualised                           |
|         | (a) Basic  | 0.78                          | (1.29)                                   | 0.11  | 2.95                                 |
|         | (b) Diluted *  | 0.78                          | (1.29)                                   | 0.11  | 2.83                                 |
|         | * Since there is a loss during the preceding quarter ended 31 March 2022, potential equity shares are not considered as dilutive and hence Diluted loss per share is same as Basic loss per share. |                               |  |   |                                      |
|         | See accompanying notes to the Standalone Financial Results   |                               |  |   |                                      |



HealthCare Global Enterprises Limited

CIN : 115200KA1998PLC023489

Regd. Office: HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India

Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2022

Notes:

- 1 The statement of unaudited standalone financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company') for the quarter ended 30 June 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 August 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.  
  
The Statement has been subjected to limited review by the statutory auditors of the Company. The review report of the auditors is unqualified.
- 2 The figures for preceding quarter ended 31 March 2022 are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year to date figures upto the end of the third quarter of the previous financial year, which were subject to limited review by the statutory auditor of the Company.
- 3 During the current quarter ended 30 June 2022, the Company revised the estimated useful life for certain category of its Property, Plant and Equipment with effect from 1 April 2022 based on its technical evaluation. Resultantly, depreciation charge on such assets is lower and profit before tax is higher by Rs. 101 lakhs for the quarter ended 30 June 2022.
- 4 **Exceptional Items for the quarter and year ended 31 March 2022:**
  - a) During the quarter and year ended 31 March 2022, the Company performed impairment assessment for all its investments. Given the continued losses incurred and weaker forecasts, the recoverable amount of its investments in HCG EKO Oncology LLP (considering the future cash flows) was estimated to be lower than its carrying value, resulting into an impairment charge amounting to Rs. 2,700 lakhs.
  - b) The Company had been engaged in construction of greenfield project at leased premises in Gurugram ("project") since 2017. While the project was initially scheduled to be operational as of 2020, it was delayed due to changes in management's plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. During the budgeting process in the quarter ended 31 December 2021, the Management decided to focus on increasing marketing activities and driving operational efficiencies and further invest in the upgrading and consolidating the existing footprint. As a result, the management decided to not pursue the project. The Company still has about two years of non-cancellable lease, on the said premise. Accordingly, the Company recognized impairment of capital work-in progress, right-of use assets and security deposit for the quarter ended 31 December 2021 aggregating to Rs. 4,725 Lakhs, after considering minimum lease payable and other committed costs of the project.
  - c) The Company invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) on 18 November 2021 through primary funding, which resulted in increase in the Company's stake in Suchirayu from 17.7% to 78.6%, consequent to which Suchirayu became subsidiary of the Company. The Company remeasured its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements were cancelled.
  - d) During the quarter ended 30 September 2021, the Company sold its investment in Strand Life Sciences Private Limited ("Strand") for a total consideration of Rs.15,778 lakhs, resulting in a gain of Rs.12,769 lakhs (net of expenses / other provisions). The Company also entered into Business Transfer Agreement with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs.8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. The Company incurred Rs. 55 Lakhs towards legal and professional fees in respect of this acquisition during the year ended 31 March 2022.
  - e) During the quarter ended 30 September 2021, the Company refinanced its certain borrowings from banks and financial institutions. On account of this, the Company incurred one time expenses of Rs. 172 lakhs, net, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.
- 5 The Code on Social Security 2020 ('Code'), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Company. The Ministry of Labour and Employment ('Ministry') has released draft rules for the Code on 13 November 2020. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective.
- 6 During the current quarter, the Company has entered into a Business Transfer Agreement (BTA) with Radiant Hospital Services Private Limited for the acquisition of its radiation therapy centre, along with its assets located at Sambalpur, Odisha on a slump sale basis for a total cash consideration of Rs. 1,600 Lakhs. The proposed transfer of business is subject to satisfaction of certain conditions precedent to the closing date as per the terms of BTA and accordingly, control was not obtained and the acquisition of business is not given effect during the current quarter ended 30 June 2022.
- 7 The Company has a single operating segment of 'setting up and managing hospitals and medical diagnostic services.'

Bengaluru, 10 August 2022

Dr. B. S. Ajathumay  
Executive Chairman



# B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,  
Pebble Beach, B Block, 3<sup>rd</sup> Floor, No. 13/2,  
Off Intermediate Ring Road,  
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000  
Fax: + 91 80 4682 3999

## Limited Review Report on unaudited standalone financial results of HealthCare Global Enterprises Limited for the quarter ended 30 June 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of HealthCare Global Enterprises Limited ("the Company") for the quarter ended 30 June 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the three months ended 31 March 2022 as reported in these unaudited standalone financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248WW-100022

  
Vikash Gupta  
Partner

Bangalore

10 August 2022

Membership No.: 064597

UDIN:22064597AOTHSD1656

Registered Office

## HealthCare Global Enterprises Limited

CIN : LI5200KA1998PLC023489

Regd. Office: IICG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India  
 Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

## STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 June 2022

(Rs. in Lakhs except share data)

| Sl. No. | Particulars   | Quarter ended<br>30 June 2022 | Preceding quarter ended<br>31 March 2022 | Corresponding quarter ended<br>30 June 2021 | Previous year ended<br>31 March 2022 |
|---------|---|-------------------------------|--|---|--------------------------------------|
|         |   | Unaudited                     | (Refer note 2)                           | Unaudited                                   | Audited                              |
| 1       | <b>Income</b>   |                               |  |   |                                      |
|         | (a) Revenue from operations   | 40,731                        | 36,389                                   | 32,242                                      | 139,478                              |
|         | (b) Income from government grant  | 74                            | 74                                       | 72  | 301                                  |
|         | (c) Other income  | 291                           | 301                                      | 344   | 1,267                                |
|         | <b>Total income</b>   | <b>41,096</b>                 | <b>36,764</b>                            | <b>32,658</b>                               | <b>141,046</b>                       |
| 2       | <b>Expenses</b>   |                               |  |   |                                      |
|         | (a) Purchases of medical and non-medical items  | 10,186                        | 9,103                                    | 9,330                                       | 36,097                               |
|         | (b) Changes in inventories  | (406)                         | (1)                                      | (1,016)                                     | (607)                                |
|         | (c) Employee benefits expense   | 6,871                         | 6,067                                    | 5,580                                       | 23,365                               |
|         | (d) Finance costs   | 2,498                         | 2,414                                    | 2,638                                       | 9,777                                |
|         | (e) Depreciation and amortisation expense (refer note 3)  | 3,967                         | 4,110                                    | 3,778                                       | 15,828                               |
|         | (f) Medical consultancy charges   | 8,667                         | 8,427                                    | 6,709                                       | 29,582                               |
|         | (g) Other expenses  | 8,271                         | 6,552                                    | 6,588                                       | 27,544                               |
|         | <b>Total expenses</b>   | <b>40,054</b>                 | <b>36,672</b>                            | <b>33,607</b>                               | <b>141,586</b>                       |
| 3       | <b>Profit / (loss) before share of profit/(loss) of an associate / joint venture, exceptional items and tax (1-2)</b>   | <b>1,042</b>                  | <b>92</b>                                | <b>(949)</b>                                | <b>(540)</b>                         |
| 4       | Share of profit/(loss) of an associate / joint venture  | -                             | -  | 57  | (144)                                |
| 5       | <b>Profit / (loss) before exceptional items and tax (3+4)</b>   | <b>1,042</b>                  | <b>92</b>                                | <b>(892)</b>                                | <b>(684)</b>                         |
| 6       | Exceptional items, net gain (refer note 4)  | -                             | -  | -   | 9,461                                |
| 7       | <b>Profit / (loss) before tax (5+6)</b>   | <b>1,042</b>                  | <b>92</b>                                | <b>(892)</b>                                | <b>8,777</b>                         |
| 8       | <b>Tax expense</b>  |                               |  |   |                                      |
|         | - Current tax   | 750                           | 131                                      | 144   | 2,371                                |
|         | - Deferred tax  | 44                            | (264)                                    | 216   | 2,514                                |
|         | <b>Total tax expense/ (credit)</b>  | <b>794</b>                    | <b>(133)</b>                             | <b>360</b>                                  | <b>4,885</b>                         |
| 9       | <b>Profit / (loss) for the period / year (7-8)</b>  | <b>248</b>                    | <b>225</b>                               | <b>(1,252)</b>                              | <b>3,892</b>                         |
| 10      | <b>Other comprehensive income / (loss)</b>  |                               |  |   |                                      |
|         | (i) Items that will not be reclassified subsequently to profit or loss  |                               |  |   |                                      |
|         | - Remeasurements of the defined benefit plans   | -                             | (69)                                     | -   | (69)                                 |
|         | - Income tax effect on (i) above  | -                             | 19                                       | -   | 19                                   |
|         | (ii) Items that will be reclassified to profit or loss  |                               |  |   |                                      |
|         | - Exchange differences on translation of financial statements of foreign operations   | 91                            | (54)                                     | 162   | (178)                                |
|         | - Effective portion of gain on hedging instruments in a cash flow hedge   | -                             | -  | 116   | 116                                  |
|         | - Income tax effect on (ii) above   | -                             | -  | (41)  | (41)                                 |
|         | <b>Other comprehensive income / (loss) for the period / year, net of taxes</b>  | <b>91</b>                     | <b>(104)</b>                             | <b>237</b>                                  | <b>(153)</b>                         |
| 11      | <b>Total comprehensive income / (loss) for the period / year (9+10)</b>   | <b>339</b>                    | <b>121</b>                               | <b>(1,015)</b>                              | <b>3,739</b>                         |
|         | <b>Profit / (loss) for the period / year attributable to:</b>   |                               |  |   |                                      |
|         | Owners of the Company   | 605                           | 599                                      | (957)                                       | 5,373                                |
|         | Non-controlling interests   | (357)                         | (374)                                    | (295)                                       | (1,481)                              |
|         | <b>Other comprehensive income / (loss) for the period / year attributable to</b>  |                               |  |   |                                      |
|         | Owners of the Company   | 75                            | (92)                                     | 237   | (134)                                |
|         | Non-controlling interests   | 16                            | (12)                                     | -   | (19)                                 |
|         | <b>Total comprehensive income / (loss) for the period / year attributable to</b>  |                               |  |   |                                      |
|         | Owners of the Company   | 680                           | 507                                      | (720)                                       | 5,239                                |
|         | Non-controlling interests   | (341)                         | (386)                                    | (295)                                       | (1,500)                              |
| 12      | Paid-up equity share capital (Face value of Rs. 10 each)  | 13,902                        | 13,901                                   | 12,539                                      | 13,901                               |
| 13      | Reserves, i.e., 'Other equity'  |                               |  |   | 73,128                               |
| 14      | <b>Earnings / (Loss) per share (face value of Rs. 10 each)</b>  | Not annualised                | Not annualised                           | Not annualised                              | Annualised                           |
|         | (a) Basic   | 0.44                          | 0.43                                     | (0.76)                                      | 4.14                                 |
|         | (b) Diluted *   | 0.43                          | 0.43                                     | (0.76)                                      | 3.97                                 |
|         | * Since there is a loss during the corresponding quarter ended 30 June 2021, potential equity shares are not considered as dilutive and hence Diluted loss per share is same as Basic loss per share. |                               |  |   |                                      |
|         | See accompanying notes to the Consolidated Financial Results  |                               |  |   |                                      |



HealthCare Global Enterprises Limited

CIN : I15200KA1998PLC023489

Regd. Office: HCG Tower, No. 8, P Kalinga Rao Road, Sampangi Rama Nagar, Bengaluru 560 027, Karnataka, India

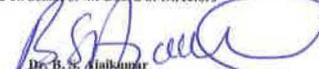
Corp. Office: Tower Block, Unity Building Complex, No. 3, Mission Road, Bengaluru 560 027, Karnataka, India

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 June 2022

Notes:

- 1 The statement of unaudited consolidated financial results ('the Statement') of HealthCare Global Enterprises Limited ('the Company'), its subsidiaries (collectively referred to as 'the Group') and its joint venture, for the quarter ended 30 June 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 August 2022. The Statement has been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standard) Rules 2015, as amended and in terms of Regulation 33 of the SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.  
  
The Statement has been subjected to limited review by the statutory auditors of the Company. The review report of the auditors is unqualified.
- 2 The figures for preceding quarter ended 31 March 2022 are the balancing figures between audited figures in respect of the full previous financial year and the published unaudited year to date figures upto the end of the third quarter of the previous financial year, which were subject to limited review by the statutory auditor of the Company.
- 3 During the current quarter ended 30 June 2022, the Group revised the estimated useful life for certain category of its Property, Plant and Equipment with effect from 1 April 2022 based on its technical evaluation. Resultantly, depreciation charge on such assets is lower and profit before tax is higher by Rs. 138 lakhs for the quarter ended 30 June 2022.
- 4 **Exceptional Items for the year ended 31 March 2022:**
  - a) The Company had been engaged in construction of greenfield project at leased premises in Gurugram ("project") since 2017. While the project was initially scheduled to be operational as of 2020, it was delayed due to changes in management's plan on account of operational priorities followed by the outbreak of COVID-19 pandemic. During the budgeting process in the previous year, the Management decided to focus on increasing marketing activities and driving operational efficiencies and further invest in the upgrading and consolidating the existing footprint. As a result, the management decided to not pursue the project. The Company still has non-cancellable lease of the said premise. Accordingly, the Company recognized impairment of capital work-in progress, right-of-use assets and security deposit aggregating to Rs. 4,725 Lakhs during the previous year, after considering minimum lease payable and other committed costs of the project.
  - b) The Group invested Rs. 3,300 Lakhs in the equity shares of Suchirayu Health Care Solutions Limited (Suchirayu) on 18 November 2021 through primary funding, which resulted in increase in the Group's stake in Suchirayu from 17.7% to 78.6%. Suchirayu became subsidiary of the Group with effect from 18 November 2021, considering the Group's voting rights and its majority representation in the Board of Directors which gives it the current ability to unilaterally direct relevant activities of Suchirayu. The Group remeasured its previously held interest in Suchirayu at fair value on the date of acquisition of additional stake and recognised the resultant gain of Rs. 174 Lakhs, net as an exceptional item in accordance with the applicable Indian Accounting Standard. With the acquisition of this business, the earlier medical services and the other related arrangements were cancelled.
  - c) During the quarter ended 30 September 2021, the Company sold its investment in Strand Life Sciences Private Limited ('Strand') for a total consideration of Rs. 15,778 lakhs, resulting in a gain of Rs. 14,194 lakhs (net of expenses / other provisions). The Company also entered into Business Transfer Agreement with Strand for acquisition of the diagnostic business and the division providing clinical research site management services for a total consideration of Rs. 8,080 Lakhs. With the acquisition of these businesses, the earlier outsourced Hospital Lab Management services were cancelled. The Company incurred Rs. 55 Lakhs towards legal and professional fees in respect of this acquisition during the year ended 31 March 2022.
  - d) During the quarter ended 30 September 2021, the Group refinanced its certain borrowings from banks and financial institutions. On account of this, the Group incurred one time expenses of Rs. 750 lakhs, towards foreclosure charges and accelerated amortization of loan processing fees related to earlier borrowings, which has been disclosed under Exceptional Items.
  - e) As on 30 September 2021, the Group paid CDC Group PLC (CDC) Rs. 411 lakhs towards its put option exercise in accordance with the shareholders agreement. On account of this settlement, Healthcare Global (Africa) Pvt Ltd (HCG Africa) became 100% subsidiary of the Group with effect from 30 September 2021. The Group remeasured its previously held equity interest in HCG Africa at its fair valuation on acquisition of the additional stake and recognized the resultant gain of Rs. 623 lakhs as an exceptional item in accordance with the applicable Indian Accounting Standard.
- 5 The Code on Social Security 2020 ("Code"), which received the Presidential Assent on 28 September 2020, subsumes nine regulations relating to social security, retirement, and employee benefits. The Code will have an impact on the contributions towards gratuity and provident fund made by the Group. The Ministry of Labour and Employment ("Ministry") has released draft rules for the Code on 13 November 2020. The effective date of the Code has not yet been notified and the related rules to ascertain the financial impact are yet to be finalized and notified. The Group will assess the impact once the subject rules are notified and will give appropriate impact in its financial results in the period in which, the Code becomes effective.
- 6 During the current quarter, the Company has entered into a Business Transfer Agreement (BTA) with Radiant Hospital Services Private Limited for the acquisition of its radiation therapy centre, along with its assets located at Sambalpur, Odisha on a slump sale basis for a total cash consideration of Rs. 1,600 Lakhs. The proposed transfer of business is subject to satisfaction of certain conditions precedent to the closing date as per the terms of BTA and accordingly, control was not obtained and the acquisition of business is not given effect during the current quarter ended 30 June 2022.
- 7 The Group has a single operating segment of 'setting up and managing hospitals and medical diagnostic services'.

For and on behalf of the Board of Directors

  
Dr. B. S. Rajkumar  
Executive Chairman

Bengaluru, 10 August 2022



# B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park,  
Pebble Beach, B Block, 3<sup>rd</sup> Floor, No. 13/2,  
Off Intermediate Ring Road,  
Bengaluru-560 071 India

Telephone: + 91 80 4682 3000  
Fax: + 91 80 4682 3999

## Limited Review Report on unaudited consolidated financial results of HealthCare Global Enterprises Limited for the quarter ended 30 June 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### To the Board of Directors of HealthCare Global Enterprises Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of HealthCare Global Enterprises Limited ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter ended 30 June 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the entities mentioned in Annexure I of this limited review report.
5. Attention is drawn to the fact that the figures for the three months ended 31 March 2022 as reported in these unaudited consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the separate/consolidated review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Registered Office:

**B S R & Co. LLP**

7. We did not review the financial information/ financial results of 8 Subsidiaries and step down subsidiaries included in the Statement, whose financial information/ financial results reflect total revenues of Rs 5,224 lakhs, total net loss after tax of Rs 1,085 lakhs and total comprehensive loss of Rs 994 lakhs, for the quarter ended 30 June 2022, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also include the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil, for the quarter ended 30 June 2022 as considered in the Statement, in respect of a joint venture, whose financial information/ financial results has not been reviewed by us. These financial information/ financial results have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter.

**For B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248WW-100022



**Vikash Gupta**

*Partner*

Bangalore

10 August 2022

Membership No.: 064597

UDIN:22064597AOTGIB8461

**Annexure I**

List of entities included in unaudited consolidated financial results.

| Sr. No | Name of component  | Relationship         | Country of incorporation |
|--------|--|----------------------|--------------------------|
| 1      | BACC Healthcare Private Limited                                  | Subsidiary           | India                    |
| 2      | HCG Medi-Surge Hospitals Private Limited                         | Subsidiary           | India                    |
| 3      | HCG Oncology LLP   | Subsidiary           | India                    |
| 4      | Apex HCG Oncology Hospitals LLP                                  | Subsidiary           | India                    |
| 5      | HCG Manavata Oncology LLP  | Subsidiary           | India                    |
| 6      | Malnad Hospital & Institute of Oncology Private Limited          | Subsidiary           | India                    |
| 7      | HealthCare Diwan Chand Imaging LLP                               | Subsidiary           | India                    |
| 8      | HCG NCHRI Oncology LLP   | Subsidiary           | India                    |
| 9      | HCG EKO Oncology LLP   | Subsidiary           | India                    |
| 10     | HCG Sun Hospitals LLP  | Subsidiary           | India                    |
| 11     | Niruja Product Development & Healthcare Research Private Limited | Subsidiary           | India                    |
| 12     | HealthCare Global Senthil Multi Specialty Private Limited        | Subsidiary           | India                    |
| 13     | Suchirayu Health Care Solutions Limited                          | Subsidiary           | India                    |
| 14     | HCG (Mauritius) Private Limited                                  | Step-down subsidiary | Mauritius                |
| 15     | HealthCare Global (Africa) Private Limited                       | Step-down subsidiary | Mauritius                |
| 16     | Healthcare Global (Uganda) Private Limited                       | Step-down subsidiary | Uganda                   |
| 17     | Healthcare Global (Tanzania) Private Limited                     | Step-down subsidiary | Tanzania                 |
| 18     | Healthcare Global (Kenya) Private Limited                        | Step-down subsidiary | Kenya                    |

Vg.

# B S R & Co. LLP

| Sr. No | Name of component                  | Relationship         | Country of incorporation |
|--------|------------------------------------|----------------------|--------------------------|
| 19     | Cancer Care Kenya Limited          | Step-down subsidiary | Kenya                    |
| 20     | Advanced Molecular Imaging Limited | Joint Venture        | Kenya                    |

Vg.