The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts(Standalone):

Name of the Company: Quality Care India Limited

(Rs. in Crores)

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2023-24	2022-23	2021-22
Equity Paid up Capital	95.23	41.49	41.49
Reserves and surplus	4,006.06	691.55	611.21
Carry forward losses	12.42	0	0
Net Worth	4,101.29	733.05	652.70
Miscellaneous Expenditure	1.98	0.83	0.62
Secured Loans	220.44	218.13	184.99
Unsecured Loans	0	0	0
Fixed Assets	690.98	456.34	431.85
Income from Operations	1136.33	1040.13	1022.30
Total Income	1145.87	1050.12	1028.27
Total Expenditure	1029.44	834.58	806.98
Profit before Tax	-12.42	83.94	116.18
Profit after Tax	-96.43	37.31	105.52
Cash profit	103.37	148.99	186.08
EPS	(17.79)	8.99	25.43
Book value	Rs.10/- Per Share	Rs.10/- Per Share	Rs.10/- Per Share

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

QUALITY CARE INDIA LIMITED Hyderabad-34

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts(Consolidated):

Name of the Company: Quality Care India Limited

(Rs. in Crores)

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2023-24	2022-23	2021-22
Equity Paid up Capital	95.23	41.49	41.49
Reserves and surplus	4,199.20	782.44	653.69
Carry forward losses	0	0	0
Net Worth	4,294.43	823.94	695.18
Miscellaneous Expenditure	6.70	1.32	1.14
Secured Loans	617.02	349.35	228.54
Unsecured Loans	0	0	0
Fixed Assets	4442.60	930.39	535.31
Income from Operations	2120.53	1604.40	1318.16
Total Income	2149.92	1623.59	1328.02
Total Expenditure	1805.19	1286.64	1056.44
Profit before Tax	141.24	145.38	138.95
Profit after Tax	18.84	98.32	122.89
Cash profit	1,433.16	371.15	234.04
EPS	(2.60)	20.50	27.90
Book value	Rs.10/- Per Share	Rs.10/- Per Share	Rs.10/- Per Share

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

QUALITY CARE INDIA LIMITED Hyderabad-34.

CARE HOSPITALS

THE POWER OF ONE

CONSOLIDATING OUR STRENGTHS

CENTRALIZING OUR VISION

ANNUAL REPORT 2024

Quality CARE India Limited

QUALITY CARE INDIA LIMITED

32nd (THIRTY SECOND) ANNUAL REPORT - 2023-24

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Varun Shadilal Khanna – Group Managing Director

Dr. Hari Prasad Kovelamudi – Group Chairperson & Non-Executive Director

Mr. Jasdeep Singh – Director and Chief Executive Officer

Mr. Kewal Kundanlal Handa – Independent Non-Executive Director

Ms. Ekta Bahl – Independent Non-Executive Director

Mr. Ganesh Mani – Non-Executive Director

Ms. Ayshwarya Ravi Vikram - Non-Executive Director

Mr. Vishal Bali – Non-Executive Director

Mr. Mahadevan Narayanamoni – Non-Executive Director

Mr. Aniket Damle – Non-Executive Director

Mr. Tejas Naphade – Non-Executive Director

Mr. Himanshu Dodeja – Non-Executive Director

Mr. Deepak Khanna - Chief Financial Officer

Mrs. Gayathri Chandramoulieswaran – Company Secretary

BOARD COMMITTEES

Audit Committee

Mr. Kewal Kundanlal Handa (Non-Executive Independent Director) - Chairperson
Ms. Ekta Bahl (Non-Executive Independent Director) - Member
Mr. Tejas Naphade (Non-Executive Director) - Member

Nomination and Remuneration Committee

Mr. Ayshwarya Ravi Vikram (Non-Executive Director) - Chairperson
Ms. Ekta Bahl (Non-Executive Independent Director) - Member
Mr. Kewal Kundanlal Handa (Non-Executive Independent Director) - Member
Mr. Vishal Bali (Non-Executive Director) - Member

Corporate Social Responsibility Committee

Ms. Ekta Bahl (Non-Executive Independent Director) - Chairperson
Mr. Aniket Damle (Non-Executive Director) - Member
Mr. Kewal Kundanlal Handa (Non-Executive Independent Director) - Member

Clinical & Quality Group Committee (Clini-Q)

Dr. Hari Prasad Kovelamudi (Group Chairperson) – Committee Chairperson
Dr. M.I. Sahadulla (KIMS Chairperson & Managing Director) – Committee Vice-Chairperson
Mr. Varun Khanna (Group Managing Director) – Member

REGISTERED OFFICE

6-3-248/2, Road No.1
Banjara Hills
Hyderabad – 500 034

CORPORATE OFFICE

CARE Corporate Office
1st Floor, Kohinoor building, Road No 2, Banjara Hills,
Hyderabad -500034 Telangana

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP
Unit -2B, 8th Floor, Octave Block, Block E1, Parcel-4,
Salarpuria Sattva Knowledge City,
Raidurg, Hyderabad – 500 081 Telangana

INTERNAL AUDITORS

Ernst & Young LLP
18, iLabs Centre, Madhapur,
Hyderabad – 500 081 Telangana

COST AUDITORS

M/s. Nageswara Rao & Co
Cost Accountants
H.No.30-1569/2, Plot No.35, Anantanagar Colony
Neredmet, Secunderabad.

SECRETARIAL AUDITORS

RVR & ASSOCIATES
Company Secretaries
D. No #1-10-18/G1, Lakshmi Sree Park View Apartments,
Opp. Municipal Park, Ashok Nagar,
Hyderabad- 500020, Telangana

BANKERS

Union Bank of India, Banjara Hills Branch, Hyderabad
Axis Bank Limited, Corporate Banking branch, Hyderabad
The Hongkong and Shanghai Banking Corporation Limited, Hyderabad

QUALITY CARE INDIA LIMITED

Regd. Office: 6-3-248/2, Road No.1, Banjara Hills, Hyderabad-500 034;
CIN: U85110TG1992PLC014728; **Email**:Info@carehospitals.com,
Website: www.carehospitals.com; **contact no.**: 040-30418888, 040-68306565, 040-68106565

NOTICE

NOTICE is hereby given that the **Thirty Second (32nd)** Annual General Meeting of **QUALITY CARE INDIA LIMITED** (the Company) will be held on Monday, the 30th day of September, 2024 at 03.00 P.M. through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad - 500034 Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements I.e. Balance Sheet, the statement of Profit & Loss (including the Consolidated Financial Statements) and the Cash Flow Statement of the Company for the Financial Year ended 31st March 2024 and the reports of the Auditors and Board of Directors thereon.

2. To reappoint Mr. Vishal Bali (DIN: 01457380) as a director, who retires by rotation and being eligible, offers his candidature for re-appointment.

3. To reappoint Mr. Mahadevan Narayanamoni (DIN: 07128788) as a director, who retires by rotation and being eligible, offers his candidature for re-appointment.

4. To reappoint Mr. Jasdeep Singh (DIN: 02705303) as a director, who retires by rotation and being eligible, offers his candidature for re-appointment.

SPECIAL BUSINESS:

5. **To Ratify the Remuneration Payable to Cost Auditors:**

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

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Cost Auditors, M/s. Nageswara Rao & Co, Cost Accountants having Firm Registration No: 000332 appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company for the Financial year ending 31 March 2025, who shall be paid a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) Per Annum plus applicable taxes and out of pocket expenses at actual.

RESOLVED FURTHER THAT Board of Directors, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard including but not limited to filing of requisite application/forms/ reports, etc. with the Ministry of Corporate Affairs or with such other authorities as may be required for the purpose of giving effect to this resolution."

For and on behalf of the Board of
QUALITY CARE INDIA LIMITED

QUALITY CARE INDIA LIMITED Hyderabad-34.

Place: Hyderabad, India
Date: 04.09.2024

Mr. Jasdeep Singh
Director & Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

Notes:

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

2. The Ministry of Corporate Affairs ("MCA") has vide its General circular No. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, read with circulars No. 21/2021 dated 8.12.2021, General circular no. 2/2022 dated 05.05.2022 and General circular no. 10/2022 dated 28.12.2022 and General circular No. 09/2023 dated 25.09.2023 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members till **30th September, 2024**. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars and relevant circulars and other applicable provisions, the AGM of the Company is being held through VC / OAVM. The proceedings of the Annual General Meeting will be deemed to be conducted at the registered office of the Company at #6-3-248/2, Road No.1, Banjara Hills, Hyderabad -500034.

3. The VC/OAVM facility for members to join the meeting, shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 30 minutes after the conclusion of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Members desiring to seek any information/clarifications on the Financial Statements are requested to write to the Company at least seven (7) days before the Annual General Meeting to enable the management to keep the information ready.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes. Institutional / Corporate Shareholders are requested to send a scanned copy (PDF/JPG Format) of its certified true copy of Board or governing body Resolution/Authorization/Power of Attorney etc., alongwith the specimen signature of the authorized representative who is authorized to attend the AGM on its behalf and to vote pursuant to Section 113 of the Act. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs.office@carehospitals.com

8. Members holding shares in physical/dematerialized mode, who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company along with their details and folio number at cs.office@carehospitals.com

9. Members whose email ids are already registered with the Company or with Registrar and Share transfer agent will receive the Zoom Link (for video conferencing) for attending the Annual General Meeting which is also given below; Members are requested to attend the meeting through the given link and In case any member has not received the link via email then they are requested to send a mail from their E-mail account and write to cs.office@carehospitals.com.

Zoom Link:

***Topic**: QCIL Annual General Meeting 2024*
***Time**: 03:00 P.M.*

Join Zoom Meeting
https://us02web.zoom.us/j/84306522120?pwd=LtEMSSmrVETORSy1O2U5wc7R6PbraO.1

***Meeting ID:** 843 0652 2120*
***Passcode:** 797466*

Find your local number: https://us02web.zoom.us/u/kbkIlFONUG

Instructions:

a) Type the exact link given above in the web address bar and enter

Or

b) i) open Google Chrome/Mozilla Firefox/Internet Explorer

ii) Go to join.zoom.us and type

Meeting ID: 843 0652 2120

Passcode: 797466

iii) Click **Join**

In case of any technical difficulties write to - udaykumar.bellapu@carehospitals.com; or cs.office@carehospitals.com;

10. In keeping with Ministry of Corporate Affairs' Green initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars, etc. from the Company electronically by writing to cs.office@carehospitals.com.

11. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to cs.office@carehospitals.com

12. All shareholders attending the AGM will have the option to post their comments/queries through a dedicated chat box, which will be made available.

13. The Annual Report of the Company including the Notice convening the AGM circulated to the members of the Company will be available on the Company's website at https://www.carehospitals.com/annual-reports

14. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act 2013)

Item No. 5

The Board has approved the re-appointment of the Cost Auditors, M/s. Nageswara Rao & Co. at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per annum plus applicable taxes and out of pocket expenses at actuals, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2025.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2025.

None of the Directors / Key Managerial Personnel / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Your Board recommends the resolution set forth in the item no. 5 of the Notice for approval of the Members

For and on behalf of the Board
QUALITY CARE INDIA LIMITED

Place: Hyderabad, India
Date: 04.09.2024

Mr. Jasdeep Singh
Director & Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

BOARD'S REPORT

To
The Members,

On behalf of Board, We take pleasure in presenting the **32nd (Thirty Second)** Annual Report on the business and operations of your Company along with the standalone and consolidated summary financial statements for the year ended 31 March, 2024.

1. FINANCIAL HIGHLIGHTS: [Rule 8(5)(i) of Companies (Accounts) Rules, 2014]

(Rs. In millions)

	QCIL(CARE standalone)		*QCIL (CARE Consol)*	
Particulars				
	31-Mar-24	**31-Mar-23**	**31-Mar-24**	**31-Mar-23**
Net Sales /Income from:				
Business Operations	11,363.35	10,401.38	21,205.31	16,043.95
Other Income	95.37	99.91	293.87	191.99
Total Income	**11,458.72**	**10,501.29**	**21,499.18**	**16,235.94**
Less: Expenditure	**10,294.41**	**8,345.85**	**18,051.88**	**12,866.41**
EBITDA	**1,164.31**	**2,155.44**	**3,447.30**	**3,369.53**
Less: Finance costs	630.16	664.88	828.69	886.27
Less Depreciation	658.39	651.15	1,206.23	988.05
Profit before exceptional items and tax	**(124.24)**	**839.41**	**1,412.38**	**1,495.21**
Exceptional items	-	-	-	41.41
Profit before share of loss of a Joint venture	**(124.24)**	**839.41**	**1,412.38**	**1,453.80**
Share of loss of a Joint Venture	-	-	-	-
Profit before tax	**(124.24)**	**839.41**	**1,412.38**	**1,453.80**
Less: Current Income Tax	27.79	121.50	418.79	278.19
MAT Credit	-	(74.62)	(19.76)	(74.62)
Less: Income tax relating to earlier periods	(80.44)	157.63	(73.44)	166.37
Less: Deferred Tax Expense /(Benefit)	892.74	187.15	898.38	100.66
Profit/(loss) for the year	**(964.33)**	**373.13**	**188.41**	**983.20**
Other Comprehensive income: 1. Items that will not be reclassified subsequently to profit or loss a. Gain/(loss) on remeasurement of post-employment benefit obligations	(8.61)	(6.06)	(28.01)	3.09

2. Income tax relating to items that will not be reclassified to profit or loss	2.17	2.12	7.37	(0.19)
3. Items that will be reclassified subsequently to profit or loss a) Exchange differences on translation of foreign operations	-	-	360.14	-
Total Comprehensive Income/(Loss) for the year	**(970.77)**	**369.19**	**527.91**	**986.10**
Profit for the year attributable to: Owners of the parent Non-controlling interests	-	-	 (140.83) 329.24	 850.54 132.66
Other comprehensive loss attributable to: Owners of the parent Non-controlling interests	-	-	 200.29 139.21	 2.75 0.15
Total comprehensive income attributable to: Owners of the parent Non-controlling interests	-	-	 59.46 468.45	 853.29 132.81
Earnings per share Basic	(17.79)	8.99	(2.60)	20.50
Earnings per share Diluted	(17.79)	8.99	(2.60)	20.50

2. CHANGE IN THE NATURE OF BUSINESS [Rule 8(5)(ii) of Companies (Accounts) Rules, 2014]

During the Financial year under review, there was no change in the nature of business of the Company.

3. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT [Section 134 (3) (l)]

a. During the FY 2021-22, the Company had raised the Authorised Share Capital from Rs. 79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity shares of Rs. 10/- each and 1,55,00,000 Compulsory Convertible Preference Shares of Rs. 10/- each vide Extra Ordinary General Meeting dated 25.03.2022.

b. During the year FY 2022-23, the Company allotted 75,45,290 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 24.06.2022.

c. During the year FY 2022-23, the Company allotted 70,27,190 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 25.07.2022.

d. During the year under review, the Company converted the 1,45,72,480 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each into 1,00,00,540 equity shares at a price of Rs. 659.077698 per equity share – Rs. 10/- at a premium of Rs. 649.077698 per Equity Shares vide Board resolution dated 11.10.2023.

e. During the year under review, the Company had approved the cancellation and re-classification of the 1,55,00,000 authorized Preference Share Capital into Equity share capital of the Company, thereby increase the authorized equity capital from Rs. 79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each and Clause V of the Memorandum of Association was altered accordingly vide Special resolution passed at the Extra-Ordinary General meeting held on 12.10.2023.

f. During the year under review, the Company took on record the transfer of 37,337,357 fully paid-up equity shares of face value of INR 10/- from Touch Healthcare Private Limited to BCP Asia II Topco IV Pte. Ltd. Vide Board resolution dated 27.10.2023.

g. During the year under review, the Company adopted the restated Articles of Association vide Special resolution passed at the Extra-Ordinary General meeting held on 27.10.2023.

h. During the year under review, the Company took on record the transfer of 12,445,786 fully paid-up equity shares of face value of INR 10/- from Touch Healthcare Private Limited to Centella Mauritius Holdings Limited Vide Board resolution dated 09.11.2023.

i. During the year under review, the Company had raised the Authorised Share Capital from Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs.135,50,00,000/- (Rupees One Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of Rs. 132,00,00,000/- (Rupees One Hundred and Thirty Two Crore Only) divided into 13,20,00,000 (Thirteen Crore Twenty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each and subsequently altered clause V of the Memorandum of Association vide Special resolution passed at the Extra-Ordinary General meeting held on 17.11.2023.

j. During the year under review, the Company had undertaken the following activities related to the changes in the paid-up capital structure through private placement of equity shares as follows –

- Issue of 4,63,85,775 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) on a preferential basis vide Special resolution passed at the Extra-Ordinary General meeting held on 05.01.2024.
- Allotment of 3,71,08,620 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) vide circular resolution of the Board passed on 19.01.2024.

- Allotment of 30,92,385 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) vide circular resolution of the Board passed on 07.02.2024.
- Withdrawal of 61,84,770 Equity shares of Rs. 10/- each issued @646.75 (Premium 636.75) i.e., the unsubscribed portion of equity shares under preferential offer issued on 05.01.2024 vide Special resolution passed at the Extra-Ordinary General meeting held on 23.02.2024.
- Issue of 22,94,747 Equity shares of Rs. 10/- each issued @646.75 (Premium 636.75) on a preferential basis for consideration other than in cash vide Special resolution passed at the Extra-Ordinary General meeting held on 23.02.2024.
- Withdrawal of the Preferential Offer of 22,94,747 Equity shares of Rs. 10/- each issued @646.75 (Premium 636.75) on a preferential basis for consideration other than in cash made on 23.02.2024 vide Special resolution passed at the Extra-Ordinary General meeting held on 12.03.2024.
- Issue of 35,31,699 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) on a preferential basis vide Special resolution passed at the Extra-Ordinary General meeting held on 12.03.2024.
- Allotment of 14,06,668 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) vide circular resolution of the Board passed on 16.03.2024.
- Allotment of 8,88,079 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) and allotment of 9,27,714 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) vide circular resolution of the Board passed on 21.03.2024.
- Allotment of 3,09,238 Equity shares of Rs. 10/- each @646.75 (Premium 636.75) vide circular resolution of the Board passed on 27.03.2024.

k. During the year previous year 2022-23 the Company had acquired 2 Companies as its subsidiaries by acquiring a stake of 95% in Convenient Hospitals Limited (CHL) and 76% in United CIIGMA Institute of Medical Sciences Private Limited and during the year under review, the Company has further acquired 5% stake in Convenient Hospitals Limited on April 20, 2023, making CHL its Wholly Owned Subsidiary.

l. During the year under review, the Company has disinvested its 76% stake in Galaxy Care Multispeciality Hospital Private Limited and it is no longer a subsidiary of the Company w.e.f. April 27, 2023.

m. During the year under review, the Company had acquired 2 Companies as its subsidiaries by acquiring a stake of 89.37% in Condis India Healthcare Private Limited and 100% stake in Chemistry Intermediate Holdings Limited.

n. During the year under review, the Company made an investment in KIMS Healthcare Management Limited (a subsidiary of Condis India Healthcare Private Limited, in which the Company holds an 89.37% stake) by acquiring a 23.25% stake. This acquisition led to KIMS Healthcare Management Limited becoming a subsidiary of the Company, resulting in a direct control of 23.25% and an indirect control of 55%, totaling 78.25% control through its holding in Condis India Healthcare Private Limited.

o. During the current year FY 2024-25, the following events have taken place –

- The Board in its meeting held on 30.05.2024 approved the issuance of 28,56,90,414 equity shares of INR 10 each aggregating to INR 285,69,04,140 in the ratio of 1:3 (i.e. for every 1 fully paid equity shares of INR 10 each 3 fully paid bonus equity shares of INR 10 each are to be issued and allotted) by way of Bonus Issue to the existing shareholders and the same was approved by the shareholders vide Special Resolution passed at their Extra-Ordinary General meeting held on June 14, 2024.

- The authorized share capital of the Company was raised from INR 135,50,00,000/- (Indian Rupees One Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of INR 132,00,00,000/- (Indian Rupees One Hundred and Thirty Two Crore Only) divided into 13,20,00,000 (Thirteen Crore Twenty Lakh) Equity Shares of INR 10/- (Indian Rupees Ten only) each and INR 3,50,00,000/- (Indian Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of INR 10/- (Indian Rupees Ten Only) each **to** INR 435,50,00,000/- (Indian Rupees Four Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of INR 432,00,00,000/- (Indian Rupees Four Hundred and Thirty Two Crores Only) divided into 43,20,00,000 (Forty Three Crore Twenty Lakh) Equity Shares of INR 10/- (Indian Rupees Ten only) each and INR 3,50,00,000/- (Indian Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of INR 10/- (Indian Rupees Ten Only) each and subsequently altered clause V of the Memorandum of Association vide Special resolution passed at the Extra-Ordinary General meeting held on 14.06.2024

- The Company approved the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") ") and to create, offer, issue and allot share-based options to eligible employees under the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") for eligible employees of Quality Care India Limited and for eligible employees of Subsidiary (ies) of the Company and the maximum number of options to be granted to eligible employees shall not exceed 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) employee stock options, corresponding to 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) equity shares of the Company. The same was approved vide Special resolution passed at the Extra-Ordinary General meeting held on 14.06.2024

- Allotment of 28,56,90,414 equity shares of INR 10 each aggregating to INR 285,69,04,140 in the ratio of 1:3 (i.e. for every 1 fully paid equity shares of INR 10 each 3 fully paid bonus equity shares of INR 10 each are to be issued and allotted) by way of Bonus Issue to the existing shareholders vide circular resolution passed by the Board on 02.07.2024.

4. DIVIDEND [Section 134 (3) (k)]

The Board of Directors of your Company has not recommended any dividend for the Equity shareholders for the financial year 2023-24. The current year profits are ploughed back for expansion plans of the Company.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 does not apply as there was no dividend declared and paid in the previous Financial Year 2023-24.

6. TRANSFER TO RESERVES [Section 134 (3) (j)]

The details of the amount transferred to the reserves and surplus is detailed in Statement of changes in Equity for the year ended 31 March 2024 and Note No 4.13(b) of the financial statements enclosed herewith.

7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES [Rule 8(5)(iv) of Companies Accounts) Rules, 2014]

The Company has Seven (8) subsidiaries and Two (1) Joint venture company as on 31st March 2024 the details of which are given below-

S. No.	Name of the Company	% of shareholding held by QCIL	Subsidiary/ Associate/Joint venture
1.	Ganga Care Hospital Limited	74.13	Subsidiary
2.	Ramkrishna Care Medical Sciences Private Limited	56.33	Subsidiary
3.	Convenient Hospitals Limited	100	Subsidiary
4.	United CIIGMA Institute of Medical Sciences Private Limited	100	Subsidiary
5.	Quality Care Jharsuguda Private Limited	100	Subsidiary
6.	Condis India Healthcare Private Limited	89.37	Subsidiary
7.	Chemistry Intermediate Holdings Limited	100	Subsidiary
8.	KIMS Healthcare Management Limited	23.25	Subsidiary
9.	Quality Care Health Services India Private Limited	50	Joint Venture

There has been no material change in the nature of the business of the subsidiaries.

During the year previous year 2022-23 the Company had acquired 2 Companies as its subsidiaries by acquiring a stake of 95% in Convenient Hospitals Limited (CHL) and 76% in United CIIGMA Institute of Medical Sciences Private Limited and during the year under review, the Company has further acquired 5% stake in Convenient Hospitals Limited on April 20, 2023, making CHL its Wholly Owned Subsidiary.

During the year under review, the Company has disinvested its 76% stake in Galaxy Care Multispeciality Hospital Private Limited and it is no longer a subsidiary of the Company w.e.f. April 27, 2023.

During the year under review, the Company had acquired 2 Companies as its subsidiaries by acquiring a stake of 89.37% in Condis India Healthcare Private Limited and 100% stake in Chemistry Intermediate Holdings Limited.

During the year under review, the Company made an investment in KIMS Healthcare Management Limited (a subsidiary of Condis India Healthcare Private Limited, in which the Company holds an 89.37% stake) by acquiring a 23.25% stake. This acquisition led to KIMS Healthcare Management Limited becoming a subsidiary of the Company, resulting in a direct control of 23.25% and an indirect control of 55%, totaling 78.25% control through its holding in Condis India Healthcare Private Limited.

Pursuant to the provisions of Section 139 (3) of the Companies Act 2013, a statement containing the salient features of the subsidiaries and associates companies in Form No. AOC-1 is attached to the financial statements of the Company as **Annexure- I**

8. DETAILS RELATING TO DEPOSITS [Rule 8(5) (v) of Companies Accounts) Rules, 2014]

The Company has not accepted/renewed any deposits during the financial year 2023-24.
Details relating to deposits covered under Chapter V of the act –

a. Accepted during the year; - NIL
b. Remained unpaid or unclaimed as at the end of the year; - NIL
c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- None

i. At the beginning of the year; - NA
ii. Maximum during the year; - NA
iii. At the end of the year; - NA

There are no deposits which are not in compliance with the requirements of Chapter V of the Act;

9. SHARE CAPITAL

The Authorised Share Capital as on 31st March 2024 was Rs.135,50,00,000/- (Rupees One Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of Rs. 132,00,00,000/- (Rupees One Hundred and Thirty Two Crore Only) divided into 13,20,00,000 (Thirteen Crore Twenty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each.

In the Financial Year 2021-22, at the Extra-Ordinary General Meeting held on March 25, 2022, the Company increased its Authorized share capital from Rs.79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) consisting of 7,95,00,000 (Seven Crores and Ninety Five Lakhs Only) Equity Shares of Rs. 10/- (Ten Only) each to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each by addition of Rs. 15,50,00,000/- (Rupees Fifteen Crores and Fifty Lakhs only) divided into 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only)

In the Financial Year 2021-22, the Company has issued 99,50,000 (Ninety Nine Lakh Fifty Thousand Only) 0.001% Compulsorily Convertible Preference shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to Rs. 4,500,385,000/- (Rupees Four Hundred & Fifty Crores Three Lakhs and Eighty Five Thousand Only) for cash through private placement to 'Touch Healthcare Private Limited' on 25.03.2022.

During the previous year FY 2022-23, the following events had taken place post issuance of the above-mentioned CCPS –

- Allotment of 75,45,290 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% CCPS aggregating to Rs. 3,41,27,34,667/- to Touch Healthcare Private Limited on **June 24, 2022.**

- Withdrawal and abandonment of 24,04,710 0.001% Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10/- each aggregating to Rs. 2,40,47,100 /- out of 99,50,000 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each offered which were offered during the year to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Issuance of 79,54,710 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% Compulsory Convertible Preference Shares ("CCPS") aggregating to Rs. 3,59,79,15,333/- for cash through private placement to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Allotment of 70,27,190 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% CCPS aggregating to Rs. 3,17,83,98,037/- to Touch Healthcare Private Limited on **July 25, 2022.**

During the year under review, the following events had taken place –

- **Conversion of CCPS into Equity shares -** During the year under review, the Company converted the 1,45,72,480 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each into 1,00,00,540 equity shares at a price of Rs. 659.077698 per equity share – Rs. 10/- at a premium of Rs. 649.077698 per Equity Shares vide Board resolution dated 11.10.2023.
- **Cancellation and reclassification of Preference share capital to Equity Share Capital -** During the year under review, the Company had approved the cancellation and re-classification of the 1,55,00,000 authorized Preference Share Capital into Equity share capital of the Company, thereby increase the authorized equity capital from Rs. 79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each and Clause V of the Memorandum of Association was altered accordingly vide Special resolution passed at the Extra-Ordinary General meeting held on 12.10.2023.

- **Increase in Authorized Share capital -** During the year under review, the Company had raised the Authorised Share Capital from Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 9,50,00,000 (Nine Crore Fifty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs.135,50,00,000/- (Rupees One Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of Rs. 132,00,00,000/- (Rupees One Hundred and Thirty Two Crore Only) divided into 13,20,00,000 (Thirteen Crore Twenty Lakh) Equity Shares of Rs. 10/- (Rupees Ten only) each and Rs. 3,50,00,000/- (Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of Rs.10/- (Rupees Ten Only) each and subsequently altered clause V of the Memorandum of Association vide Special resolution passed at the Extra-Ordinary General meeting held on 17.11.2023.
- **Private Placement -** During the year under review, the Company had undertaken the following activities related to the changes in the paid-up capital structure through private placement of equity shares as follows –

PRIVATE PLACEMENTS (PP)					Outstanding Paid up capital	
S. No.	Particulars	Event Date	No. of Shares	Amount	No. of Shares	Amount
PP-1						

1	Issue of 4,63,85,775 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	January 05, 2024 - EGM	4,63,85,775	46,38,57,750	5,14,97,434	51,49,74,340
2	Allotment of 3,71,08,620 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	January 19, 2024 - CR	3,71,08,620	37,10,86,200	8,86,06,054	88,60,60,540
3	Allotment of 30,92,385 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	February 07, 2024 - CR	30,92,385	3,09,23,850	9,16,98,439	91,69,84,390
4	Withdrawal of unsubscribed portion of equity shares under previous preferential offer	February 23, 2024	61,84,770	6,18,47,700	9,16,98,439	91,69,84,390
			PP-2			
5	To approve, issue offer and allot equity shares on preferential basis for consideration other than in cash	February 23, 2024	22,94,747	2,29,47,470	9,16,98,439	91,69,84,390
6	Withdrawal of Previous Preferential Offer made on 23.02.2024	March 12, 2024	22,94,747	2,29,47,470	9,16,98,439	91,69,84,390
			PP-3			
7	Issue of 35,31,699 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	March 12, 2024	35,31,699	3,53,16,990	9,16,98,439	91,69,84,390
8	Allotment of 14,06,668 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	March 16, 2024	14,06,668	1,40,66,680	9,31,05,107	93,10,51,070
9	Allotment of 8,88,079 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	March 21, 2024	8,88,079	88,80,790	9,39,93,186	93,99,31,860

10	Allotment of 9,27,714 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	March 21, 2024	9,27,714	92,77,140	9,49,20,900	94,92,09,000
11	Allotment of 3,09,238 Equity shares of Rs. 10/- each @646.75 (Premium 636.75)	March 27, 2024	3,09,238	30,92,380	9,52,30,138	95,23,01,380
TOTAL PAID UP CAPITAL AS ON MARCH 31, 2024					**9,52,30,138**	**95,23,01,380**

During the year under review, the Company has not issued shares with differential voting rights.

During the year under review, the company has not undertaken any of the following transactions.

Buy Back of Securities	Sweat Equity Shares	Bonus Shares	Employees Stock Option
Nil	Nil	Nil	Nil

However during the FY 2021-22, the Company vide Special Resolution dated 25.03.2022 discontinued the ESOPs 2013 Scheme and Share Warrants 2016 Scheme and approved payment of Ex-Gratia to vested holders of Eligible ESOPs holder under ESOPs 2013 Scheme and Share Warrants 2016 Scheme respectively.

During the current year FY 2024-25, the following events have taken place –

- **Issuance of Bonus shares** - The Board in its meeting held on 30.05.2024 approved the issuance of 28,56,90,414 equity shares of INR 10 each aggregating to INR 285,69,04,140 in the ratio of 1:3 (i.e. for every 1 fully paid equity shares of INR 10 each 3 fully paid bonus equity shares of INR 10 each are to be issued and allotted) by way of Bonus Issue to the existing shareholders and the same was approved by the shareholders vide Special Resolution passed at their Extra-Ordinary General meeting held on June 14, 2024.

- **Increase in Authorized share capital** - The authorized share capital of the Company was raised from INR 135,50,00,000/- (Indian Rupees One Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of INR 132,00,00,000/- (Indian Rupees One Hundred and Thirty Two Crore Only) divided into 13,20,00,000 (Thirteen Crore Twenty Lakh) Equity Shares of INR 10/- (Indian Rupees Ten only) each and INR 3,50,00,000/- (Indian Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of INR 10/- (Indian Rupees Ten Only) each **to** INR 435,50,00,000/- (Indian Rupees Four Hundred and Thirty-Five Crores and Fifty Lakh Only) consisting of INR 432,00,00,000/- (Indian Rupees Four Hundred and Thirty Two Crores Only) divided into 43,20,00,000 (Forty Three Crore Twenty Lakh) Equity Shares of INR 10/- (Indian Rupees Ten only) each and INR 3,50,00,000/- (Indian Rupees Three Crore Fifty Lakh only) divided into 35,00,000 (Thirty Five Lakh) Preference Shares of INR 10/- (Indian Rupees Ten Only) each and

subsequently altered clause V of the Memorandum of Association vide Special resolution passed at the Extra-Ordinary General meeting held on 14.06.2024

- **Approval of ESOP Plan** - The Company approved the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") ") and to create, offer, issue and allot share-based options to eligible employees under the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") for eligible employees of Quality Care India Limited and for eligible employees of Subsidiary (ies) of the Company and the maximum number of options to be granted to eligible employees shall not exceed 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) employee stock options, corresponding to 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) equity shares of the Company. The same was approved vide Special resolution passed at the Extra-Ordinary General meeting held on 14.06.2024

- **Allotment of Bonus shares** - Allotment of 28,56,90,414 equity shares of INR 10 each aggregating to INR 285,69,04,140 in the ratio of 1:3 (i.e. for every 1 fully paid equity shares of INR 10 each 3 fully paid bonus equity shares of INR 10 each are to be issued and allotted) by way of Bonus Issue to the existing shareholders vide circular resolution passed by the Board on 02.07.2024.

10. DIRECTORS RESPONSIBILITY STATEMENT [Section 134(3) (c) and 134(5)]:

In accordance with the provisions of 134(3)(c) and Section 134(5) of the Companies Act, the Board of Directors, to the best of their knowledge and ability, confirms that -

i. In the preparation of the annual accounts for the Financial year ending 31st March, 2024, the applicable accounting standards have been followed and there are no material departures

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profits of the Company for that period;

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. They have prepared the annual accounts on a "**Going Concern**" basis;

v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL [Rule 8(5)(iii) of Companies Accounts) Rules, 2014]:

DIRECTORS:

In accordance with the provisions of Articles of Association Mr. Vishal Bali (DIN: 01457380) Mr. Mahadevan Narayanamoni (DIN: 07128788) and Mr. Jasdeep Singh (DIN: 02705303), Directors are liable to retire by rotation and being eligible offers themselves for reappointment.

During the year under review, the following changes have taken place on the Board of the Company –

i. During the year under review, the following Directors have resigned from the Board of the Company –
   a) Mr. Massimiliano Colella (DIN: 08729468) resigned w.e.f. 25.10.2023
   b) Mr. Madan Rohini Krishnan (DIN: 07426734) resigned w.e.f. 27.10.2023
   c) Mr. Ankur Nand Thadani (DIN: 03566737) resigned w.e.f. 27.10.2023
   d) Mr. Arunprakash Srinivasrao Korati (DIN: 00027783) resigned w.e.f. 25.10.2023

ii. During the year under review, and in accordance with the provisions of Section 152 & 161 of the Companies Act, 2013, the following Directors were appointed as Additional Non-Executive Directors on the Board of the Company with effect from 27.10.2023 and on subsequent approval from the members of the Company at their Extra-Ordinary General Meeting held on 27.10.2023, they were appointed as Directors of the Company –

   a) Mr. Himanshu Dodeja (DIN: 07624809)
   b) Mr. Ganesh Mani (DIN: 08385423)
   c) Ms. Ayshwarya Vikram (DIN: 08153649)
   d) Mr. Tejas Naphade (DIN: 10219144)
   e) Mr. Aniket Damle (DIN: 08538557)

During the current year, the following changes have taken place on the Board of the Company –

i. During the current year, and in accordance with the provisions of Section 152 & 161 of the Companies Act, 2013, Dr. Hari Prasad Kovelamudi (DIN: 02559343) was appointed as Non-Executive Additional Director & Chairperson of the Board with effect from 04.04.2024 and on subsequent approval from the members of the Company at their Extra-Ordinary General Meeting held on 12.03.2024, he was appointed as Director of the Company.

ii. During the current year, and in accordance with the applicable provisions of the Companies Act, 2013, Mr. Varun Shadilal Khanna (DIN: 03584124) was appointed as Additional Director & Managing Director of the Company for a period of 5 years effective from 10.04.2024 to 10.04.2029. His appointment as Managing Director was ratified by the members at their Extra-Ordinary General Meeting held on 12.03.2024.

iii. During the current year the tenure of Mr. Kewal Kundanlal Handa (DIN: 00056826) as Non-Executive Independent Director was completed on June 20, 2024, and hence his office as Independent Director had got vacated, subsequent to the approval of Shareholders at their extra-ordinary general meeting held on July 19, 2024, he was re-appointed as Non-Executive

Independent Director of the Company for a period of 3 years from July 23, 2024 up to July 22, 2027.

KEY MANAGERIAL PERSONNEL's (KMP's):

During the year under review and in accordance with the provisions of Section 203 of the Companies Act, 2013, the following changes in the Key Managerial personnel's have taken place-

i. Resignation of Mr. Vikas Rastogi as Chief Financial officer of the Company had taken place with effect from 12.01.2024.

During the current year FY 2024-25 and in accordance with the provisions of Section 203 of the Companies Act, 2013, the following changes in the Key Managerial personnel's have taken place –

i. Appointment of Mr. Varun Shadilal Khanna (DIN: 03584124) as Managing Director of the Company for a period of 5 years effective from 10.04.2024 to 10.04.2029.
ii. Appointment of Mr. Deepak Khanna was appointed as Chief Financial Officer of the Company with effect from 30.05.2024.

The performance of KMP is evaluated annually by the Nomination and Remuneration Committee (NRC).

The details pertaining to the Board Committees viz Composition, meeting dates and the Policy (if any) are covered separately in the Corporate Governance Report attached to this report as **Annexure V**.

12. NUMBER OF BOARD MEETINGS: [Section 134(3)(b)]:

A total of Thirteen (13) Board Meetings were held during the Financial Year 2023-24. The details of the said meetings of the Board are placed in the Corporate Governance report, which is forming part of this report.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 [Section 134 (3) (d) & 149(6)]

Your Company has received declarations from all independent directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of section 149 of the Companies Act, 2013. The independent Directors have duly complied with the code for Independent Directors prescribed in Schedule IV to the Act.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

14. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR. [Rule 8(5)(iiia) of Companies (Accounts) Rule, 2014].

The Company has 2 Independent Directors, Mr. Kewal Kundanlal Handa and Ms. Ekta Bahl and in the opinion of the Board, both of them possess requisite expertise, integrity and experience (including proficiency).

15. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013 [Section 134(3)(e) and 178 (3)]

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. Your company has put in place the relevant framework and a Nomination & Remuneration Policy as required under section 178 of the Companies Act 2013. The NRC policy is given in the Corporate Governance report which is annexed to this report.

16. MECHANISM FOR EVALUATION OF BOARD [Rule 8(4) of Companies Accounts) Rules, 2014]:

In terms of the provisions of the Companies Act, 2013 read with Rules issued there under, formal Annual Performance process has been carried out for evaluating the performance of the Board, the Committees of the Board and Individual Directors

A note on performance evaluation was duly circulated and placed before the Board.

Detailed information on the Directors is provided in the Corporate Governance Report.

17. CORPORATE SOCIAL RESPONSIBILITY, STATEMENT UNDER SECTION 135[Rule 8(1) of Companies (CSR Policy) Rules, 2014 read with Rule 9 of Companies (Accounts) Rule, 2014::

The Company was required to spend CSR amount in FY 2023-24 and the Company is committed to taking up Corporate Social Responsibility activities. The Company constituted Corporate Social Responsibility Committee as required under the provisions of Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Report including brief details of CSR Policy is enclosed to this Board report as **Annexure III.**

18. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186[Section 134(3)(g)]:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements. Please refer to the standalone financials.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT 2013 [Section 134(3)(h)].:

During the year under review, the company entered only into related party transactions which were in the ordinary course of business

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to The Companies (Accounts) Rules, 2014 is enclosed to this report as **Annexure II.**

20. COPY OF ANNUAL RETURN [Section 134(3)(a)]

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 2023-24, is available on the Company's website at https://www.carehospitals.com/annual-reports

21. RISK MANAGEMENT POLICY [Section 134(3)(n)]

The Company has adequate internal financial control system in place which operates effectively. Risks are re-viewed from time to time and controls are put in place with specific responsibility of the concerned officer of the company. According to the Directors of your Company, elements of risks that threaten the existence of your Company are very minimal.

22. 'QUALITY CARE INDIA LIMITED EMPLOYEE STOCK OPTION PLAN' ("PLAN") ")

During the current year, the Company has approved the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") ") and to create, offer, issue and allot share-based options to eligible employees under the 'Quality Care India Limited Employee Stock Option Plan' ("Plan") for eligible employees of Quality Care India Limited and for eligible employees of Subsidiary (ies) of the Company and the maximum number of options to be granted to eligible employees shall not exceed 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) employee stock options, corresponding to 1,33,32,200 (One Crore Thirty Three Lakhs Thirty Two Thousand and Two Hundred only) equity shares of the Company. The same was approved vide Special resolution passed at the Extra-Ordinary General meeting held on 14.06.2024.

23. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE. [SECTION 134(3)(F)] :

23.1. STATUTORY AUDITORS

Members at their Twenty Eighth Annual General Meeting held on 24th September, 2020 appointed M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016), as Statutory Auditors of the Company for a period of 5 years till the conclusion of the Annual General Meeting to be held in 2025.

REPLY TO COMMENTS IN AUDITORS' REPORT

As required to be stated under section 134 (3)(f) of the Act, there are no qualifications, reservations or adverse remarks made by the Auditors in their independent auditor's report. The auditors' report and notes to accounts forming part of financial statements are self-explanatory and do not call for further explanation.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report

23.2. SECRETARIAL AUDIT

The Board has appointed M/s RVR & Associates, Practicing Company Secretaries for conducting the Secretarial Audit of the Company for the Financial year 2023-24 in accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

REPLY TO COMMENTS IN AUDITORS' REPORT

As required to be stated under section 134 (3)(f) of the Act, the secretarial auditors have mentioned the following observation in the Secretarial Audit Report for the Financial Year 2023-24 –

"The Company is in violation of the provisions of Section 2(87) read with Section 186 of the Companies Act, 2013 whereby the Company has made investment in more than 2 layers of subsidiaries."

Explanations for the Auditor's observation –

During the year under review the Company has acquired shares in Indian entity having stepdown subsidiaries under it beyond one layer in India and outside India, due to which the provisions of Section 2(87) read with Section 186 of the Companies Act, 2013 are deviated and were not complied. The company is taking all necessary steps to make the compliance by re-structuring the subsidiary entities and to comply with provisions of the Act.

Apart from the above, there are no other qualifications, reservations or adverse remarks in the Secretarial Audit Report for the Financial Year 2023-24. The Secretarial Auditor's report is annexed as **Annexure IV** and is a part of this report.

23.3. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, Company has appointed M/s. Nageswara Rao & Co, Cost Accountants as the Cost auditors for the Company for conducting the cost audit for the Financial Year 2023-24.

The remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence the resolution at Item no. 5 of the Notice of the Annual General Meeting (AGM) is recommended by the Board for members approval.

DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS [RULE 8(5)(ix) of Companies (Accounts) Rule, 2014].

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

23.4. INTERNAL AUDIT [RULE 13 of Companies (Accounts) Rule, 2014].

The internal audit function is adequately resourced commensurate with the operations of the Company. The provisions of section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 regarding appointment of internal auditor are applicable to the Company and as per the provisions the Board has appointed M/s. EY LLP, Chartered Accountants as Internal Auditors of the Company for conducting the internal audit for the financial year 2023-24.

24. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT [Section 134(3)(ca)];

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS [Rule (5)(viii) of Companies (Accounts) Rule, 2014]

The Company has well established policies and procedures for internal financial controls commensurate with its size and operations to safeguard and ensure prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following generally accepted accounting principles and Ind Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

26. VIGIL MECHANISM [Rule 7 of Companies (Meeting of Board and its Powers) Rule, 2014]

Pursuant to section 177 (9) of Companies Act, 2013, the company formulated Whistle Blower Policy.

The Whistle Blower Policy/ Vigil Mechanism provides a mechanism for the director/employee to report violations without fear of victimisation of any unethical behaviour, suspected or actual fraud etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The Directors and employees in appropriate or exceptional cases will have direct access to the Chairperson of the Audit Committee

27. SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings respectively.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE [Rule 8(5)(vii) of Companies (Accounts) Rule, 2014]

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

29. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR [Rule 8(5)(xi) of Companies (Accounts) Rule, 2014].

During the year under review, the National Company Law Tribunal (NCLT) has dismissed the proceeding filed by Soniks Consultancy Services Private Limited via order dated 13.09.2023 and there are no pending cases against the company under the Insolvency and Bankruptcy Code, 2016.

30. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSA) ACT, 2013 AND THE RULES MADE THEREUNDER [Rule 8(5)(x) of Companies (Accounts) Rule, 2014].

The Company has adopted a policy with the name "Policy on Prevention, Prohibition and Redressal of Sexual Harassment". The policy is applicable to all the employees of the organization, which includes corporate office, Units etc.

An Internal Committee has also been set up to redress complaints received on sexual harassment as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder the information required to be disclosed under the provisions of the said Act are as follows:

S. No	Particulars	
(a)	number of complaints received during FY 2023-24	11
(b)	number of complaints disposed of during the FY 2023-24	11
(c)	number of cases pending for more than ninety days	0

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO [Section 134(3)(m)] with Rule 8(3)(A),(B)&(C) of Companies (Accounts) Rule, 2014].

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A. CONSERVATION OF ENERGY:	
1. The steps taken or impact on conservation of energy.	The company is making efforts to conserve energy through periodic monitoring and analysis of energy consumption. The Company has taken appropriate steps to reduce the consumption through timely maintenance/installation/upgradation of all the energy consuming areas/equipment.
2. The steps taken by the Company for utilizing alternate sources of energy	The company has successfully implemented several energy conservation measures and is also working on renewable energy options like Solar Energy, where, an approximate of 1.6 million units is being generated via solar PV annually. Additionally 180 kW of Solar PV is in progress. Heat Pumps, where the conservation initiatives has resulted in migration from traditional hot water generators using diesel fuel / conventional Geysers to Heat pump technology thus saving fossil fuel and hot water generation cost.
3. The Capital investment on energy conservation equipment's	Energy Efficient Air Conditioning Solutions like chillers, pumps and other associated measures have been implemented to optimize the energy savings and improve the patient service along with the ambience. LED Lights, All hospitals units have upgraded to LED lightings from conventional lighting systems. Water Conservation & Management, As part of our water conservation efforts we have upgraded and refurbished the STP & RO systems across the group. A companywide digital water monitoring systems are being deployed.

	Building Management System, IoT based building management system is being deployed. The above measures have contributed to a carbon reduction of 4900 Ton Co2 eq. All efforts have been taken in order to maintain the equipment in optimum working condition to increase the life span and to decrease the energy consumption without compromising the safety and comfort of patients and customers. The company has received several accolades across its various units like ECBC – Bronze Award, Green OT – Platinum Certification, Regional Sustainability Award Digital NABH Accreditation – Silver Level, among others.
B. TECHNOLOGY ABSORPTION:	
1. The Efforts made towards technology absorption	The company continuously makes efforts towards sourcing medical & other equipment from vendors who adopt the latest state of art technology in their products/services. This endeavor ensures that the company always benefits in terms of cost reduction and improving efficiencies. Further no technology was imported by the Company during the year under review.
2. The Benefits derived like product improvement, cost reduction, product development or import substitution	
3. Details of technology imported during the past 3 years	
4. The expenditure incurred on Research and Development	
C. FOREIGN EXCHANGE EARNINGS AND OUT GO	
Foreign Exchange earned in terms of actual inflows	INR 2,12,04,175.93 /-
Foreign Exchange outgo in terms of actual outflows	INR 3,23,92,679.5/-

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. The Board places on record its deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

For and on behalf of the Board of
Quality Care India Limited

QUALITY CARE INDIA LIMITED Hyderabad-34.

Mr. Varun Shadilal Khanna
Managing Director
DIN: 03584124

Date: 04.09.2024
Place: Hyderabad, India

Mr. Jasdeep Singh
Director & CEO
DIN: 02705303

Date: 04.09.2024
Place: Hyderabad, India

ANNEXURE I

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details					
1.	Name of the subsidiary	Ganga Care Hospital Limited	Ramkrishna Care Medical Sciences Private Limited	Convenient Hospitals Limited	United CIIGMA Institute of Medical Sciences Private Limited	Quality Care Jharsuguda Private Limited	Heartcare Institute and Research Centre (Indore) Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)
4.	Share capital	118.63	14.98	94.49	513.67	0.10	125.10
5.	Reserves & surplus	441.57	1405.22	958.53	1,526.26	(0.11)	274.82
6.	Total assets	733.63	2,158.57	1,400.99	3,120.37	0.04	426.16
7.	Total Liabilities	733.63	2,158.57	1,400.99	3,120.37	0.04	426.16
8.	Investments	6.42	-	231.10	486.26	-	0
9.	Turnover	526.54	2,802.09	1,848.87	1,392.76	0	204.76
10.	Profit before taxation	111.18	605.84	266.04	139.84	0	25.27
11.	Provision for taxation	26.07	153.98	44.02	33.43	0	9.77

12.	Profit after taxation	85.11	451.86	222.02	106.40	0	15.50
13.	Proposed Dividend	0	0	0	0	0	0
14.	% of shareholding	74.13	56.33	100	76	100	100

Sl. No.	Particulars	Details					
1.	Name of the subsidiary	CIIGMA Institute of Medical Sciences Private Limited	United CIIGMA Hospitals Healthcare Private Limited	Condis India Healthcare Private Limited	KIMS Health Care Management Limited (KHML)	Chemistry Intermediate Holdings Limited	STS Holdings Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024	01/04/2023 To 31/03/2024
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)	USD 83.3739 (RBI rate as of 28 Mar 24)	BDT
4.	Share capital	10.00	133.60	74.50	1,038.92	128,063,405	1,599,849,570
5.	Reserves & surplus	12.66	(154.66)	2821.72	8,696.10	(38,004,956)	11,776,618,876
6.	Total assets	58.76	542.61	2979.46	11,934.68	105,804,374	16,425,086,192
7.	Total Liabilities	58.76	542.61	2979.46	11,934.68	15,745,924	3,048,617,746
8.	Investments	0	0	2784.60	3,013.79	105,804,001	5,492,808,810
9.	Turnover	58.65	43.00	146.63	8,365.99	0	7,896,723,975
10.	Profit/(loss) before taxation	1.11	(31.66)	86.39	2,607.33	(73,277,842)	1,382,140,737
11.	Provision for taxation	(8.74)	(4.02)	22.47	490.14	0	704,074,534
12.	Profit/(loss) after taxation	9.85	(27.64)	63.93	2,117.19	(73,277,842)	678,066,203
13.	Proposed Dividends	0	0	0	0	N/A	N/A
14.	% of shareholding	76	76	89.37	23.25%	100	100

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

1. Names of subsidiaries which are yet to commence operations - Quality Care Jharsuguda Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year – The Company has disinvested its 76% stake in Galaxy Care Multispeciality Hospital Private Limited and it is no longer a subsidiary of the Company w.e.f. April 27, 2023.

Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	**Quality Care Health Services India Private Limited (Joint Venture)**
1. Latest audited Balance Sheet Date	31-March-2024
2. Shares of Associate/Joint Ventures held by the company on the year end	5000
Amount of Investment in Associates/Joint Venture	50,000
Extend of Holding%	50%
3. Description of how there is significant influence	Control over composition of Board
4. Reason why the associate/joint venture is not consolidated	Operations of the company not yet started
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable
6. Profit/Loss for the year	Not Applicable
i. Considered in Consolidation	
ii. Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations.- Quality Care Health Services India Private Limited
2. Names of associates or joint ventures which have been liquidated or sold during the year.- None

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified

For and on behalf of the Board of
Quality Care India Limited

QUALITY CARE INDIA LIMITED Hyderabad-34.

Mr. Varun Shadilal Khanna	**Mr. Jasdeep Singh**
Managing Director	**Director & CEO**
DIN: 03584124	**DIN: 02705303**
Date: 04.09.2024	**Date: 04.09.2024**
Place: Hyderabad, India	**Place: Hyderabad, India**

ANNEXURE II

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

There are no contracts or arrangements or transactions which were not on arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	Description	Details of the Contracts		
	RPT no.	(1)	(2)	(3)
i	Name(s) of the related party and nature of relationships	Name: Asia Healthcare Holdings Advisory LLP – Relationship: Company in which Director is interested Mr. Ankur Nand Thadani – Director (until October 2023)	Name: Evercare Group Management Limited Relationship: Enterprise with whom transactions have taken place where Director was interested (Massimiliano Colella – until October 2023)	Name: Convenient Hospitals Limited (CARE CHL, Indore) Relationship: Subsidiary Company
ii	Nature of contracts/arrangements/transactions	Availing of Services	Availing of Services	Sale of Machine from CARE Vizag to CARE CHL
iii	Duration of the contracts / arrangements/transactions	Ongoing since July 2021 onwards and will be continuing till project completion date.	On-going transaction – till October 2023	One-time transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Availing of Project Management consultancy services - INR 22,12,404/-	Availing of cloud based infrastructure software services (SAAS (software as a service) & IAAS (Infrastructure as a service) - INR 27,34,516/-	CARE CHL has purchased Cautery Machine from CARE Vizag for INR 6,39,475/-
v	Date(s) of approval by the Board, if any	Approved by the Audit committee on 24/08/202. Noted by Board for FY 2023-24 on 30/05/2024	Based on recommendation of Audit committee, Noted by Board for FY 2023-24 on 30/05/2024	Approved by the Audit committee vide circular resolution passed on 05/10/2023. Noted by Board for FY 2023-24 on 30/05/2024
vi	Amount paid as advances, if any	Nil	Nil	Nil

S. No	Description	Details of the Contracts		
	RPT no.	(4)	(5)	(6)
i	Name(s) of the related party and nature of relationships	Name: Vishal Bali – Relationship: Non-Executive Director	Name: Mahadevan Narayanamoni Relationship: Non-Executive Director	Name: Massimiliano Colella Relationship: Non-Executive Director
ii	Nature of contracts/arrangements/transactions	Availing of Consultancy Services	Availing of Consultancy Services	Availing of Consultancy Services
iii	Duration of the contracts / arrangements/transactions	One-time transaction	One-time transaction	One-time transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Providing consultancy services for general management and oversight of the business including M&As (KIMS acquisition) and BCP transaction.- INR 9.735 Mn.	Providing consultancy services for general management and oversight of the business including M&As (KIMS acquisition) and BCP transaction. - INR 8.26/- Mn.	Providing consultancy services for general management and oversight of the business including M&As (KIMS acquisition) and BCP transaction. – INR 1.888 Mn. Director had resigned from the Company w.e.f. 25.10.2023 and the above mentioned amount is being paid towards the consultancy services provided by him during his tenure as Director
v	Date(s) of approval by the Board, if any	Approved by the Audit committee, Board and Shareholders on 09.11.2023	Approved by the Audit committee, Board and Shareholders on 09.11.2023	Approved by the Audit committee, Board and Shareholders on 09.11.2023
vi	Amount paid as advances, if any	Nil	Nil	Nil

For and on behalf of the Board of
Quality Care India Limited

Mr. Varun Shadilal Khanna
Managing Director
DIN: 03584124

Mr. Jasdeep Singh
Director & CEO
DIN: 02705303

Date: 04.09.2024
Place: Hyderabad, India

Date: 04.09.2024
Place: Hyderabad, India

QUALITY CARE INDIA LIMITED Hyderabad-34

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIALYEAR 2023-24

1. **Brief outline on CSR Policy of the Company:** Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 read with relevant Rules.

The Company believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. The Company commits itself to contribute to the society in ways possible for the organization

AIMS & OBJECTIVES

- To develop a long-term vision and strategy for Company's CSR objectives (Long term and otherwise)
- Establish relevance of potential CSR activities to Company's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
- Company shall promote projects that are :

(a) Sustainable and create an impact both long term and otherwise;

(b) Have specific and measurable goals in alignment with Company's philosophy;

(c) Address the most deserving cause or beneficiaries.

- To establish process and mechanism for the implementation and monitoring of the CSR activities for Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Ekta Bahl	Chairperson/Non-Executive Independent Director	2	2
2	Mr. Kewal Kundanlal Handa	Member/Non-Executive Independent Director	2	2

3	Mr. Aniket Damle	Member/Non-Executive Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - https://www.carehospitals.com/policies

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – **Not applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any -

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set- off for the financial year, if any (in Rs.)
1	FY 2021-22	0.25	0.25
2	FY 2022-23	34,908	34,908
3			
	TOTAL	**34,908.25**	**34,908.25**

6. Average net profit of the company as per section 135(5) – **Rs. 89,93,44,814-**

7. (a) Two percent of average net profit of the company as per section 135(5) - **Rs. 1,79,86,896 /-**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – **Nil**

   (c) Amount required to be set off for the financial year, if any – **Rs. 34,908./-**

   (d) Total CSR obligation for the financial year (7a+7b-7c) – **Rs. 1,79,51,988/-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 1,79,65,795 /-	NA	NA	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Nil**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Telangana Sikh Society	Promoting education and employment enhancing vocation skills amongst women	Yes	Telangana	Hyderabad	42,04,500/-	No	Telangana Sikh Society	CSR00024103
2	Assetz Social Responsibility Association	Promoting education and awareness on health & hygiene	Yes	Telangana	Hyderabad	1,37,61,295/-	No	Assetz Social Responsibility Association	CSR00006492

	TOTAL					1,79,65,795/-			

(d) Amount spent in Administrative Overheads- **Nil**

(e) Amount spent on Impact Assessment, if applicable – **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs. 1,79,65,795/-**

(g) Excess amount for set off, if any – **Rs. 13,807.25/-**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 1,79,86,896 /-
(ii)	Total amount spent for the Financial Year	Rs. 1,79,65,795/-*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 13,807.25/-
(iv)	Surplus arising out of the CSR projects or programmes or	Nil
(v)	Amount available for set off in succeeding financial years	Rs. 13,807.25/-

*Note – An amount of Rs. 34,908/- (excess spent in FY 2022-23) has been set off from the total liability of Rs. 1,79,86,896 /- for FY 2023-24. Thereafter the liability after setting off excess from FY 2022-23 was Rs. 1,79,51,988/- and the Company has spent Rs. 1,79,65,795/- for FY 2023-24 resulting in excess amount of Rs. 13,807.25/- being spent.

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **Nil**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - **NA**

(asset-wise details).

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – NA**

Mr. Jasdeep Singh **Director & CEO** **(DIN: 02705303)**	QUALITY CARE INDIA LIMITED Hyderabad-34.	**Ekta Bahl** **(Chairperson CSR Committee)** **(DIN: 01437166)**

Annexure IV
Secretarial Audit Report

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

To,
The Members,
Quality Care India Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Quality Care India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Quality Care India Limited** and relied on the information, explanations provided by the management and its officers for the financial year ended on **31st March, 2024** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**.
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, and External Commercial Borrowings -.;
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable**
    (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015; - **Not Applicable**
    (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable**
    (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; – **Not Applicable**.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not Applicable** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable**

(vi) (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – **Not Applicable.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange - **Not Applicable**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

Under the Companies Act, 2013:

The Company is in violation of the provisions of Section 2(87) read with Section 186 of the Companies Act, 2013 whereby the Company has made investment in more than 2 layers of subsidiaries.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors have taken place during the period under review.

a. Adequate notice was given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

b. During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meeting held during the period under review.

c. Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance of provisions of the applicable Acts, in our opinion, there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

d. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines;

A. Other major events:

1. The Company has made alterations in Clauses I, Clause II (1), (2), (8), (9), (12), (13), (14), (16), (17), (18), (20), (21), (22), (28), (29), (30), (31), (32), (33), (34), (37), (41), (42), (43), (47), (51), (57), (59), (60), (66), (67), (73), (74), (75), (78), (79), (80), (89), (90) and (92) of the Articles of Association and restated Articles were registered in accordance with the provisions of the Companies Act, 2013 vide special resolution dated 27.10.2023.

2. The Company has made the following clauses i.e Clause II (27), (48) and (76) of the Articles of Association of the Company inapplicable and same were registered in accordance with the provisions of the Companies Act, 2013 vide special resolution dated 27.10.2023.

3. The Company has Altered Clause V i.e., Capital Clause of Memorandum of Association (MOA) in accordance with the provisions of Companies Act, 2013, vide special resolution dated 17th November, 2023.

4. The Company has issued 4,63,85,775 (four crores sixty three lakhs eighty five thousand seven hundred and seventy five) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share in the EGM held on 05.01.24 out of which the following allotments were made:

   i) allotment of 3,71,08,620 (three crores seventy one lakhs eight thousand six hundred and twenty) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share aggregating to Rs. 2399,99,99,985/- (Rupees two thousand three hundred and ninety nine crore ninety nine lakhs ninety nine thousand nine hundred and eighty five Only) was made to BCP Asia II Topco IV Pte.Ltd and Centella Mauritius Holdings Limited on 19.01.2024.

   ii) allotment of 30,92,385 (thirty lakhs ninety two thousand three hundred and eighty five) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share aggregating to Rs. 199,99,99,998.75/- (Rupees one hundred and ninety nine crores ninety nine lakhs ninety nine thousand nine hundred and ninety eight and seventy five paisa only) was made to BCP Asia II Topco IV Pte.Ltd and Centella Mauritius Holdings Limited on 07.02.2024.

   iii) allotment of 14,06,668 (fourteen lakhs six thousand six hundred and sixty eight) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share aggregating to Rs. 90,97,62,529/- (Rupees ninety crores ninety seven lakhs sixty two thousand five hundred and twenty nine only) was made to Mr. M I Sahadulla and Mr. P M Zuhara on 15.03.2024.

   iv) allotment of 8,88,079 (eight lakhs eighty eight thousand and seventy nine) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share aggregating to Rs. 57,43,65,093/- (Rupees fifty seven crores forty three lakhs sixty five thousand and ninety three only) was made to Mr. S I Sahadulla, Ms. Reshmi Aysha, Mr. Yusuf Sameer Sahadulla, Mr. Zaheer Elias Nazeeb, Mr. Sherin Ayoob, Mr. Manha Manaal Zaheer, Mr. Tariq Elias Najeeb, Ms. Saffia P M, and Mr. E Iqbal on 21.03.2024

   v) allotment of 3,09,238 (three lakhs nine thousand two hundred and thirty eight) Equity shares of Rs. 10/- each at a price of Rs. 646.75/- including a premium of Rs. 636.75/- per Equity share aggregating to Rs. 19,99,99,677/- (Rupees nineteen crores ninety nine lakhs ninety nine thousand six hundred and seventy seven only) was made to Centella Mauritius Holdings Limited on 27.03.2024.

5. There has been change in the shareholding pattern of the Company post the allotments and transfers made during the year. The shareholding pattern of major shareholders is as listed below:

S.No	Name of the Shareholder	No. of shares held in the Company	Shareholding %
1	BCP Asia II Topco IV Pte Limited	68415825	71.84
2	Centella Mauritius Holdings Limited	22805275	23.95
3.	OTHERS	4009038	4.21

6. Resignation of Mr. Massimiliano Colella and Mr. Arunprakash Srinivasarao Korati, Directors of the Company with effect from 25.10.2023.
7. Resignation of Mr. Ankur Nand Thadani and Mr. Madan Rohini Krishnan, Directors of the Company with effect from 27.10.2023.
8. Appointment of Mr. Tejas Deepak Nephade, Ms. Ayshwarya Ravi Vikram, Mr. Ganesh Mani, Mr. Himanshu Dodeja and Mr. Aniket Damle as Additional Directors of the Company with effect from 27.10.2023.
9. Resignation of Mr. Vikas Rastogi, Chief Financial Officer with effect from 12.01.2024.

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000

Sd/-
G.V.S Ravi Kumar
Associate Partner
C P No: 27196 Membership No: F8529
UDIN: F008529F001133501

Date: 04.09.2024
Place: Hyderabad

Note: This report is to be read with our letter of even date which is annexed as **'Annexure'** and forms an integral part of this report.

'Annexure'

To,
The Members,
Quality Care India Limited
Hyderabad

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment Laws and Data protection policy.
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.
9. All the documents, records and other information were verified and checked partly by physical inspection and partly by electronic means and as provided by the management.
10. We further report that during the audit report there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulation, guidelines, standards, etc.
11. We further report that, the Company has identified the following Industry specified laws which are applicable to them:
    (a) The Drug and Cosmetic Act, 1945 and Rules.
    (b) The Drug and Magic Remedies Act, 1954.
    (c) Narcotic Drugs and Psychotropic Substances Act, 1985.
    (d) The Hazardous Waste (Management & Handling) Rules 1989 under the Environment Protection Act, 1986.
    (e) The Pharmacy Act, 1948.
    (f) Bio-Medical Waste (Management and Handling) Rules, 1998.
    (g) Food Safety and Standards Act, 2016 and rules.

12. We further report that, the Company has identified the following general laws which are applicable to them:

I. The Minimum Wages Act,1948.
II. The Payment of Wages Act, 1936.
III. The Employees' Provident Funds & Misc. Provisions Act 1952 and E.P.F Scheme 1952.
IV. The Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations 1950.
V. The Payment of Gratuity Act 1972 and The A.P. Payment of Gratuity Rules, 1972.
VI. The Contract Labour (Regulation and Abolition) Act, 1970.
VII. The Employment Exchanges (Compulsory Notification of vacancies) Act, 1959.
VIII. The National Festival and Other Holidays Act, 1974.
IX. The Maternity Benefit Act, 1961.
X. The Payment of Bonus Act, 1965.
XI. The Shops & Establishment Act, 1988.
XII. The Labour Welfare Fund Act, 1987.
XIII. The Equal Remuneration Act, 1976.
XIV. The Child Labour(Regulation & Prohibition) Act, 1986.
XV. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
XVI. The Workmen Compensation Act.
XVII. The Employee Compensation Act, 1923.
XVIII. The Motor Vehicle Act, 1988.

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000

Sd/-
G.V.S Ravi Kumar
Associate Partner
C P No: 27196 Membership No: F8529
UDIN: F008529F001133501

Date: 04.09.2024
Place: Hyderabad

Annexure V to Director's Report - 2024

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Corporate governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfil its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all the others.

Board of Directors Composition

The Company has an optimum combination of executive and non-executive directors. The Board comprises of Two Executive Director, Two Non-Executive Independent director and Eight Non-Executive Directors. The composition of the Board is as follows:

Name of the Director	Director Identification Number (DIN)	Category of Directorship	Whether attended the AGM on 26/09/2023
Mr. Jasdeep Singh	02705303	Executive Director	Yes
Mr. Kewal Kundanlal Handa	00056826	Independent Non-Executive Director	No
Ms. Ekta Bahl	01437166	Independent Non-Executive Director	Yes
Mr. Ganesh Mani*	08385423	Non-Executive Director	NA
Ms. Ayshwarya Ravi Vikram*	08153649	Non-Executive Director	NA
Mr. Tejas Naphade*	10219144	Non-Executive Director	NA
Mr. Himanshu Dodeja*	07624809	Non-Executive Director	NA
Mr. Aniket Damle*	08538557	Non-Executive Director	NA
Mr. Vishal Bali	01457380	Non-Executive Director	No
Mr. Mahadevan Narayanamoni	07128788	Non-Executive Director	No
Mr. Ankur Nand Thadani**	03566737	Non-Executive Director	No
Mr. Madan Rohinikrishnan**	07426734	Non-Executive Director	No
Mr. Arunprakash Srinivasarao Korati***	00027783	Non-Executive Director	No
Mr. Massimiliano Collela***	08729468	Non-Executive Director	No

*Appointed w.e.f. 27.10.2023
**Resigned w.e.f. 27.10.2023
***Resigned w.e.f. 25.10.2023

Board Meetings

The Board Meetings are conducted in accordance with the provisions of the Companies Act 2013, the rules made thereunder and Secretarial Standard for Meeting of Board of Directors issued by the Institute of Company Secretaries of India. The attendances of the Directors in the said Board Meetings are as follows:

Attendance of Directors at the Board meetings held during the financial year 2023-24														
S. No.	Director's name	04-04-23	28-04-23	23-08-23	04-09-23	11-10-23	27-10-23	09-11-23	07-12-23	03-01-24	18-01-24	27-01-24	22-02-24	07-03-24
1	Arunprakash Srinivasarao Korati[1]	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	NA	NA	NA	NA	NA	NA	NA	NA
2	Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
3	Vishal Bali	YES	YES (VC)	YES	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
4	Ankur Nand Thadani[2]	YES (VC)	YES (VC)	YES (VC)	LOA	LOA	YES (VC)	NA	NA	NA	NA	NA	NA	NA
5	Mahadevan Narayanamoni	YES (VC)	YES (VC)	YES	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
6	Madan Rohini Krishnan[2]	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	NA	NA	NA	NA	NA	NA	NA
7	Ekta Bahl	YES (VC)	YES (VC)	YES	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES
8	Massimiliano Colella[1]	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	NA	NA	NA	NA	NA	NA	NA	NA
9	Jasdeep Singh	YES	YES (VC)	YES	YES	YES	YES	YES	YES	YES	YES	YES (VC)	YES	YES
10	Ganesh Mani[3]	NA	NA	NA	NA	NA	NA	YES (VC)	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)	YES
11	Ayshwarya Vikram[3]	NA	NA	NA	NA	NA	NA	YES (VC)	YES (VC)	LOA	YES (VC)	LOA	LOA	YES (VC)
12	Tejas Naphade[3]	NA	NA	NA	NA	NA	NA	YES (VC)	LOA	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
13	Aniket Damle[3]	NA	NA	NA	NA	NA	NA	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
14	Himanshu Dodeja[3]	NA	NA	NA	NA	NA	NA	YES (VC)	YES (VC)	LOA	YES (VC)	LOA	LOA	LOA

[1]Resigned w.e.f. 25/10/2024
[2]Resigned w.e.f. 27/10/2024
[3]Appointed w.e.f. 27/10/2024
(VC-video conferencing; LOA – Leave of absence; NA- Not applicable)

BOARD COMMITTEES

The Board has constituted the following committees:

1. AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted in line with the provisions of section 177 of the Companies Act 2013.

The terms of reference of the Committee are as follows and the Audit committee charter is annexed as Annexure -1:

a. To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.

b. To review and monitor auditor's independence and performance and effectiveness of the audit process.

c. To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.

d. To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

e. To approve transactions or any subsequent modification of transactions of the Company with related parties.

f. To scrutinize the loans and investments by the Company, if any.

g. To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.

h. To recommend the appointment, scope and terms of appointment of the valuers of the Company

i. To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.

j. To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.

k. To monitor end use of funds raised through Public offers and related matters.

l. To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

The Audit Committee charter of the company is enclosed as **Annexure AC 1.**

Changes in composition of the Committee during the year under review and the attendance details are as follows:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Chairperson - Independent Non-Executive Director	Appointed w.e.f. 21.06.2019 till 20.06.2024. Re-appointed w.e.f. 23.07.2024
2	Ms. Ekta Bahl	Member - Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Tejas Naphade	Member - Non-Executive Director	Appointed w.e.f. 09.11.2023
4	Mr. Mahadevan	Member - Non-Executive	Resigned w.e.f. 09.11.2023

	Narayanamoni	Director	

Present composition of the audit committee after recent re-constitution of the committee during the year under review:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Chairperson - Independent Non-Executive Director	Re-Appointed w.e.f. 23.07.2024
2	Ms. Ekta Bahl	Member - Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Tejas Naphade	Member - Non-Executive Director	Appointed w.e.f. 09.11.2023

Attendance of members at the audit committee meetings held during the financial year 2023-24					
Audit Committee	**04-04-2023**	**23-08-2024**	**09-11-2023**	**07-12-2023**	**07-03-2024**
Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
Ekta Bahl	YES (VC)	YES	YES (VC)	YES (VC)	YES
Mahadevan Narayanamoni*	YES (VC)	YES	NA	NA	NA
Tejas Naphade#	NA	NA	YES (VC)	LOA	YES (VC)

*Resigned w.e.f. 09/11/2023
#Appointed w.e.f. 09/11/2023
(LOA= Leave of absence) (VC = video conference)

2. OPERATING COMMITTEE:

The Operating Committee was constituted for the operational effectiveness of the Company and after the change in Management during the year, it was decided to dissolve this committee w.e.f. November 09, 2023.

The composition of the Operating Committee and the attendance details for the meetings held during the year are as follows:

Composition of the Operating committee -

S. No	Name	Designation	Remarks
1	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Mr. Jasdeep Singh	Director & Group CEO	Appointed w.e.f. 19.10.2020
3	Mr. Massimiliano Colella	Non-Executive Director	Appointed w.e.f. 17.03.2022

The committee was dissolved w.e.f. 09.11.2023, the details of attendance for the meetings until then are given below

Attendance of members at the Operating committee meetings held during the financial year 2023-24							
Operating Committee	**27-04-23**	**31-05-23**	**20-06-23**	**20-07-23**	**22-08-23**	**22-09-23**	**20-10-2023**
Mahadevan Narayanamoni	LOA	YES	YES	YES	YES	YES	YES (VC)
Jasdeep Singh	YES	YES	YES	YES	YES	YES	YES
Massimiliano Colella	YES	YES (VC)	LOA	YES (VC)	YES (VC)	YES (VC)	YES (VC)

(LOA= leave of absence) (VC = video conference)

3. NOMINATION & REMUNERATION COMMITTEE:

The Company has a Nomination & Remuneration Committee.

The terms of reference of the committee are as follows:

The Committee shall:

i. Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

ii. Identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfill the role of director of the Company.

iii. specify the manner for effective evaluation of performance of Board, its committees and individual directors

The Nomination & Remuneration Committee Charter of the company is enclosed as **Annexure NRC 2**.

Changes in composition of the Committee during the year under review and the attendance details are as follows:

Name of the Director	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Member - Independent Non-Executive Director	Appointed w.e.f. 21.06.2019 till 20.06.2024. Re-appointed w.e.f. 23.07.2024
Mr. Vishal Bali	Member - Non-Executive Director	Appointed w.e.f. 21.06.2019
Ms. Ekta Bahl	Chairperson - Independent Non-Executive Director	Appointed w.e.f. 17.12.2019 Re-designated from Chairperson to member w.e.f. 09.11.2023
Mr. Arunprakash Srinivas Rao Korati	Member - Non-Executive Director	Resigned w.e.f. 25.10.2023
Ms. Ayshwarya Ravi Vikram	Chairperson - Non-Executive Director	Appointed as Chairperson w.e.f. 09.11.2023

Present composition of the NRC committee is as follows:

S. No	Name	Designation	Remarks
1	Ms. Ayshwarya Ravi Vikram	Chairperson - Non-Executive Director	Appointed w.e.f. 09.11.2023
2	Mr. Kewal Kundanlal	Member - Independent Non-	Re-Appointed w.e.f. 23.07.2024

	Handa	Executive Director	
3	Mr. Vishal Bali	Member - Non-Executive Director	Appointed w.e.f. 21.06.2019
4	Ms. Ekta Bahl	Member - Independent Non-Executive Director	Appointed w.e.f. 17.12.2019

Attendance of members at the Nomination & Remuneration committee meetings held during the financial year 2023-24						
NRC Committee	**04-04-2023**	**23-08-2023**	**27-10-2023**	**09-11-2023**	**22-02-2024**	**07-03-2024**
Ekta Bahl	YES (VC)	YES	YES (VC)	YES (VC)	YES (VC)	YES
Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
Vishal Bali	YES	YES	YES (VC)	YES (VC)	YES (VC)	YES (VC)
Arun Korati*	YES (VC)	YES (VC)	NA	NA	NA	NA
Ayshwarya Vikram#	NA	NA	NA	YES (VC)	LOA	YES (VC)

*Resigned w.e.f 25.10.2023

#Appointed w.e.f. 09.11.2023

(LOA= leave of absence) (VC = video conference)

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has a Corporate Social Responsibility Committee pursuant to the provisions of section 135 of the Companies Act 2013. The Committee functions according to the Corporate Social Responsibility Policy of the Company which is available on the website of the Company.

Web address: https://www.carehospitals.com/policies

Changes in composition of the Committee during the year under review and the attendance details are as follows:

Name of the Member	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Chairperson- Independent Non-Executive Director	Appointed w.e.f. 21.06.2019 till 20.06.2024. Re-designated from Chairperson to Member w.e.f. 09.11.2023 Re-appointed w.e.f. 23.07.2024
Mr. Arunprakash Srinivasarao Korati	Member - Non-Executive Director	Resigned w.e.f. 09.11.2023
Ms. Ekta Bahl	Member - Independent Non-Executive Director	Appointed w.e.f. 23.03.2020 Re-designated from Member to Chairperson w.e.f. 09.11.2023
Mr. Aniket Damle	Member - Non-Executive Director	Appointed w.e.f. 09.11.2023

Present composition of the CSR committee is as follows:

Name of the Member	Category of Directorship	Remarks
Ms. Ekta Bahl	Chairperson - Independent Non-Executive Director	Appointed w.e.f. 23.03.2020 Re-designated from Member to Chairperson w.e.f. 09.11.2023
Mr. Kewal Kundanlal Handa	Member - Independent Non-Executive Director	Re-appointed w.e.f. 23.07.2024 Re-designated from Chairperson to Member w.e.f. 09.11.2023
Mr. Aniket Damle	Member - Non-Executive Director	Appointed w.e.f. s09.11.2023

Attendance of members at the CSR committee meeting held during the financial year 2023-24			
S. No.	Members	07/12/2023	22/02/2024
1	Ms. Ekta Bahl	YES (VC)	YES (VC)
2	Mr. Kewal Kundanlal Handa	YES (VC)	YES (VC)
3	Mr. Aniket Damle	YES (VC)	YES (VC)

(VC = video conference)

INDEPENDENT DIRECTOR'S MEETING:

The details of the meeting of Independent Directors of the Company held during the year under review are:

Attendance of members at the Independent Directors meeting held during the financial year 2023-24		
S. No.	Members	07/03/2024
1	Mr. Kewal Kundanlal Handa	YES (VC)
2	Ms. Ekta Bahl	YES

(VC = video conference)

GENERAL BODY MEETINGS:

The details of previous three years Annual General Meetings are as follows:

Year	Date And Time	Whether Special resolutions passed
2022-23	26th September, 2023 @ 12:30 Noon	Yes
2021-22	28th September, 2022 @ 1:00 PM	No

2020-21	28th September, 2021 @ 2:30 PM	Yes

The Annual General Meeting for FY 2020-21, FY 2021-22 and FY 2022-23 was held through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

POSTAL BALLOT:

There was no business required to be transacted through postal Ballot during the financial year 2023-24

Annual General Meeting:

AGM Date, time and venue : 30 September, 2024 at 03:00 PM through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

Financial Calendar : 1st April to 31st March

International Securities Identification Number (ISIN) -

1) Equity Shares - INE108N01016
2) 0.001% Compulsorily Convertible Preference Shares – INE108N03012
3) 0.001% Compulsorily Convertible Preference Shares – INE108N03020

SHAREHOLDER INFORMATION

Address for Correspondence

All shareholders' correspondence should be forwarded to M/s. Venture Capital and Corporate Investments Private Limited, the Registrar and Transfer Agent of the Company or to the Compliance officer/Investor relation officer at the addresses mentioned below:

Registrar and Share Transfer Agent

Venture Capital and Corporate Investments Private Limited

12-10-167, Bharat Nagar,
Hyderabad-500 018
Tel: +91-40-23818475/76
Fax: +91-40-23868024
Email: info@vccipl.com

Compliance officer/Investor relation officer

Mrs. Gayathri Chandramoulieswaran
Company Secretary

Company Secretary Department
H.NO.8-2-120 / 86 / 10, 10A, 11, 11A, 11B, 11C, & 11D
1st Floor, GVK Kohinoor Building (New Star Maa Building)
Road No. 2, Banjara Hills,
Hyderabad - 500034
Opp. Park Hyatt hotel, near: L V Prasad Eye hospital
Phone: 040-68106565
Fax: 040-39116019
Email: cs.office@carehospitals.com

Change of address:

Members holding equity shares in physical form are requested to notify the change of address, if any, to the company's Registrar and Transfer agent, at the address mentioned above.

Share Transfer System:

All share transfers can be effected only in dematerialisation form. All shareholders are requested to immediately initiate the process for converting physically held shares into Dematerialisation form.

Investor Safeguards:

In order to serve you better and enable you to avoid risks while dealing in securities. You are requested to follow the general safeguards as detailed hereunder:

Update your address:

To receive all communication promptly, please update your address registered with the Company.

Consolidate your multiple folios:

Members are requested to consolidate their shareholding held under multiple folios to save them from the burden of receiving multiple communications.

Register Nomination:

To help your successors get the share transmitted in their favour, please register your nomination. Member(s) desirous of availing this facility may submit nomination in Form 2B (Enclosed) Member(s) holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

Prevention of Frauds:

We urge you to exercise due diligence and notify us of any change in address / stay in abroad or demise of any shareholder as soon as possible. Do not leave your demat account dormant for long. Periodic statement of holding should be obtained from the concerned DP and holding should be verified.

Confidentiality of Security Deposits:

Members are requested not to disclose their Folio No. DP ID / Client ID or to handover signed blank transfer deeds / delivery instruction slip to any unknown person.

Green Initiative:

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their email addresses and intimate changes in the email address from time to time.

For and on behalf of the Board of
Quality Care India Limited

QUALITY CARE INDIA LIMITED Hyderabad-34.

Mr. Varun Shadilal Khanna
Managing Director
DIN: 03584124

Date: 04.09.2024
Place: Hyderabad, India

Mr. Jasdeep Singh
Director & CEO
DIN: 02705303

Date: 04.09.2024
Place: Hyderabad, India

Annexure AC-1

QUALITY CARE INDIA LIMITED

CHARTER

AUDIT COMMITTEE OF BOARD OF DIRECTORS

I. Authority and Purpose

A. The Board of Directors ("**Board**") of Quality Care India Limited or its Subsidiaries or Associates Company (the "**Company**") constituted an Audit Committee ("**Committee**") to assist the Board in fulfilling its statutory and fiduciary responsibility:

- To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.
- To review and monitor auditor's independence and performance and effectiveness of the audit process.
- To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.
- To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- To approve transactions or any subsequent modification of transactions of the Company with related parties.
- To scrutinize the loans and investments by the Company, if any.
- To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.
- To recommend the appointment, scope and terms of appointment of the valuers of the Company
- To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.
- To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.
- To monitor end use of funds raised through Public offers and related matters.
- To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

As such, the Committee exercises the authorities and powers delegated to it and the powers imposed by law, regulations and/or regulatory authorities within the jurisdiction.

B. Members of the Committee should be conversant with the various responsibilities placed upon them by Section 177 of the Act and rules made there under and as amended from time to time. The relevant extracts of Section 177 of the Act are included in **Appendix 1.**

C. The Committee shall comply with the various provisions, regulations or guidelines as may be applicable and amended from time to time. Further, the Committee shall review and update this Charter once in the financial year, to give effect to such amendments and recommend the revised Charter to the Board for its approval.

D. This amended Charter shall substitute and supersede all previous Charters of the Committee.

II. Constitution of the Committee

A. *Size of the Committee*: The Committee shall consist of at least three (3) members ("**Members**") and shall only comprise Directors from the Board. At all times, majority shall be of the Independent Directors.

B. *Appointment and removal of Members*: The Members will be appointed by the Board and will continue until their successors are duly appointed by the Board. The majority of members of the Audit Committee including its Chairperson shall be persons with ability to read and understand financial statements.

In the event of any amendment to the Companies Act and rules made there under, the composition of the Committee will be amended accordingly to ensure compliance with the amendments.

C. *Election of a Chairperson*: The Members shall elect a Chairperson of the Committee ("**Chairperson**") from among themselves from time to time, by a majority vote. The Board shall formally appoint the Chairperson of the Committee.

D. *Appointment of a Committee Secretary*: The Company Secretary shall act as the Secretary of the Committee ("**Committee Secretary**") but shall not be a Member. The Committee Secretary shall be responsible to provide support to the Committee members in his/her role and to ensure proper execution of the required processes.

E. *Invitees to the Committee*: Subject to the approval by the Chairperson, the Committee may invite members of the management as it considers necessary to be present at the Meetings of the Committee but such executives shall have no voting rights.

F. *Key Managerial Personnel*: The Key Managerial Personnel shall have a right to be heard at the Meetings but shall have no voting rights, when the Committee considers the auditor's report.

G. *Qualification of the Members and the Chairperson*: All Members shall be financially literate and at least one Member shall have accounting or related financial management expertise. The Chairperson shall be an independent non-executive director of the Board and shall be a person with a strong financial analysis background.

H. *Independence*: The Committee should be constituted to ensure its independence and objectivity.

III. Role of the Committee

A. The responsibilities of the Committee is to carry out the purpose laid down in Section I of this Charter. These responsibilities should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional or different policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.

B. To act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.

C. The Committee shall also have such further powers as may be delegated to it by the Board from time to time, in relation to the purpose of the Committee as outlined in Section I of this Charter.

D. The responsibilities of the Committee, as prescribed under the Act and rules made there under, and other delegations as prescribed by the Board of Directors.

IV. Powers of the Committee

A. The recommendations of the Committee, on any matter relating to financial management, including the audit report, shall be reported to the Board.

B. In performance of its responsibilities and obligations described in Section I and Section III, the powers of the Committee shall include the following:

i. The right to ask a member of the management of the Company who is responsible for an area commented upon on reports presented to the Committee, to be present when the Committee reviews such report.

ii. Investigate any matter in relation to its roles and responsibilities, to items specified in Section 177(4) or referred to it by the Board.

iii. Seek information from any employee of the Company.

iv. Have full access to information contained in the records of the Company and obtain outside legal or other professional advice if necessary.

v. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and about their review of the financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

vi. Have oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.

C. The Committee shall accord omnibus approval to the related party transactions, which are in ordinary course of business and are at arm's length basis, as detail in the Related Party Policy of the Company.

V. Proceedings of the Committee Meetings

A. *Frequency of Meetings*: The Committee shall meet at least two times every year. The Committee may meet as often as it deems necessary or appropriate in its judgment, in person or audio visual, and at such times and places as the Committee determines.

B. *Quorum*: The quorum for a Meeting shall be either two (2) Members or one third (1/3rd) of the Members whichever is greater. The quorum shall comprise of at least two (2) Members, with one (1) Member representing the JV Partner, present in person or through video conferencing or by other audio visual means.

C. *Notice:* All notices to be issued by the Committee will be in accordance with the Act.

D. *Voting*: Each Member shall have one (1) vote and all matters submitted to the Committee for approval shall require approval of a majority of the Members present and voting. Non-Members shall have no voting rights.

E. *Non-Members*: Subject to the approval by the Chairperson, the Committee may invite non-Members to the Meetings to attend and to participate at the Meetings, but such non-Members shall have no voting rights.

F. *Invitees*: The Company's Chief Executive Officer, Chief Financial Officer and shall be permanent invitees to the Meetings of the Committee but shall have no voting rights. Any of the key managerial personnel of the Company shall have a right to be heard in the meetings of the Audit Committee but shall not have the right to vote.

G. *Statutory Auditors*: The statutory auditors of the Company shall attend and participate in the Committee Meetings convened for the purpose of approving annual (audited) financial statements, but shall have no voting rights. The statutory auditors shall have access to the Board through the Committee.

H. *Executive Session*: The Committee has the right to hold private sessions with the management, the Directors or the external and internal auditors, as required by applicable law, regulation, and in such other circumstances as the Committee may deem appropriate.

I. *Circulation of agenda, supporting papers and resolutions*: The agenda papers along with requisite supporting documents and resolution shall be sent to all Members at least seven (7) days before the Meetings. A resolution proposed to be passed by circulation should be sent, together with necessary papers, to all the Members.

J. *Minutes*: In accordance with the Board protocols, the minutes of the Committee Meetings shall be completed within fifteen (15) days of such Meeting and shall be circulated to all Members and other relevant personnel as deemed necessary by the Committee.

K. *Necessary support*: The Company's Secretary shall provide the necessary support and assistance for conducting the Committee Meetings.

L. *Reporting to the Board*: The Chairperson shall present to the Board an update on the Committee Meetings.

M. *Annual General Meeting*: The Chairperson of the Committee shall attend the Annual General Meetings of the Company to provide any clarifications on audit-related matters.

VI. Disclosure

A. The Committee will disclose in the Company's Director Report whether or not, with respect to the concerned fiscal year:

i. The management has reviewed the audited financial statements with the Committee, including a discussion of the appropriateness of the accounting principles as applied and significant judgments affecting the Company's financial statements.

ii. The independent auditors have discussed with the Committee their judgment of the appropriateness of those principles as applied and judgments referred to the above, under the circumstances.

iii. The Members have discussed among themselves without the management or the independent auditors being present, the information disclosed to the Committee.

iv. There are any material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Director's report.

v. The internal financial controls are adequate.

B. To the extent required by the law, the Committee shall ensure that the following items are disclosed in the annual report:

i. Number of Meetings held in a financial year.

ii. The composition of the mandated committees, setting out the name, qualification, field of specialization, status of directorship held.

iii. Number of Meetings attended by the Directors and Members.

iv. Details of the remuneration paid, if any, to Independent Directors.

v. Where the Board has not accepted any recommendation of the Audit Committee, the same shall be disclosed in the annual report along with the reasons thereof.

Appendix 1: Extracts from Companies Act 2013

177. Audit Committee

1. The Board of Directors of every listed Company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee.
2. The Audit Committee shall consist of a minimum of three Directors with Independent Directors forming a majority: Provided that majority of Members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.
3. Every Audit Committee of a Company existing immediately before the commencement of this Act shall, within one year of such commencement, be reconstituted in accordance with sub-section (*2*).
4. Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, *inter alia,* include, —
   i. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
   ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
   iii. examination of the financial statement and the auditors' report thereon;
   iv. approval or any subsequent modification of transactions of the Company with related parties;
   v. scrutiny of inter-corporate loans and investments;
   vi. valuation of undertakings or assets of the Company, wherever it is necessary;
   vii. evaluation of internal financial controls and risk management systems;
   viii. monitoring the end use of funds raised through public offers and related matters.
5. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
6. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (*4*) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
7. The auditors of a Company and the key managerial personnel shall have a right to be heard in the Meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
8. The Board's report under sub-section (*3*) of section 134 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefore.
9. Every listed Company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed.
10. The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Provided that the details of establishment of such mechanism shall be disclosed by the Company on its website, if any, and in the Board's report.

Annexure NRC-2

QUALITY CARE INDIA LIMITED
Nomination & Remuneration Committee Charter

Quality Care India Limited

("the Company")

NOMINATION & REMUNERATION COMMITTEE CHARTER

("the Committee")

TERMS OF REFERENCE

1. CONSTITUTION

The Committee is constituted as a Nomination and Remuneration Committee of the board in terms of the section 178 and other applicable provisions, if any, of the Companies Act, 2013, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the relevant articles of the Articles of Association of the Company.

2. PURPOSE

The purpose of the Committee is to provide an independent and objective body that will:

(a) Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

(b) identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfil the role of director of the Company.

(c) specify the manner for effective evaluation of performance of Board, its committees and individual directors

3. MEMBERSHIP/QUORUM

3.1 The Committee shall be constituted by the board from among the non-executive directors, provided it shall consist of three or more non-executive director out of whom at least half of the members of Independent Directors. The members as a whole must have sufficient qualifications and experience to fulfil their duties. The Chairperson of the Company (whether executive or non-executive may be the member of the Committee. However, he shall not be Chairperson for this committee.

3.2 Notwithstanding the above, the board shall have the power at any time to reconstitute the Committee including removing any members from the Committee and to fill any vacancies so created

3.3 The board shall, from time to time, review and revise the composition of the Committee, taking into account the need for an adequate combination of skills and knowledge.

3.4 Provision shall be made for an induction programme and suitable training for all members of the committee.

3.5 The company secretary or a person approved by the Chairperson shall act as secretary to the Committee.

4. MEETINGS

4.1 Attendance

- A quorum of the meeting of the Committee shall be higher of two (2) Members or one-third (1/3) of the Members of the Committee.
- The chief executive officer, the chief financial officer, chief operating officer, chief medical officer and head of human resources or other members of senior management as may be required shall be in attendance at meetings of the Committee (as invitees) and shall have unrestricted access to the chairperson or any other member of the Committee as is required in relation to any matter falling within the remit of the Committee. Other board members may also attend at the invitation of the Committee. Such Invitees shall have no voting rights.
- In the absence of the Chairperson of the Committee and/or an appointed deputy, the remaining members present shall elect among themselves a Chairperson of the meeting subject to the other clauses of this terms of reference
- Suitably qualified persons may be co-opted onto the Committee when necessary to render such specialist services as may be necessary to assist the Committee in its deliberations on any matter but shall have no voting rights.
- No invited attendee shall have a vote at the meetings of the Committee.

4.2 Frequency of meetings

- Meetings of the Committee shall be held as frequently as the Committee, in consultation with the company secretary, considers appropriate, but it shall normally meet not less than twice (2) a year. Sufficient time should be allowed to enable the Committee to undertake a full discussion as may be required and a sufficient interval should be allowed between Committee meetings and board meetings to allow for the Committee to undertake such work as is necessary in preparation for each board meeting. Further meetings may be called by the board or any member thereof, including all members of the Committee.

5. PROCEEDINGS

5.1 The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

5.2 A detailed agenda, together with supporting documentation, must be circulated, at least seven days (7) prior to each meeting to the members of the board and other invitees and the committee shall observe applicable Secretarial Standards i.e. SS-1 in relation to all its meetings.

5.3 The secretary of the Committee shall take minutes of all meetings, which minutes shall be circulated as follows:

- Within 10 business days of the meeting generally, but not later than 15 days - to the executive and chairperson of the Committee;
- once approved by the Committee - to the subsequent meeting of the board of directors of the company.

The minutes shall record the issues, the salient features pertaining to the issues and the decisions of the Committee.

5.4 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

5.5 The chairperson of the Committee shall report on the Committee's proceedings and findings to the next meeting of the board.

6. REMUNERATION

6.1 Non-executive members of the Committee shall be paid a sitting fee and other remuneration as may be permitted under the provisions of the Companies Act, 2013 and rules made thereunder including remuneration with respect to the committee meetings attended by them.

6.2 The above fees shall be subject to review by the board from time to time.

7. RESPONSIBILITIES

7.1 Human Resources related matters

The duties of the Committee shall be to work on behalf of the board and be responsible to it for recommendations in respect of human resources matters:

- Laying down criteria for appointments of Directors, MD/CEO/ED/WTD/KMP and Senior Management and recommend to the Board their appointment and removal as per requirements of the Companies Act 2013
- Evaluating performances of the Directors and other personnel as per requirements of the Companies Act 2013
- Formulate criteria for determining qualifications, positive attributes, independence etc of the Directors and other personnel.
- Recommend to the Board a policy/ Terms of Reference, relating to remuneration packages and any other compensation payment for the Directors, MD/CEO/ED/WTD/KMP/SM l and other employees
- ensure alignment of the remuneration and human resources strategies and policies with the Group's business strategy and the desired culture;
- determine the Group's general policy on executive and senior management remuneration;
- consider and recommend for approval by the board the remuneration of the chief executive, executive directors, KMP and Senior Management;
- consider and recommend for approval by the board the setting of KPA's for performance bonus purposes for executive directors and the ratification thereof of other senior employees;
- consider and recommend to the board the achievements of the above KPA's and the approval of payment of performance bonuses of senior management;
- determine any grants to executive directors and other senior employees made pursuant to the Group's management share option scheme;

- regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
- consider the appropriateness of early vesting of share-based schemes at the end of employment;
- ensure the adequacy of retirement and health care funding for executives and senior management;
- ensure adequate succession plans for the executive and senior management; and
- ensure compliance to all statutory and best practice requirements regarding labour and industrial relations management.

Note: Job grades provided for reference:

CEO:	Grade F2
Executive Directors:	Grade F1 (COO, CFO & CMO)
Senior Management:	Grade E1 (All Group Managers)

7.2 **Board and nomination related matters**

. This is not allowed under section 178

The Committee shall have the following responsibilities:

- make recommendations to the board on the appointment of the chief executive officer, new executives and non-executive directors, including making recommendations on the composition of the board generally and the balance between executive and non-executive directors appointed to the board;
- regularly review the board structure, size and composition and make recommendations to the board with regards to any adjustments that are deemed necessary;
- identify and nominate candidates for the approval of the board to fill board vacancies as and when they arise, as well as put in place plans for succession for the board, in particular for the chief executive and CFO;
- recommend directors that are retiring by rotation, for re-election;
- consider recommendations by management in relation to non-executive director remuneration for final recommendation by the board to shareholders;
- oversee the development of a formal induction programme for directors;
- ensure that inexperienced directors are developed through a mentorship programme;
- oversee the development and implementation of continuing professional development programmes for directors;
- ensure that directors receive regular briefings on changes to in risks, laws and the environment in which the company operates; and
- consider the performance of the directors and take steps necessary to remove directors who do not make an appropriate contribution.

8. GOVERNANCE

8.1 The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the group and all employees are directed to co-operate with any request made by the Committee. Such requests will be channelled through the Company's chief executive officer.

8.2 The Committee is authorised by the board to, at the company's expense, obtain outside legal, accounting or other independent professional advice as it considers necessary to carry out its duties and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

8.3 The Committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

9. DISCLOSURE

The Committee shall ensure that the following is disclosed in the annual report to the extent required by law:

- Number of meetings held in a financial year
- The composition of the Committee, setting out the name, status of directorship held,
- Number of meetings attended by the directors and Members
- Details of the remuneration paid, if any, to Independent directors

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Quality Care India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Quality Care India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (refer Note 1(a)(v) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2024, consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 13 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 4.42(v) to the consolidated financial statements, which describes the Holding Company having layers of subsidiaries beyond the limit prescribed under Section 2(87) of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017 and the remedial steps being taken by the management. Our opinion is not modified in respect of this matter.

Other Information

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

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 13 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group including its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and of its joint venture or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

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

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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



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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

12. 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.

Other Matters

13. We did not audit the consolidated financial statements of one subsidiary and standalone financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 16,018.82 Mn and net assets of Rs. 12,556.69 Mn as at March 31, 2024, total revenue of Rs. 2,096.49 Mn, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 299.36 Mn and net cash flows amounting to Rs. (400.93) Mn for the period ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. Nil for the year ended March 31, 2024 as considered in the consolidated financial statements, in respect of one joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.



Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

15. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and for the matters stated in paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended). Further, in respect of four subsidiaries, in the absence of sufficient appropriate audit evidence, we are unable to verify whether the backup of books of account and other books and papers maintained in electronic mode has been maintained on a daily basis on servers physically located in India during the year.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 15(b) above on reporting under Section 143(3)(b) and paragraph 15(h)(vi) below on reporting under Rule 11(g) of the Rules.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its joint venture and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint venture – Refer Note 4.36(a) to the consolidated financial statements.



ii. The Group and its joint venture were not required to recognise a provision as at March 31, 2024 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The group and its joint venture did not have any derivative contracts as at March 31, 2024.

iii. During the year ended March 31, 2024, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its joint venture incorporated in India.

iv. (a) The respective Managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in Note 4.42(vii)(A) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Holding Company and its subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 4.42(vii)(B) to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The dividend paid during the year by one subsidiary company is in compliance with Section 123 of the Act. The Holding Company, other subsidiary companies and joint venture has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiaries and joint venture, which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Group has used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of performing our procedures, other than as described below, we and the respective auditors of the above referred subsidiaries and joint venture, did not notice any instance of the audit trail feature being tampered with.



Comment on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules") in respective audit report.
1) Quality Care India Limited, Holding Company Based on our examination, the Company has used multiple accounting software and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.
2) Ganga Care Hospital Limited, Subsidiary Based on our examination, the Company has used multiple accounting software and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.
3) Ramkrishna Care Medical Sciences Private Limited, Subsidiary Based on our examination, the Company has used multiple accounting software and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.
4) Convenient Hospitals Limited, Subsidiary The Company has migrated to software - 'Oracle' and 'Miracle' from 'Tally' and 'Mednet' during the year and is in the process of establishing necessary controls and maintaining documentation regarding audit trail. Consequently, we are unable to comment on the audit trail feature of the aforesaid software. Accordingly, the question of our commenting on whether the audit trail had operated throughout the year or was tampered with, does not arise.
5) Heart Care Institute And Research Centre (Indore) Pvt Ltd, Subsidiary Based on our examination, which included test checks, the Company has used two accounting software for maintaining its books of account of which one has a feature of recording audit trail (edit log) facility, however, the audit trail feature did not operate during the period April 1, 2023 to July 19, 2023. The other accounting software used by the Company did not have a feature of audit trail (edit log) facility. Accordingly, the question of our commenting on whether the audit trail had operated during the year or was tampered with, does not arise.
6) United Ciigma Institute of Medical Sciences Private Limited, Subsidiary Based on our examination, which included test checks, the accounting software used by the Company did not have a feature of audit trail (edit log) facility and, therefore, the question of our commenting on whether the audit trail had operated during the year or was tampered with, does not arise.
7) Ciigma Institute of Medical Sciences Private Limited, Subsidiary Based on our examination, which included test checks, the accounting software used by the Company did not have a feature of audit trail (edit log) facility and, therefore, the question of our commenting on whether the audit trail had operated during the year or was tampered with, does not arise.
8) United Ciigma Hospitals Healthcare Private Limited, Subsidiary Based on our examination, which included test checks, the accounting software used by the Company did not have a feature of audit trail (edit log) facility and, therefore, the question of our commenting on whether the audit trail had operated during the year or was tampered with, does not arise.



9) KIMS Healthcare Management Limited, Subsidiary

Based on our examination which included test checks, except for instances mentioned below, the Holding Company and its subsidiaries which are companies incorporated in India and audited under the Act, in respect of financial year commencing on April 01, 2023, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below:

i) In respect of the Holding Company, the audit trail feature only captured shared user identification details rather than specific individual details for who made the changes at the application level for accounting software used for maintenance of accounting records. Further, the audit trail feature was not enabled at the database level to log any direct data changes.

ii) In respect of one subsidiary, the audit trail feature for the accounting software used from November 2, 2023 onwards for maintenance of accounting records was not enabled at the database level to log any direct data changes. Whereas, it was enabled at the application level, however the said accounting software only captured shared user identification details rather than specific individual details for who made the changes.

iii) In respect of five subsidiaries, the audit trail feature was not enabled at the database level to log any direct data changes for the accounting software used for maintenance of revenue and payroll records.

iv) In respect of one subsidiary, the audit trail feature for accounting software used for maintenance of accounting records was not enabled for the period April 1, 2023 to March 27, 2024.

v) In respect of one subsidiary, the audit trail feature for the accounting software used for maintenance of accounting records only captured shared user identification details rather than specific individual details for who made the changes.

vi) In respect of one subsidiary, the accounting software used for maintenance of revenue records did not capture the details of what data was changed while recording audit trail (edit log) at the application level.

10) Condis India Healthcare Private Limited, Subsidiary

The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have not included feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective software.

11) Quality Care Jharsuguda Private Limited, Subsidiary

Since the Company is maintaining its books of accounts without using any Accounting Software the provisions regarding Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 are not applicable for the time being.

12) Quality Care Health Services India Private Limited, Joint Venture

Since the Company is maintaining its books of accounts without using any Accounting Software the provisions regarding Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 are not applicable for the time being.



16. The Group and its joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 24220916BKCUUP2800

Place: Hyderabad
Date : September 04, 2024

Annexure A to Independent Auditor's Report

Referred to in paragraph 15(g) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the consolidated financial statements for the year ended March 31, 2024

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Quality Care India Limited (hereinafter referred to as "the Holding Company"), its subsidiary companies and its joint venture, which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to one subsidiary incorporated in India namely Condis India Healthcare Private Limited, pursuant to MCA notification GSR 583(E) dated June 13, 2017.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.



Annexure A to Independent Auditor's Report

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Charted Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number:220916
UDIN: 24220916BKCUUP2800

Place: Hyderabad
Date : September 04 , 2024

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone/ consolidated financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

Sr. No.	Name of the Company	CIN	Relationship with the Holding Company (Holding Company/ Subsidiary/ Joint Venture)	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Quality Care India Limited	U85110TG1992PLC014728	Holding company	September 04, 2024	ii(b). During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, and the discrepancies noted in such quarterly return or statements with the unaudited books of account were trivial. Also, refer Note 4.43(ii) to the standalone financial statements. vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
2.	Ganga Care Hospital Limited	U85110MH2005PLC150811	Subsidiary Company	August 21, 2024	vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.



Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024

3.	Convenient Hospitals Limited	U85110MP1993PLC007654	Subsidiary Company	September 03, 2024	vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
4.	United Ciigma Hospitals Healthcare Private Limited	U85110MH2016PTC279990	Subsidiary Company	August 21, 2024	vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. xiv(a). The Company is not required to have an internal audit system as per the Companies Act, 2013. However, the Company has appointed Internal auditor. xiv(b). We were unable to obtain any of the Internal Audit Reports for the year ended March 31, 2024 of the Company.
5.	Ciigma Institute of Medical Sciences Private Limited	U85110MH2007PTC172787	Subsidiary Company	August 21, 2024	(i)(c). The title deeds of all the immovable properties, as disclosed in Note 4.1 to the financial statements, are held in the name of the Company except the following: (refer note 1 below) vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, income tax, professional tax and goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. xiv(a). The Company is not required to have an internal audit system as per the Companies Act, 2013. However, the Company has appointed Internal auditor.



Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024

					xiv(b). We were unable to obtain any of the Internal Audit Reports for the year ended March 31, 2024 of the Company. xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 4.41 million in the immediately preceding financial year.
6.	Heart Care Institute And Research Centre (Indore) Pvt Ltd	U85110MP1999PTC013924	Subsidiary Company	September 03, 2024	vii(a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employees' state insurance, income tax and professional tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. xiv(a). The Company is not required to have an internal audit system as per the Companies Act, 2013. However, the Company has appointed Internal auditor. xiv(b). We were unable to obtain any of the Internal Audit Reports for the year ended March 31, 2024 of the Company.
7.	United Ciigma Institute of Medical Sciences Private Limited	U74120MH2011PTC213136	Subsidiary Company	August 21, 2024	vii(a). In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, income tax and goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
8.	Condis India Healthcare Private Limited	U74999KL2006PTC019208	Subsidiary Company	August 28, 2024	vii(a). As per the information and explanation furnished to us and according to our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues, as application to the Company, with the appropriate authorities during the year.



Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2024

9.	Quality Care Jharsuguda Private Limited	U85300TG2016PTC112746	Subsidiary Company	August 21, 2024	xvii. The Company has incurred cash losses in the current and in the immediately preceding financial year.
10.	Quality Care Health Services India Private Limited	U85100TG2008PTC058264	Joint Venture	August 21, 2024	xvii. The Company has incurred cash losses in the current and in the immediately preceding financial year.

Note 1

Description of property	Gross carrying value (Rs. in million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Building located in Aurangabad	21.20	Unmesh Vidyadhar Takalkar	Promoter and director of the Company	2007	Refer note 4.1 to the financial statements* *Refer note 4.1(c) to the consolidated financial statements.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Srikanth Pola
Partner
Membership Number: 220916
UDIN: 24220916BKCUUP2800

Place: Hyderabad
Date : September 04, 2024

Quality Care India Limited

Consolidated Balance Sheet

(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1	34,918.00	8,575.81
(b) Right-of-use assets	4.2	1,456.32	1,923.74
(c) Capital work-in-progress	4.3 (a)	532.20	1,257.10
(d) Investment property	4.3 (b)	158.72	-
(e) Goodwill	4.4 (a)	24,569.79	6,042.19
(f) Other intangible assets	4.4 (a)	9,348.87	719.81
(g) Intangible assets under development	4.4 (b)	86.73	-
(h) Investments	4.5 (a)	0.37	0.02
(i) Financial assets			
(i) Loans	4.12	6.31	-
(ii) Other financial assets	4.6 (a)	959.82	667.59
(j) Deferred tax assets (net)	4.7 (a)	1,028.57	744.02
(k) Non-current tax assets (net)	4.7 (b)	797.88	571.24
(l) Other non-current assets	4.8 (a)	405.40	528.67
Total non-current assets (A)		**74,268.98**	**21,030.19**
B. Current assets			
(a) Inventories	4.9	883.48	266.73
(b) Financial assets			
(i) Investments	4.5 (b)	6.42	430.87
(ii) Trade receivables	4.10	3,099.30	1,944.42
(iii) Cash and cash equivalents	4.11 (a)	1,448.33	522.93
(iv) Bank balances other than (iii) above	4.11 (b)	1,796.03	576.46
(v) Loans	4.12	9.31	2.43
(vi) Other financial assets	4.6 (b)	74.16	52.87
(c) Other current assets	4.8 (b)	384.32	91.23
(d) Assets classified as held for sale	4.47	1,215.00	293.81
Total current assets (B)		**8,916.35**	**4,181.75**
Total assets (A+B)		**83,185.33**	**25,211.94**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	952.30	414.97
(b) Other equity			
(i) Reserves and surplus	4.13 (b)	41,991.12	7,824.40
Equity attributable to the owners of the Company		**42,943.42**	**8,239.37**
(c) Non-controlling interest	4.13 (b)	15,177.80	1,988.26
Total equity (A)		**58,121.22**	**10,227.63**
Liabilities			
B. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	4,439.91	2,979.96
(ii) Lease liabilities	4.37	1,504.76	1,984.24
(iii) Other financial liabilities	4.17 (a)	4,803.60	6,310.61
(b) Employee benefit obligations	4.15 (a)	254.99	176.18
(c) Deferred tax liabilities (net)	4.7 (a)	5,285.39	152.26
Total non-current liabilities (B)		**16,288.65**	**11,603.25**
C. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	1,730.35	513.61
(ii) Lease liabilities	4.37	283.19	260.17
(iii) Trade payables			
(a) total outstanding dues of micro and small enterprises	4.16 (a)	126.72	86.60
(b) total outstanding dues other than (iii) (a) above	4.16 (b)	3,455.75	1,654.86
(iv) Other financial liabilities	4.17 (b)	2,068.96	476.17
(b) Employee benefit obligations	4.15 (b)	298.91	122.00
(c) Other current liabilities	4.18	535.83	147.32
(d) Current tax liabilities (net)	4.7 (b)	275.75	-
(e) Liabilities directly associated with assets classified as held for sale	4.47	-	120.33
Total current liabilities (C)		**8,775.46**	**3,381.06**
Total liabilities (B+C)		**25,064.11**	**14,984.31**
Total equity and liabilities (A+B+C)		**83,185.33**	**25,211.94**

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth P
Partner
Membership No: 220916

Place: Hyderabad, India

Date: 04 September 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 04 September 2024

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 04 September 2024

Quality Care India Limited
Consolidated Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2024	31 March 2023
I Revenue from operations	4.19	21,205.31	16,043.95
II Other income	4.20	293.87	191.99
III Total income (I+II)		**21,499.18**	**16,235.94**
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		4,856.16	3,580.83
(ii) Changes in inventories of medical consumables and pharmacy items	4.21	10.05	(73.58)
(iii) Employee benefits expense	4.22	3,445.25	2,244.89
(iv) Other expenses	4.23	9,740.42	7,114.27
Total expenses (IV)		**18,051.88**	**12,866.41**
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		**3,447.30**	**3,369.53**
(i) Finance costs	4.24	828.69	886.27
(ii) Depreciation and amortisation expense	4.25	1,206.23	988.05
VI Profit before exceptional items, share of loss of a joint venture and tax		**1,412.38**	**1,495.21**
Exceptional items	4.45	-	**41.41**
VII Profit before share of loss of a joint venture		**1,412.38**	**1,453.80**
(i) Share of loss of a joint venture accounted for using the equity method		-	-
VIII Profit before tax		**1,412.38**	**1,453.80**
IX Income Tax expense/(credit):			
(i) Current tax expense	4.26	418.79	278.19
(ii) Income tax relating to earlier periods	4.26	(73.44)	166.37
(iii) Deferred tax expense	4.7	878.62	26.04
Total tax expense		**1,223.97**	**470.60**
X Profit for the year (VIII-IX)		**188.41**	**983.20**
XI Other comprehensive income			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Gain/(loss) on remeasurement of post-employment benefit obligations		(28.01)	3.09
Income tax relating to these items		7.37	(0.19)
(ii) Items that will be reclassified subsequently to profit or loss			
(a) Exchange differences on translation of foreign operations		360.14	-
Other Comprehensive income for the year, net of tax		**339.50**	**2.90**
XII Total comprehensive income for the year (X+XI)		**527.91**	**986.10**
XIII Profit/(Loss) for the year attributable to:			
Owners of the parent		(140.83)	850.54
Non-controlling interests		329.24	132.66
XIV Other comprehensive income attributable to:			
Owners of the parent		200.29	2.75
Non-controlling interest		139.21	0.15
XV Total comprehensive income attributable to:			
Owners of the parent		59.46	853.29
Non-controlling interests		468.45	132.81
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2023 ₹10))			
Basic earnings per equity share (in ₹)	4.27	(2.60)	20.50
Diluted earnings per equity share (in ₹)		(2.60)	20.50

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India

Date: 04 September 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shankar Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 04 September 2024

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 04 September 2024

Quality Care India Limited
Consolidated Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the period ended	
	31 March 2024	31 March 2023
Cash flow from operating activities		
Profit before tax	**1,412.38**	**1,453.80**
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(13.66)	(45.60)
Depreciation and amortisation expense	1,206.23	988.05
Expected credit loss	13.28	57.41
Property, plant and equipment written off	1.65	6.44
Loss (profit) on sale of property, plant and equipment	82.51	(13.82)
Loss on sale of equity shares and loss on sale of mutual funds		6.45
Lease remeasurement Gain	(42.12)	(5.49)
Income liabilities written back from operating activities	(35.14)	(9.75)
Inventory written off		41.41
Interest income	(165.09)	(32.61)
Loss on sale of investment in subsidiaries	(1.26)	-
Finance costs	828.69	886.27
Change in operating assets and liabilities:	**3,287.47**	**3,291.56**
(Increase) in inventories	(21.37)	(73.58)
(Increase) in trade receivables	(718.33)	(496.26)
(Increase) in loans	(13.19)	(1.74)
(Increase) decrease in other assets	(127.91)	213.85
Decrease in other financial assets	255.52	130.84
(Increase) in assets held for sale	(1,215.00)	
Increase in trade payables	69.92	626.97
(Decrease) in provisions	(43.53)	(42.84)
Increase in other financial liabilities	4,427.54	21.20
Increase in other liabilities	125.52	310.39
Cash generated from operations	**6,026.64**	**3,980.39**
Income tax (paid)/refund, net	(422.85)	(268.92)
Net cash inflow from operating activities (A)	**5,603.79**	**3,711.47**
Cash flow from investing activities		
Payments for property, plant and equipment and intangible assets	(3,036.45)	(1,651.54)
Proceeds from sale of property plant and equipment	23.83	173.73
Purchase of mutual funds	(1,043.17)	(637.55)
Sale of mutual funds	1,481.28	1,288.08
Proceeds from sale of investment in subsidiaries	100.00	-
Payment for acquisition of subsidiaries	(28,020.56)	(7,376.18)
Interest received on fixed deposits	57.06	43.69
Interest received on income tax refund	66.80	27.45
Movement in other bank balances, net	(1,425.36)	(146.33)
Net cash outflow from investing activities (B)	**(31,796.57)**	**(8,278.65)**
Cash flow from financing activities		
Proceeds from borrowings	1,056.71	623.58
Repayments of borrowings	(1,289.70)	(1,499.00)
Proceeds from issue of preference shares	-	6,591.14
Proceeds from issue of equity shares to BCP Asia, Centella & Others	28,284.13	-
Transaction costs incurred adjusted towards other equity	(222.11)	
Interest paid	(287.81)	(289.36)
Payment of lease liabilities	(430.84)	(629.15)
Net cash inflow from financing activities (C)	**27,110.38**	**4,797.21**
Net increase in cash and cash equivalents(A + B + C)	**917.60**	**230.03**
Cash and cash equivalents at the beginning of the year	545.54	315.51
Effects of exchange rate changes on cash and cash equivalents	(14.81)	-
Cash and cash equivalents at the end of the year (note 1)	**1,448.33**	**545.54**

	For the period ended	
	31 March 2024	31 March 2023
Note 1:		
Cash and cash equivalents as per above comprise of the following		
- Included in cash and cash equivalents (refer note 4.11(a))		
Cash on hand	36.10	12.74
Balances with banks in current accounts	620.78	510.19
Deposits with original maturity upto 3 months	791.45	
- Assets classified as held for sale	-	22.61
Balances as per Statement of Cash Flows	**1,448.33**	**545.54**

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India

Date: 04 September 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

[illegible] Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 04 September 2024

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 04 September 2024

Quality Care India Limited
Consolidated Statement of changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Share capital

Equity share capital

Particulars	Notes	Number of shares	Amount
Balance as at 1 April 2022		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2023		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	**53,733,244**	**537.33**
Balance as at 31 March 2024		**95,230,138**	**952.30**

B. Other equity

Particulars	Attributable to owners of Parent Company					Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Reserves and surplus						
	Securities premium	Capital reserve	Equity component of CCPS	Foreign Currency Translation Reserve	Retained earnings		
Balance at 1 April 2022	**4,457.24**	**11.31**	**-**	**-**	**2,068.32**	**6,536.87**	**520.88**
Profit for the year	-	-	-	-	850.54	850.54	132.66
Other comprehensive income, net of tax	-	-	-	-	2.75	2.75	0.15
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	1,334.57
Equity component of compulsory convertible preference shares (CCPS)	-	-	667.48	-	-	667.48	-
Deferred tax on equity component of CCPS	-	-	(233.24)	-	-	(233.24)	-
Balance as at 31 March 2023	**4,457.24**	**11.31**	**434.24**	**-**	**2,921.61**	**7,824.40**	**1,988.26**
Profit/(loss) for the year	-	-	-	-	(140.83)	(140.83)	329.24
Other comprehensive income, net of tax	-	-	-	216.52	(16.23)	200.29	139.21
On account of disposal of stake in Galaxy Care Multispecialty Hospital Private Limited	-	-	-	-	(59.98)	(59.98)	(41.63)
Transactions with non-controlling interest	-	-	-	-	51.42	51.42	(3,101.84)
Transaction costs incurred adjusted towards other equity	-	-	-	-	(222.11)	(222.11)	-
Non-controlling interests on acquisition of subsidiaries [refer note 4.43 and 4.4(a)(i)]	-	-	-	-	-	-	15,864.56
Fresh issue of equity shares at premium	27,846.80	-	-	-	-	27,846.80	-
Conversion of 1,45,72,480 CCPS into 100,00,540 Equity Shares	6,491.13	-	-	-	-	6,491.13	-
Balance as at 31 March 2024	**38,795.17**	**11.31**	**434.24**	**216.52**	**2,533.88**	**41,991.12**	**15,177.80**

The accompanying notes are an integral part of the consolidated financial statements

This is the Consolidated Statement of changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India

Date: 04 September 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02505703
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 04 September 2024

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 04 September 2024

1) Material Accounting Policies:

a) Background and basis of preparation:

Background

Quality Care India Limited ("the Company" or "QCIL" or "Parent Company" or "Parent") is a public company domiciled in India and is incorporated under the erstwhile provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

The Parent Company and its subsidiaries (collectively referred to as "Group") and a joint venture are primarily engaged in providing healthcare and related services. The Group has a network of multi-speciality hospitals across various cities in India and Bangladesh.

Basis of preparation:

(i) Compliance with Indian Accounting Standards (Ind AS)

The Consolidated Financial statements have been prepared and presented in accordance with all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The Consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on 4th September 2024

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value ;
- Assets held for sale - measured at fair value less cost to sell
- Defined benefit plan - plan assets measured at fair value.
- Share-based payments

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 31, 2023, notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain accounting standards, and are effective April 01, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

QUALITY CARE INDIA LIMITED Hyderabad-34

(iv) Critical estimates and judgements:

The preparation of financial information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial information.

The area involving critical estimates or judgements are:

- Useful lives of property, plant and equipment, right-of-use assets and intangible assets
- Estimation of defined benefit obligations and other long-term benefit plan
- Estimated impairment of financial assets and non-financial assets
- Provision for expected credit loss
- Provisions and contingent liabilities
- Allocation of consideration over the fair value of assets and liabilities acquired in a business combination

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(v) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and a joint venture.

List of subsidiaries and joint venture included in the consolidated financial statement is as under:

Particulars	Relationship	Principal place of business	Effective interest held by the Group		Principal activities
			As at 31 March 2024	As at 31 March 2023	
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%	Hospital services
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%	Hospital services
Galaxy Care Multispecialty Hospital Private Limited	Subsidiary	India	-	76.00%	Hospital services
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%	Hospital services
Convenient Hospitals Limited	Subsidiary	India	100.00%	95.00%	Hospital services
Heart Care Institute And Research Centre (Indore) Pvt Ltd	Step down subsidiary	India	100.00%	95.00%	Hospital services
United CIIGMA Institute of Medical Sciences Private Limited	Subsidiary	India	76.00%	76.00%	Hospital services
United Ciigma Hospitals Healthcare Private Limited	Step down subsidiary	India	76.00%	76.00%	Hospital services
Ciigma Institute of Medical Sciences Private Limited	Step down subsidiary	India	76.00%	76.00%	Hospital services
Condis India Healthcare Private Limited (CIHPL)	Subsidiary	India	89.37%	-	Works contract services
KIMS Healthcare Management Limited (KHML)	Step down subsidiary	India	78.25%	-	Hospital services
KIMS Kollam Multispeciality Hospital India Private Limited	Step down subsidiary	India	78.25%	-	Hospital services
KIMS Bellerose Institute of Medical Sciences Private Limited	Step down subsidiary	India	78.25%	-	Hospital services
KIMS Nagercoil Institute of Medical Sciences Private Limited	Step down subsidiary	India	78.25%	-	Hospital services
Spiceretreat Hospitality Services Private Limited	Step down subsidiary	India	78.25%	-	Hospitality services
KIMSHEALTH Executive Leisure Private Limited	Step down subsidiary	India	78.25%	-	Hostel services
KIMS Al Shifa Healthcare Private Limited	Step down subsidiary	India	39.91%	-	Hospital services
Chemistry Intermediary holdings Limited (CIHL)	Subsidiary	Mauritius	100.00%	-	Investment entity
STS Holdings Limited	Step down subsidiary	Bangladesh	60.12%	-	Hospital services
STS Hospital Chittagong Limited	Step down subsidiary	Bangladesh	60.12%	-	Hospital services
Quality Care Health Services India Private Limited	Joint venture	India	50.00%	50.00%	Hospital services

b) Property, plant and equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the basis of straight line method, except for Ramkrishna Care Medical Sciences Private Limited where depreciation is provided on the basis of written down value method. Depreciation is provided using the useful lives and in the manner prescribed below:

Asset description	Life of the asset (in years)
Buildings	31 - 60
Plant and Machinery used in medical and surgical operations	3 - 13
Furniture and fixtures	4 - 10
Vehicles	5 - 8
Office Equipment	5 - 10
Computers (end user devices)	3
Books	1 - 4

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

c) Investment Properties

Investment properties, principally land and office buildings, are held for long-term rental yields and are not occupied by the group. They are carried at cost.

Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Investment properties (buildings) has useful life of 53 years.

Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.





c) Intangible Assets

(i) Goodwill

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

The Group amortizes other intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Life of the asset (in years)
Software	3 - 5

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

(iii) Brands and trademarks

Trademarks and brands acquired in a business combination are recognised at fair value at the acquisition date. The management has considered life of brand and trademark having an indefinite life because there is no foreseeable limit of the asset and it is expected to contribute the net cash inflows indefinitely.

In accordance with Ind AS 36, the group to test an intangible asset with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount (a) annually, and (b) whenever there is an indication that the intangible asset may be impaired.

Review of useful life assessment: The useful life of an intangible asset that is not being amortized shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8.

In accordance with Ind AS 36, reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired. As a result, the entity tests the asset for impairment by comparing its recoverable amount, determined in accordance with Ind AS 36, with its carrying amount, and recognizing any excess of the carrying amount over the recoverable amount as an impairment loss.

d) Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of products comprising medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Group assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered, and goods sold is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract including claims. Further, the Group also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.





Revenue from healthcare services and related activities

Revenue is recognised at the transaction price when each performance obligation is satisfied at a point in time when inpatient/ outpatients has actually received the service except for few specific services where the performance obligation is satisfied over a period of time.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services which is recognised over the period of time, in accordance with the terms of the relevant agreements, as and when services are performed.

Revenue from sale of pharmacy

In respect of sale of pharmaceutical products, where the performance obligation is satisfied at a point in time, revenue is recognised when the control of goods is transferred to the customer.

Trade receivables are amounts due from customers for the sale of products or services in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

f) Share based payments

Share appreciation rights

Liabilities for the Group share appreciation rights are recognised as employee benefit expense over the relevant service period based on the estimated number of rights that are expected to vest. The liabilities are presented as employee benefit obligations and remeasured to fair value at each reporting date, with any measurement changes recognised in profit or loss as employee benefit expense. In estimating the fair value, market conditions and non- vesting conditions are taken into account Where share appreciation rights are forfeited due to a failure by the employee to satisfy the service conditions, the liability is derecognised and expenses previously recognised are reversed.

g) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interests proportionate share of the acquired entity's net identifiable assets.
Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition date fair value of any previous equity interest in the acquired entity





over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

h) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The Group combines the financial statements of the parent company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides an evidence of impairment of the transferred asset. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the group.

Non controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Joint ventures

Interest in joint ventures are accounted for using the equity method (see iv below), after initially being recognised at cost in the consolidated balance sheet.

(iii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and consideration paid or received is recognised within equity (see note 4.39).

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When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change In carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction In the carrying amount of the investment.

Where the group's share of losses an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, thee group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred Accounting policies of equity accounted investees have been changed where necessary to ensure consistency With the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(e) below

2) Summary of other accounting policies:

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of millions as per the requirement of Schedule III, unless otherwise stated.

b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity f they relate to qualifying cash tow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future IS considered as a part of the entities net investment in that foreign operation.

Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

c) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the Balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.





Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches and associates and interest in join arrangements where the group is able to control the timing of the reversal of temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

d) Leases

As a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.





As a lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

e) Impairment of assets

Goodwill and other Intangible assets which has indefinite useful life are not subject to amortisation and tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and cash credit facility availed from banks. Cash credit facility availed from banks are shown within borrowings in current liabilities in the balance sheet.

g) Inventories:

Inventory of medical supplies, drugs and other consumables are valued at the lower of cost and net realisable value. Cost of medical supplies, drugs and other consumables comprises cost of purchases and are determined on the basis of weighted average method. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within credit period after recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.





i) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss under other income.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

j) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

k) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.





Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Therefore these obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government bond yield rates at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.





(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans - gratuity; and

(b) Defined contribution plans - provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

Defined contribution plans - provident fund

The Group pays provident fund contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where contractually obliged or where there is a past practice that has created a constructive obligation.

m) Contributed equity

Equity shares are classified as equity.





n) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

p) Current or Non- current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when:

i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle

ii) it holds the asset primarily for the purpose of trading

iii) it expects to realise the asset within twelve months after the reporting period or

iv) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets shall be classified as non-current.

Liabilities

An entity shall classify a liability as current when:

i) it expects to settle the liability in its normal operating cycle

ii) it holds the liability primarily for the purpose of trading

iii) the liability is due to be settled within twelve months after the reporting period or

iv) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.





Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of The Group or the counterparty.

r) Other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, The Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.





Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost:* Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of profit and loss.

- *Fair value through other comprehensive income (FVOCI):* Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

- *Fair value through profit or loss:* Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all other equity investments which are in scope of Ind AS 109 at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.





Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- , retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, The Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if The Group has not retained control of the financial asset. Where The Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(iv) Dividend and Income recognition

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

s) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of the assets and liabilities, the disclosure of the contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of these changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

t) Measurement of earnings before interest, tax, depreciation and amortisation (EBITDA)

As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.





In its measurement of EBITDA, the Group includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

u) Non current asset held for sale

The Group classifies non-current assets held for sale if their carrying amounts will be principally recovered through a sale rather than through continuing use of assets and action required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised.

v) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CODM (Chief Operating Decision Maker) decided to have only one reportable segment as at the March 31, 2024, in accordance with IND AS 108 "Operating Segments".

w) Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Group. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.





4.1 Property, plant and equipment

Particulars	Freehold land (Refer note b & d below)	Buildings (Refer note c & d below)	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount									
Opening gross carrying amount as at 1 April 2022	**473.30**	**2,817.38**	**791.87**	**3,279.79**	**160.28**	**133.26**	**167.23**	**29.41**	**7,852.52**
Additions	1.93	311.68	1.81	411.02	-	8.82	-	0.24	735.50
Additions on account of business combination (refer note 4.43)	1,530.90	340.60	36.74	1,061.37	390.58	9.35	23.39	10.80	3,403.73
Disposals	-	(19.66)	(0.29)	(88.99)	(55.76)	(4.43)	(10.25)	(18.72)	(198.10)
Assets held for sale	-	-	(152.53)	(66.26)	(5.49)	(14.80)	(2.48)	(0.03)	(241.59)
Closing gross carrying amount as at 31 March 2023	**2,006.13**	**3,450.00**	**677.60**	**4,596.93**	**489.61**	**132.20**	**177.89**	**21.70**	**11,552.06**
Additions	29.10	1,092.02	52.82	1,849.66	37.81	18.04	106.52	11.46	3,197.43
Additions on account of business combination (refer note 4.43)	7,519.00	10,543.60	10.27	4,363.89	748.95	282.60	117.21	66.70	23,652.22
Disposals	-	-	-	(676.68)	(116.97)	(29.26)	(27.37)	(7.74)	(858.02)
Exchange differences	23.35	289.06	0.17	288.24	29.42	27.78	26.48	3.44	687.94
Closing gross carrying amount as at 31 March 2024	**9,577.58**	**15,374.68**	**740.86**	**10,422.04**	**1,188.82**	**431.36**	**400.73**	**95.56**	**38,231.63**
Accumulated depreciation									
Opening accumulated depreciation as at 1 April 2022	**-**	**349.46**	**415.59**	**1,503.60**	**106.66**	**93.34**	**100.48**	**16.82**	**2,585.95**
Depreciation charge during the year	-	77.04	68.70	330.42	45.13	10.57	33.68	3.69	569.23
On disposals	-	5.55	(0.21)	(38.05)	12.24	(2.81)	0.16	(8.63)	(31.75)
Assets held for sale	-	-	(97.45)	(30.74)	(4.27)	(12.71)	(2.01)	-	(147.18)
Closing accumulated depreciation as at 31 March 2023	**-**	**432.05**	**386.63**	**1,765.23**	**159.76**	**88.39**	**132.31**	**11.88**	**2,976.25**
Depreciation charge during the year	-	129.84	52.49	535.11	76.83	19.35	51.24	5.20	870.06
On disposals	-	-	-	(576.26)	(113.39)	(26.91)	(27.00)	(6.47)	(750.03)
Exchange differences		38.87	0.11	129.26	13.91	11.08	20.90	3.22	217.35
Closing accumulated depreciation as at 31 March 2024	**-**	**600.76**	**439.23**	**1,853.34**	**137.11**	**91.91**	**177.45**	**13.83**	**3,313.63**
Net carrying amount as at 31 March 2023	**2,006.13**	**3,017.95**	**290.97**	**2,831.70**	**329.85**	**43.81**	**45.58**	**9.82**	**8,575.81**
Net carrying amount as at 31 March 2024	**9,577.58**	**14,773.92**	**301.63**	**8,568.70**	**1,051.71**	**339.45**	**223.28**	**81.73**	**34,918.00**

(a) Refer note 4.14 for charge details on Property, plant and equipment.

(b) Refer note 4.44 for further details on title deeds of land.

(c) Includes 16.68 net carrying amount and the title deeds of the Hospital Building Improvements is in the name of Promoter of United CIIGMA Institute of Medical Sciences Private Limited, Mr.Unmesh Vidyadhar Takalkar (hereinafter called as "Lessor") and not in the name of United CIIGMA Institute of Medical Sciences Private Limited. As per the agreement with lessor, the hospital building including land is leased at a nominal value for a period August 1, 2022 to July 31, 2025 and further extended to March 31, 2027.

(d) Land and building amounting carrying value of ₹ 65.61 and ₹ 121.06 has been transferred to investment properties during the current year related to KIMS Healthcare Management Limited.

i) Borrowing cost capitalised during the period is ₹ 0.13.

ii) Include buildings constructed on leasehold land having Net block 19.82 as on 31st March 2024 and lease period is 77 years from 9th December 2016.





4.2 Right-of-use assets

Particulars	Category of Right-of-use assets				Total
	Buildings	Plant and machinery	Furniture and fixtures	Leasehold land	
Balance as at 1 April 2022	**1,275.57**	**95.46**	**18.45**	**8.45**	**1,397.93**
Additions	749.52	285.66	-	-	1,035.18
Deletions	(36.62)	(18.07)	-	-	(54.69)
Depreciation charge for the year	(307.28)	(88.15)	(2.80)	(0.09)	(398.32)
Assets held for sale	(56.36)	-	-	-	(56.36)
Balance as at 31 March 2023	**1,624.83**	**274.90**	**15.65**	**8.36**	**1,923.74**
Additions	148.78	-	-	-	148.78
Additions on account of business combination (refer note 4.43)	95.90	8.35	-	-	104.25
Deletions	(159.70)	(257.10)	-	-	(416.80)
Exchange differences	6.09	-	-	-	6.09
Depreciation charge for the year	(271.20)	(36.52)	(1.93)	(0.09)	(309.74)
Balance as at 31 March 2024	**1,444.70**	**(10.37)**	**13.72**	**8.27**	**1,456.32**

4.3 (a) Capital work-in-progress

(i) Ageing of CWIP:

Particulars	Amounts in capital work-in-progress for									
	As on 31 March 2024					As on 31 March 2023				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	489.16	16.05	21.80	5.19	532.20	692.35	87.15	23.74	453.86	1,257.10
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**489.16**	**16.05**	**21.80**	**5.19**	**532.20**	**692.35**	**87.15**	**23.74**	**453.86**	**1,257.10**

(ii) Completion schedule for Capital work in progress whose completion is overdue is as below. There are no Capital work in progress which has exceeded its cost compared to its original plan:

Particulars	To be completed in					To be completed in				
	As on 31 March 2024					As on 31 March 2023				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress										
Vizag Health City Project					-	1,093.45	-	-	-	1,093.45
Total	**-**	**-**	**-**	**-**	**-**	**1,093.45**	**-**	**-**	**-**	**1,093.45**





4.3 (b) Investment property

Particulars	Land	Building	Total
Gross carrying amount			
Opening gross carrying amount as at 1 April 2023	-	-	-
Additions on account of business combination (refer note 4.43)	65.61	95.25	160.86
Closing gross carrying amount as at 31 March 2024	**65.61**	**95.25**	**160.86**
Accumulated amortisation			
Opening accumulated amortisation as at 1 April 2023	-	-	-
Depreciation for the year	-	2.14	2.14
Closing accumulated amortisation as at 31 March 2024	-	**2.14**	**2.14**
Closing net carrying amount as at 31 March 2024	**65.61**	**93.11**	**158.72**

(i) Investment property comprises of a land and building that are leased out to KIMS Health Education and Research Foundation for a period of 99 years, with lock in terms of 30 years, cancellable by either parties, to earn rental income. KHML was operating and managing nursing college under the name of KIMS College of Nursing. KHML has transferred land and building pertaining to KIMS college of Nursing to KIMS Health Education and Research Foundation for operating and managing colleges and schools relating to medical courses by the approval of board of directors and audit committee, dated 15 January 2024. The aforesaid transactions is not in the ordinary course of business and not an arm length price. (Also refer note 4.32)

(ii) Amount recognised in Statement of Profit and Loss for investment properties.

Rental Income	0.25
Property tax	(0.67)
Depreciation	(2.14)
(Loss) arising from investment properties before indirect expenses	(2.56)

(iii) There are no contractual obligations for purchase of investment properties as on 31st March 2024.

4.4 (a) Goodwill and Other intangible assets

Particulars	Goodwill	Trademark	Brand	Software	Total
Gross carrying amount					
Opening gross carrying amount as at 1 April 2022	**330.51**	-	-	**279.82**	**610.33**
Additions	-	-	-	10.58	10.58
Additions on account of Business combination (refer note 4.43)	5,711.68	649.75	-	1.82	6,363.25
Closing gross carrying amount as at 31 March 2023	**6,042.19**	**649.75**	-	**292.22**	**6,984.16**
Additions	-	-	-	14.01	14.01
Additions on account of Business combination (refer note 4.43 and note (i) below)	18,556.99	252.05	8,277.45	11.87	27,098.36
Deletions	(29.39)	-	-	-	(29.39)
Exchange differences	-	2.89	94.86	0.22	97.97
Closing gross carrying amount as at 31 March 2024	**24,569.79**	**904.69**	**8,372.31**	**318.32**	**34,165.11**
Accumulated amortisation					
Opening accumulated amortisation as at 1 April 2022	-	-	-	**201.66**	**201.66**
Amortisation charge for the year	-	-	-	20.50	20.50
Closing accumulated amortisation as at 31 March 2023	-	-	-	**222.16**	**222.16**
Amortisation charge for the year				24.29	24.29
Closing accumulated amortisation as at 31 March 2024	-	-	-	**246.45**	**246.45**
Closing net carrying amount as at 31 March 2023	**6,042.19**	**649.75**	-	**70.06**	**6,762.00**
Closing net carrying amount as at 31 March 2024	**24,569.79**	**904.69**	**8,372.31**	**71.87**	**33,918.66**





(i) The Group controls the investment in KIMS Holding B.S.C, which is classified as an asset held for sale pursuant to the obligation under the share purchase agreement entered for the acquisition of a subsidiary. The difference between the fair value of the investment and the expected liabilities, NCI is adjusted in Goodwill of 305.

Management reviews the carrying value of indefinite useful life assets such as Goodwill, Trademark and Brand annually to determine whether there has been any impairment. The group has allocated the value of Goodwill to a Cash Generating Unit (CGU). The Group has identified each hospital unit as CGU for this purpose. The Group has allocated the Goodwill to respective CGU which benefits from the synergies of the acquisition and represents the lowest level at which goodwill is monitored for internal management purposes.

Impairment analysis was carried by management during the year. The recoverable amount as determined using value in use of the cash generating units. The recoverable amount exceeds the carrying value, accordingly no impairment loss were identified for the year ended 31 March 2024.

Value in use i.e. the enterprise value of each CGU is aggregate of cash flow projections, for five years and terminal cash flows as approved by Senior Management. The cash flow beyond five years are extrapolated using the estimated growth rate.

Key assumptions used for value in use calculations as follows	Range
Revenue growth rate	9% - 17%
Terminal growth rate	5% - 5.5%
Discount rate	11.6% - 13.5%

The Management believes that any reasonably possible change in the above key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Sales volume	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period; based on current industry trends and including long-term inflation forecasts for each territory.
Long-term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rates	Reflect specific risks relating to the relevant CGU's and the countries in which they operate.

4.4 (b) Intangible assets under development

Ageing of Intangibles under development:	Amounts in capital intangible assets under development for				
	As on 31 March 2024				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	7.85	34.79	22.81	21.28	86.73
Total	**7.85**	**34.79**	**22.81**	**21.28**	**86.73**

(i) Intangible assets under development represents expenditure towards software development (Kameda - Project Phoenix)
(ii) Details of intangible under development, whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024 amounts to 45.55





4.5 Investments

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Unquoted		
Investment in Joint venture- accounted for using the equity method		
- 5,000 (31 March 2023: 5,000) equity shares in Quality Care Health Services India Private Limited	0.02	0.02
Investments in Corpus Fund of KIMS Trust	0.35	-
Aggregate amount of unquoted investments (A)	**0.37**	**0.02**
(b) Current		
Quoted		
Investment in mutual funds at FVTPL		
176,889 (176,889 as at 31 March 2023) units in Bandhan (Earlier IDFC) Ultra Short Term Fund-Growth-(Direct Plan)	6.36	5.92
1,390 (1,390 as at 31 March 2023) units in Bandhan (Earlier IDFC) Super Saver Income Fund-Medium-Term Plan-Growth	0.06	0.06
NIL (31 March 2023 : 23,774) units Nippon India Ultra Short Duration Fund	-	81.95
NIL (31 March 2023 : 121) units Nippon India Overnight Fund (Growth)	-	0.01
NIL (31 March 2023 : 3,139,486) units UTI Dynamic Bond Fund	-	82.09
NIL (31 March 2023 : 742,067) units SBI Savings Fund - Regular Plan Growth	-	36.28
NIL (31 March 2023 : 144,392) units ICICI Prudential Mutual Fund	-	46.37
NIL (31 March 2023 : 38,847) units HDFC Money Market Fund	-	188.19
Aggregate amount of quoted investments and market value thereof (B)	**6.42**	**430.87**
Aggregate amount of quoted & unquoted investments (A) + (B)	**6.79**	**430.89**

4.6 Other financial assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Unsecured, considered good		
Security deposits	258.24	187.81
Fixed deposits with banks with more than 12 months maturity	673.30	467.51
Interest accrued on fixed deposits with banks	28.28	12.27
Unsecured, considered doubtful		
Security deposits	25.00	
Less: Allowances for expected credit loss	(25.00)	
Total	**959.82**	**667.59**
(b) Current		
Unsecured, considered good		
Security deposits	16.25	15.85
Interest accrued on fixed deposits with banks	31.53	14.09
Advance to related party	0.60	
Others	25.78	22.93
Total	**74.16**	**52.87**

4.7 (a) Deferred tax assets/(liabilities)

Particulars	As at 31 March 2024	As at 31 March 2023
Deferred tax assets	1,028.57	744.02
Deferred tax liabilities	(5,285.39)	(152.26)
Net Deferred tax assets/(liabilities)	**(4,256.82)**	**591.76**

Movement in temporary differences

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2023	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	Charged/(credited) to other comprehensive income	Others	Exchange differences	As at 31 March 2024
Expected credit loss	115.53	-	(12.08)	-	-		103.45
Lease liabilities	709.62	18.51	(150.78)	-	-	1.60	578.95
Provision for employee benefits	111.56	83.57	(4.57)	7.37	-	4.23	202.16
Expenses allowable on payment of TDS	36.00		(1.31)	-	-		34.69
Indexation of land	104.52		(80.56)	-	-		23.96
Right of use asset	(604.07)	(19.18)	154.72	-	-	(1.66)	(470.19)
Property, plant and equipment	(762.85)	(4,203.53)	6.56	-		(38.86)	(4,998.68)
Deemed equity on account of interest free loan given to subsidiary	91.30		-				91.30
Interest on loan given to subsidiary	(3.31)		(5.02)	-	-		(8.33)
MAT credit	108.62		(54.86)		-		53.76
Unabsorbed depreciation and business losses	47.82	1,021.90	(23.77)			65.32	1,111.27
On account of management fee	-	(1.15)	0.17		-		(0.98)
Other disallowances	-	33.61	(6.26)				27.35
Borrowings measured at amortised cost	(6.23)		2.35		-		(3.88)
Provision for bad and doubtful loans	23.00		-		-		23.00
Loss from specified business (refer note (i))	810.38		(810.38)				-
Investment in subsidiary [refer note 4.4(a)(i)]	-		-		(260.23)		(260.23)
On equity component of CCPS	(233.24)		-				(233.24)
On interest expense of CCPS	131.10		102.15		-		233.25
On equity component of loan	(91.30)				-		(91.30)
On interest expense of loan	3.31		5.02		-		8.33
On fair valuation of land	-	(534.96)	-		-		(534.96)
On fair valuation of investment	-	(146.50)	-		-		(146.50)
Net Deferred Tax Assets/(Liabilities)	**591.76**	**(3,747.73)**	**(878.62)**	**7.37**	**(260.23)**	**30.63**	**(4,256.82)**

Movement in temporary differences

(ii) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2022	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	Charged/(credited) to other comprehensive income	Recognised in Other Equity	Deferred tax related to Assets held for sale	As at 31 March 2023
Expected credit loss	209.30	94.77	(186.69)		-	(1.67)	115.71
Expenses allowable on deduction of TDS	21.25	-	18.11			(0.07)	39.29
Indexation benefit of land	87.25	8.14	9.14	-		-	104.53
Loss from specified business (refer note (i))	1,150.74		(340.37)	-		-	810.37
Loss from business	-	-	47.82	-			47.82
MAT credit	-	34.00	74.62	-			108.62
On interest expense of CCPS	-	-	131.10	-			131.10
Provision for bad and doubtful loans	23.00		-	-		-	23.00
Provision for employee benefits	111.84	13.40	(12.35)	0.19		(1.86)	111.21
Provision for lease liabilities	540.59		187.05	-		(17.85)	709.79
Borrowings measured at amortised cost	(9.51)	-	(0.03)	-		-	(9.54)
On equity component of CCPS	-			-	(233.24)		(233.24)
Others	(0.24)	-		-		-	(0.24)
Property, plant and equipment	(778.52)	(193.90)	213.75	-		(3.35)	(762.02)
Right-of-use assets	(450.72)		(168.19)	-		14.27	(604.64)
On equity component of loan	-					-	
Net Deferred Tax Assets/(Liabilities)	**904.98**	**-43.60**	**-26.04**	**0.19**	**-233.24**	**-10.53**	**591.76**

Note:
(i) Due to change in shareholding, the deferred tax asset created in the earlier years on the specified business losses are not considered recoverable and the same is reversed in the current year.
(ii) The Group has also recognised deferred tax asset on current year business loss. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the group.

(b) Income Tax assets/Liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax (net of provision for taxation)	797.88	571.24
Total	**797.88**	**571.24**
Provision for income tax (net of advance tax)	275.75	-
Total	**275.75**	**-**





4.8 Other assets

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Unsecured, considered good		
Statutory dues paid under protest	74.67	58.66
Capital advances	126.44	450.58
Employee benefit fund, net	63.21	-
Other advances	114.93	-
Prepaid expenses	16.82	2.97
Others	9.33	16.46
Total	**405.40**	**528.67**
(b) Current		
Unsecured, considered good		
Prepaid expenses	101.73	46.34
Advances to vendors	189.11	41.23
Employee benefit fund, net	0.18	-
Others	93.30	3.66
Total	**384.32**	**91.23**

4.9 Inventories*

Particulars	As at 31 March 2024	As at 31 March 2023
Medical consumables and pharmacy items	787.92	244.71
Other consumables	95.56	22.02
Total	**883.48**	**266.73**

*Refer note 4.14 for details of inventories pledged as security/hypothecated, if any.

4.10 Trade receivables

Particulars	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - billed	3,252.93	2,169.59
Trade receivables considered good - unbilled	282.71	148.01
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**3,535.64**	**2,317.60**
Less: Expected credit loss*	(436.34)	(373.18)
Total trade receivables and unbilled revenue	**3,099.30**	**1,944.42**
Trade receivables	2,823.49	1,796.41
Unbilled revenue	275.81	148.01

*The movement in the expected credit loss on trade receivables for the year ended 31 March 2024 and 31 March 2023 is as follows:

	For the year ended	
	31 March 2024	31 March 2023
Opening balance at beginning of the year	373.18	494.15
Provision made during the year (refer note 4.20 and 4.23)	13.28	57.41
Bad debts written off during the year	(82.70)	(503.23)
Liabilities directly associated with assets held for sale	-	(6.65)
Additions on account of business combination	132.58	331.50
Closing balance at end of the year	**436.34**	**373.18**

Ageing of trade receivables and unbilled as at March 31 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables and unbilled								
-Considered good	282.71	1,028.65	1,410.69	543.08	236.35	24.84	9.32	3,535.64
-Expected credit loss rate	2%	8%	10%	17%	37%	82%	100%	12%
-Expected credit loss	(6.90)	(77.84)	(143.81)	(91.03)	(87.10)	(20.34)	(9.32)	(436.34)
Total	**275.81**	**950.81**	**1,266.88**	**452.05**	**149.25**	**4.50**	**-**	**3,099.30**

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Ageing of trade receivables and unbilled as at March 31 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables and unbilled								
-Considered good	153.42	726.25	889.70	390.06	116.02	29.26	12.89	2,317.60
-Expected credit loss rate	4%	5%	11%	31%	59%	100%	100%	16%
-Expected credit loss	(5.41)	(37.51)	(99.80)	(120.29)	(68.02)	(29.26)	(12.89)	(373.18)
Total	**148.01**	**688.74**	**789.90**	**269.77**	**48.00**	-	-	**1,944.42**

(a) Trade receivables are non-interest bearing and are generally on terms of 30 to 180 days
(b) Unbilled revenue represent revenue recognised for services rendered but not yet invoiced.
(c) The Group's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in note 4.34

4.11 Cash and bank balances

Particulars	As at 31 March 2024	As at 31 March 2023
a) Cash and cash equivalents		
Balances with banks		
-in current accounts	620.78	510.19
Cash on hand	36.10	12.74
Deposits with original maturity upto 3 months	791.45	
	1,448.33	**522.93**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months	1,763.62	562.30
Earmarked balances with bank in current account (refer note below)	14.09	14.09
Deposit towards margin money against bank guarantee	12.77	-
Unclaimed dividend account	5.55	0.07
	1,796.03	**576.46**
Total	**3,244.36**	**1,099.39**

Note
Balances are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017 (Also refer note 4.17(b)).

4.12 Loans

Particulars	As at 31 March 2024	As at 31 March 2023
Non-Current		
Unsecured, significant increase in credit risk		
Loans to related parties	65.83	65.83
Loans to others	6.31	-
	72.14	65.83
Less: Loss allowance	(65.83)	(65.83)
Total	**6.31**	-
Current		
Unsecured, considered good		
Advances to employees	9.31	2.43
Advances to related parties	-	-
Total	**9.31**	**2.43**





4.13 (a) Equity share capital

Particulars	As at 31 March 2024	As at 31 March 2023
Authorised Share capital		
132,000,000 (31 March 2023: 79,500,000) Equity shares of ₹10 each	1,320.00	795.00
3,500,000 (31 March 2023: 15,500,000) Preference shares of ₹10 each	35.00	155.00
Total authorised share capital	**1,355.00**	**950.00**
Issued, subscribed and fully paid up equity shares		
Total issued, subscribed and fully paid-up equity shares*	**952.30**	**414.97**

*Includes CCPS conversion and fresh issue of equity shares through private placement during the year.

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	41,496,894	414.97	41,496,894	414.97
Issued during the year	53,733,244	537.33	-	-
Balance at the end of the year	**95,230,138**	**952.30**	**41,496,894**	**414.97**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	Nature of Shares	As at 31 March 2024		As at 31 March 2023	
		Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	Equity	-	-	39,782,603	397.83
BCP Asia II Topco IV Pte. Ltd, Singapore	Equity	68,415,825	684.16	-	-

(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	-	0.00%	39,782,603	95.87%
BCP Asia II Topco IV Pte. Ltd, Singapore	68,415,825	71.84%	-	-
Centella Mauritius Holdings Limited	22,805,275	23.95%	-	-

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the balance sheet date.

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last balance sheet date. Also refer note 4.17(a).

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(vii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2024		As at 31 March 2023		% Change during the year*
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	-	-	39,782,603	95.87%	-95.87%
BCP Asia II Topco IV Pte. Ltd, Singapore	68,415,825	71.84%	-	-	71.84%
Total	**68,415,825**	**71.84%**	**39,782,603**	**95.87%**	**-24.03%**

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.13 (b) Other equity

Particulars	Reserves and surplus					Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Securities premium	Capital reserve	Equity component of CCPS	Foreign Currency Translation Reserve	Retained earnings		
Balance at 1 April 2022	**4,457.24**	**11.31**	-	-	**2,068.32**	**6,536.87**	**520.88**
Profit for the year	-	-	-	-	850.54	850.54	132.66
Other comprehensive income, net of tax	-	-	-	-	2.75	2.75	0.15
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	1,334.57
Equity component of compulsory convertible preference shares (CCPS) (refer note 4.17(a))	-	-	667.48	-	-	667.48	-
Deferred tax on equity component of CCPS	-	-	(233.24)	-	-	(233.24)	-
Balance at 31 March 2023	**4,457.24**	**11.31**	434.24	-	**2,921.61**	**7,824.40**	**1,988.26**
Profit for the year	-	-	-	-	(140.83)	(140.83)	329.24
Other comprehensive income, net of tax	-	-	-	216.52	(16.23)	200.29	139.21
Non-controlling interests on acquisition of subsidiaries [refer note 4.43 and 4.4(a)(i)]	-	-	-	-	-	-	15,864.56
Transaction costs incurred adjusted towards other equity	-	-	-	-	(222.11)	(222.11)	-
Conversion of 1,45,72,480 CCPS into 100,00,540 Equity Shares	6,491.13	-	-	-	-	6,491.13	-
Fresh issue of equity shares at premium	27,846.80	-	-	-	-	27,846.80	-
On account of disposal of stake in Galaxy Care Multispecialty Hospital Private Limited	-			-	(59.98)	(59.98)	(41.63)
Transactions with non-controlling interest	-	-	-	-	51.42	51.42	(3,101.84)
Balance at 31 March 2024	**38,795.17**	**11.31**	**434.24**	**216.52**	**2,533.88**	**41,991.12**	**15,177.80**

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").

Capital reserve

Capital reserves comprises of:

(i) ₹4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the States of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2016.

(ii) ₹7.06 represents forfeited money received against share warrants in the earlier years.

Equity component of compulsory convertible preference shares

Refer note 4.17 (a) for the nature and purpose.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

4.14 Long-term borrowings

	As at 31 March 2024		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans from banks				
- HDFC Bank term loan - I (refer note i)	9.42	119.45	186.70	117.21
- HDFC Bank term loan - II (refer note ii)	-	-	-	1.28
- Axis Bank - Term loan I (refer note iii)	-	-	206.96	52.17
- Axis Bank - Term loan II (refer note iv)	-	-	393.40	99.18
- Axis Bank - Term loan III (refer note v)	143.10	183.20	-	-
- HSBC - Term loan (refer note vi)	1,250.63	48.94	709.11	-
- IndusInd Bank- Term Loan - I (refer note vii)	413.20	49.97	463.18	45.09
- IndusInd Bank- Term Loan - III (refer note vii)	208.35	28.22	234.60	27.56
- The South Indian Bank Ltd.(refer note viii)	187.06	26.25	214.17	23.75
- Axis Bank - Term loan (refer note x)	700.47	160.14	-	-
- UBI - Vehicle loan (refer note xi)	0.05	0.11	-	-
-HDFC - Vehicle loan (refer note xii)	3.20	2.07	-	-
-HDFC - Term Loan (refer note xiii)	95.25	50.29	-	-
- Canara Bank - Term Loan (refer note xiv)	67.10	64.20	-	-
- HDFC - Term Loan (refer note xv)	27.35		-	-
- Standard Chartered Bank - Term Loan (refer note xvi)	10.54	42.78	-	-
- Standard Chartered Bank - Term Loan (refer note xvii)	404.42	216.34	-	-
- Dutch-Bangla Bank Limited - Term Loan (refer note xviii)	507.98	80.49	-	-
- Overdraft facilities from Bank	-	491.16	-	-
Liabilities associated with Assets held for sale	-	-	-	(1.28)
Term loans from banks (A)	**4,028.12**	**1,563.61**	**2,408.12**	**364.96**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited (refer note ix)	411.79	166.74	571.84	148.65
Term loans from financial institutions (B)	**411.79**	**166.74**	**571.84**	**148.65**
Total (A+B)	**4,439.91**	**1,730.35**	**2,979.96**	**513.61**

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued**

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance at beginning of the year	3,491.47	2,282.72
Additions on account of business combination	2,764.09	2,084.17
Proceeds from long-term borrowings	1,056.71	623.58
Repayments of long-term borrowings	(1,289.70)	(1,499.00)
Exchange differences	126.70	-
Closing balance at end of the year	6,149.27	3,491.47

**Borrowings include current and non-current portions of term loans from banks and financial institutions.

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2024	For the year ended 31 March 2023
Opening balance at beginning of the year	2.10	2.75
Interest expenses	306.70	244.74
Interest paid	(287.81)	(245.39)
Closing balance at end of the year	20.99	2.10

i Ramkrishna Care Medical Sciences Private Limited

The HDFC Term Loan and unutilised cash credit facility are secured by

(a) equitable mortgage of hospital land and building;

(b) first exclusive charge on the entire assets (fixed assets/ movable assets) created out of bank finance both present and future excluding medical equipment's specifically financed by another financier;

(c) first and exclusive charge on all present and future current assets;

The loan is repayable in 13 months and carries interest at rate of MCLR (1 year) plus 0.50% p.a.





ii Galaxy Care Multispecialty Hospital Private Limited

HDFC Bank term loan - II: The loan is secured by
-first charge on the unencumbered fixed assets;
-first charge on the current assets;
-personal guarantee of Dr. Shailesh P. Puntambekar and N. Krishna Reddy (earlier shareholder);
-comfort letter given by Quality Care India Limited to the extent of sanctioned limits;
As at 31 March 2023, the loan is repayable in 2 months with monthly equated instalments and carries an interest rate of bank base rate + 1.30 % spread.

iii Quality Care India Limited

Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company and loan was prepaid during the year.
Second pari passu charge over all present and future current assets of the Company. The said loan was repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2024: 9.50% p.a.) (31 March 2023: 9.50% p.a.) payable at monthly intervals.

iv Quality Care India Limited

Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company and loan was prepaid during the year.
Second pari passu charge over all present and future current asset of the Company. The said loan was repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2024: 9.50% p.a.) (31 March 2023: 9.50% p.a.) payable at monthly intervals.

v Quality Care India Limited

Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 2 years and 2 months and carries an interest rate of repo rate + 1.95% p.a. (31 March 2024: 8.45% p.a.) (31 March 2023: NIL) payable at monthly intervals.

vi Quality Care India Limited

HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future asset. Second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities.
The loan is repayable in 10 years (including moratorium period of 2 years) carries an interest rate of T bill rate + 1.58% p.a with an average rate of (31 March 2024 : 8.50% to 9.23%).

vii United Cligma Institute of Medical Sciences Private Limited

IndusInd Bank- Term Loan - I & III: Secured by first and exclusive charge on all movable and currents assets and collateral charge on hospital land and building. The loans are repayable in 6 to 8 years carries an interest rate of 9.36% p.a. (31 March 2023: 9.09% p.a) against term loan 1 and 8.35% p.a. (31 March 2023: 8.93% p.a) against term loan 3.

viii United Cligma Institute of Medical Sciences Private Limited

South Indian Bank Ltd - Secured by first and exclusive charge on all movable and currents assets and collateral charge on hospital land and building. The loan is repayable in 7 years carries an interest rate of 8.56% (31 March 2023: 8.98% p.a.).

ix Quality Care India Limited

NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company excluding MRI machine exclusively charged to Siemens Financial Services Private Limited. Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (As on 31 March 2024: 7.30% per annum) (As on 31 March 2023: 7.30% per annum).

x KIMS Healthcare Management Limited

Exclusive charge on project assets created / to be created out of the term loan which includes EM on 2.25 acres land at PB No.1, Anayara P.O in Trivandrum, together with the building thereon, present and future. Exclusive charge on the present and future movable and immovable fixed assets of the KIMS East Project in Trivandrum. The loan carries interest rate '55 bps above 1 year MCLR and repayable in 120 months.

xi KIMS Healthcare Management Limited

Secured by hypothecation of vehicles purchased using the loan and carries interest 7.15% - 9.90% which repayable in 60 months.

xii KIMS Healthcare Management Limited

Secured by hypothecation of vehicles purchased using the loan and carries interest 7.15% - 9.90% which repayable in 60 months.

xiii KIMS Kollam Multispeciality Hospital India Private Limited

Secured by first charge on the current assets and all fixed assets and carries interest 1.7% above base rate which repayable in 120 months.

xiv KIMS Al Shifa Healthcare Private Limited

Secured by hypothecation of medical equipments and furniture's, Project Assets and Collateral of 15 Cents of Land with a ladies hostel building at Perinthalmanna and one loan carries interest 1.1% above base rate which repayable in 84 months and another loan carries interest 8.1% p.a. which repayable in 120 months.





xv KIMS Nagercoil Institute of Medical Sciences Private Limited

Secured by hypothecation of vehicles purchased using the loan and carries interest 8.85% to 10.01% which repayable in 60 months.

xvi STS Holdings Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Demand Promissory Note and Letter of Continuation for BDT 770, Registered hypothecation over plant and machinery (medical equipment) on Pari Passu basis with other lenders where Standard Chartered Bank's share would be at least BDT 770 and Registered hypothecation (first charge) for floating charge over stocks, and book debts on Pari Passu basis with other lenders where Standard Chartered Bank's share would be at least BDT 770.

c) Tenure - To be repaid in 12 equal quarterly installments.

xvii STS Hospital Chittagong Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Demand Promissory Note and Letter of Continuation for BDT 2,540, Registered hypothecation over machineries, medical equipments, stocks and book debts of STS Hospital Chittagong Limited for BDT 2,540, Corporate guarantee from STS Holdings Limited favoring STS Hospital Chittagong Limited for BDT 2,540, Pledge over entire shares of STS Hospital Chittagong Limited owned by STS Holdings Limited. Registered mortgage over 1.43 acre land and buildings of STS Hospital Chittagong Limited located in Ananya Residential Area in Chittagong for BDT 1,400. Registered mortgage over 180 katha land of STS Hospital Chittagong Limited for BDT 1,150.

c) Tenure - To be repaid in 6 years

xviii STS Hospital Chittagong Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Registered hypothecation over fixed and floating assets of STS Hospital Chittagong Limited under parri -passu security sharing agreement with Dutch-Bangla Bank Limited , Standard Chartered Bank & HSBC, Corporate guarantee from STS Holdings Limited favoring STS Hospital Chittagong Limited and Registered mortgage of 1.43 acres land and building of STS Hospital Chittagong Limited under parri -passu security sharing agreement with Dutch-Bangla Bank Limited , Standard Chartered Bank & HSBC.

c) Tenure - To be repaid in 5 years

There are no defaults in the repayment of principal or interest to lenders as at 31 March 2024.





4.15 Employee benefit obligations

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Provision for employee benefits		
Gratuity	213.64	136.91
Compensated absences	41.35	39.27
Total	254.99	176.18
(b) Current		
Provision for employee benefits		
Gratuity	113.45	89.69
Compensated absences	185.46	32.31
	298.91	122.00

4.16 Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Trade payable : Micro and small enterprises	126.72	86.60
(b) Trade payable : others	3455.75	1641.68
(c) Trade payable to related parties; (refer note 4.32)	-	13.18
	3582.47	1741.46

Ageing of trade payables as on 31 March 2024:

Particulars	Unbilled	Not due	Outstanding for following periods				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	112.58	13.83	0.18	0.13	-	126.72
Others including related parties	1,121.34	1,670.83	372.10	33.68	27.19	230.61	3,455.75
Total	1,121.34	1,783.41	385.93	33.86	27.32	230.61	3,582.47

Ageing of trade payables as on 31 March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	86.60	-	-	-	-	86.60
Others including related parties	513.04	841.39	236.14	37.69	8.50	18.10	1,654.86
Total	513.04	927.99	236.14	37.69	8.50	18.10	1,741.46

4.17 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
(a) Non-current		
Compulsory convertible preference shares*	-	6,298.81
Purchase consideration payable**	4,775.89	-
Deferred government grant	0.23	-
Others - Retention Money	16.75	11.80
Other Payable	10.73	-
Total	4,803.60	6,310.61

*During the previous year, the Company has issued 14,572,480 Compulsorily Convertible Preference Shares (coupon rate of 0.001%) of ₹ 10 each/- @ ₹ 452.30 including a premium of ₹ 442.30 per Compulsorily Convertible Preference Share to Touch Healthcare Private Limited, Mauritius. The Compulsorily Convertible Preference shares have been classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS). During the current year, the Compulsory Convertible Preference Shares are converted into Equity Shares.

Reconciliation of Compulsory convertible preference shares:

Particulars	Amount
Face value of Compulsory convertible preference shares (CCPS)	6,591.13
Less: Amount recognised in other equity	667.48
Add: Interest expense during the year end 31st Mar 23	375.16
Amount presented in Other financial liabilities-Non current	**6,298.81**
Add: Interest expense till the date of conversion	292.32
Less: Conversion of 1,45,72,480 CCPS into 100,00,540 Equity Shares on 11th October 2023	6,591.13
Amount presented in Other financial liabilities-Non current	-

(i) Reconciliation of the preference shares outstanding at the beginning of the year and end of the reporting period - Compulsory convertible preference shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	14,572,480	6,591.13	-	-
Issued during the year			14,572,480	6,591.13
Conversion of CCPS into equity during the year	(14,572,480)	(6,591.13)		
Balance at the end of the year	-	-	**14,572,480**	**6,591.13**

(ii) Compulsory convertible preference shares held by the Holding Company

Particulars	Nature of Shares	As at 31 March 2024		As at 31 March 2023	
		Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	Compulsory convertible preference shares	-	-	14,572,480	6,591.13

(iii) Particulars of shareholders holding more than 5% Compulsory convertible preference shares

Particulars	As at 31 March 2024		As at 31 March 2023	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	-	-	14,572,480	100%

(iv) Details of preference shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2024		As at 31 March 2023		% Change during the year
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	-	-	14,572,480	100.00%	-100%
Total	-	-	**14,572,480**	**100.00%**	**-100%**

** Represents deferred purchase consideration payable to the seller prior to 1 December 2025 for acquiring Chemistry Intermediary holdings Limited. The deferred consideration is classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS).

Particulars	As at 31 March 2024	As at 31 March 2023
(b) Current		
Capital creditors	156.24	92.60
Dues to related parties	56.62	-
Employee benefit payables	251.47	94.18
Retention money and deposits	32.45	48.09
Purchase consideration payable*	1,225.03	210.00
Other payables**	347.15	31.30
Total	**2,068.96**	**476.17**

* Balance as on 31st March 2024 represents deferred purchase consideration payable to the seller for acquiring Brand. The deferred consideration is classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS). Balance as on 31st March 2023 represents balance purchase consideration payable to shareholders of United Cigma Institute of Medical Sciences Private Limited, subsidiary which was engaged in healthcare services business with respect to the acquisition of 76.06% equity stake on 25 July 2022. This was paid during the year.

**Other payables includes ₹14.09 (31 March 2023: ₹14.09) payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017 and also includes payable of 326.56 towards expected liability pursuant to the share purchase agreement entered for acquisition of subsidiary.

4.18 Other liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Current		
Statutory dues payable	393.39	101.18
Unearned revenue (refer note 4.40)	110.61	46.02
Dividend payable to minority shareholders	0.07	0.07
Others	31.76	0.05
	535.83	**147.32**





4.19 Revenue from operations

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from healthcare services	20,009.75	15,104.99
Revenue from outpatient pharmacy	1,000.51	899.79
Other operating income	195.05	39.17
Total	**21,205.31**	**16,043.95**

Revenue disaggregation geography wise is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
India	20,233.35	16,041.80
Other than India	971.96	2.15
	21,205.31	**16,043.95**

Reconciliation of contract price to revenue recognised from healthcare services is as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Revenue from healthcare services, gross	20,348.31	15,240.57
Less: Expected disallowances	(338.56)	(135.58)
Revenue from healthcare services	**20,009.75**	**15,104.99**

4.20 Other income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
(a) Interest income		
On financial assets (bank deposits) measured at amortised cost	90.51	43.69
On income tax refund	66.80	27.45
On financial assets carried at amortised cost	7.78	11.47
(b) Other non-operating income		
Net gain arising on mutual funds designated at FVTPL	13.66	45.60
Loss on sale of investment in subsidiaries	(1.26)	-
Lease remeasurement gain	42.12	5.49
ECL provision written back	25.24	-
Profit on sale of fixed assets	0.41	16.61
Miscellaneous income	13.47	40.93
(c) Income/liabilities written back from operating activities	35.14	0.75
Total	**293.87**	**191.99**

4.21 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Inventory at the beginning of the year	266.73	152.53
Additions on account of business combination (Refer note 4.43)	595.38	85.75
Other adjustments	31.42	-
Inventory at the end of the year	883.48	266.73
Inventory reclassified to assets held for sale	-	3.72
Inventory written off	-	41.41
Total	**10.05**	**(73.58)**

4.22 Employee benefits expense*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries, wages and bonus**	2943.81	2033.40
Share based compensation expense***	123.58	0.00
Contribution to provident and other funds	158.20	135.33
Gratuity and compensated absences	93.84	46.19
Staff welfare expenses	125.82	29.97
Total	**3,445.25**	**2,244.89**

*Net of amount capitalised (refer note 4.28)

** Include payments made to certain directors for the services rendered in connect with sale of stake by Touch Healthcare Private Limited to BCP Asia II Topco IV Pte. Ltd. and new acquisitions amounting to 199.11. Also refer note 4.32.

*** The Nomination & Remuneration Committee has approved share appreciation rights (SARs) to certain employees of the Company. These rights are fully vested in the current year and the cash payment has been recognised as an expense. As of 31 March 2024, there are no outstanding SAR's.

4.23 Other expenses*

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Power and fuel	430.12	348.99
Rent (refer note 4.37)	96.79	64.55
Repairs and maintenance		
- Buildings	44.58	43.27
- Plant and machinery and others	571.86	417.67
Hospital maintenance	314.77	256.65
Housekeeping charges	450.26	389.32
Security charges	144.63	127.90
Insurance	25.27	15.03
Water charges	33.34	28.50
Books and periodicals	10.16	10.50
Rates and taxes, excluding taxes on income	179.80	173.10
Travelling and conveyance	61.78	47.00
Communication expense	49.11	39.47
Marketing and business promotion expense	474.19	335.17
Expected credit loss	38.52	57.41
Printing and stationery	83.69	58.10
Payments to the auditors#	31.17	9.90
Legal and professional charges	593.61	106.82
Catering charges, net	222.19	189.10
Diagnostics expenses	177.25	141.96
Contribution towards corporate social responsibility	32.95	17.48
Professional charges to doctors	5,470.50	4,201.15
Property, plant and equipment written-off	1.65	6.44
Loss on sale of property, plant and equipment net	82.92	2.79
Bank charges	52.29	6.26
Loss on sale of investment in equity shares	-	3.66
Loss on sale of mutual funds	-	2.79
Miscellaneous expenditure	67.02	13.29
Total	**9,740.42**	**7,114.27**

*Net of amount capitalised (refer note 4.28)
#Payment to the auditors of the Parent Company is 14.15 and auditors of the subsidiaries is 17.02.

4.24 Finance costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Interest on borrowings*	306.70	244.74
Interest on lease liabilities (refer note 4.37)	179.37	222.40
Interest on compulsory convertible preference shares	292.32	375.16
Interest on deferred consideration payable	50.30	-
Others	-	43.97
Total	**828.69**	**886.27**

*Net of amount capitalised (refer note 4.28)

4.25 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on property, plant and equipment	872.20	569.32
Amortisation on other intangible assets	24.29	20.50
Depreciation on right-of-use assets	309.74	398.23
Total	**1,206.23**	**988.05**

Walker Chandiok & Co LLP Chartered Accountants LLPIN AAC-5001 FRN 013 Hyderabad

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4.26 Income tax expense/(credit)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	418.79	278.19
Income tax relating to earlier periods	(73.44)	166.37
Deferred tax expense/(credit)	878.62	26.04
Total	**1,223.97**	**470.60**

Reconciliation of tax expense/ (credit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit before tax	1,412.38	1,453.80
Tax at the Indian tax rate 34.944% (31 March 2023: 34.944%)	493.54	508.02
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of difference in applicable tax rates to subsidiary companies	(149.21)	-
Effect of income not subject to tax under the Income Tax Act, 1961	(2.66)	(4.01)
Deferred tax asset on previously recognised tax losses are reversed as not considered recoverable (refer note 4.7)	810.38	-
Previously unrecognised unabsorbed depreciation and business losses, now recognised	(7.66)	(21.98)
Indexation benefit on land	80.55	(7.28)
Income tax pertaining to earlier years	(73.18)	166.37
Tax impact on fair value of property, plant and equipment	3.00	(178.50)
Other adjustments	69.21	7.98
Tax expense	**1,223.97**	**470.60**

4.27 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Profit/(Loss) for the year	(140.83)	850.54
Number of equity shares outstanding at the beginning of the year	41,496,894	41,496,894
Add: Equity shares issued during the year	53,733,244	-
Total number of equity shares outstanding at the end of the year	**95,230,138**	**41,496,894**
Weighted average number of equity shares considered in computation of Basic EPES	54,201,916	41,496,894
Basic earnings/loss per equity share in ₹ (absolute number)	**(2.60)**	**20.50**
Diluted earnings/loss per equity share in ₹ (absolute number)	**(2.60)**	**20.50**

Note:
There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

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4.28 Incidental expenditure during the construction period

During the year ended 31 March 2024, the group has capitalised the following amounts to the capital work in progress (CWIP). Consequently, amounts disclosed under the respective notes are after adjusting amounts capitalised by the group.

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	**244.41**	**192.02**
Employee benefits expense (refer note 4.22)	9.45	0.82
Other expenses (refer note 4.23)	51.52	6.80
Finance cost (refer note 4.24)	78.58	44.77
Capitalized during the year to PPE	(381.96)	-
Total	**2.00**	**244.41**

4.29 Segment Information

Based on the "management approach" as defined in Ind AS 108, operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Group has only one reportable segment namely 'Medical and Health care services'.

Geographical information

The Group operates in India and Bangladesh which have been identified based on the location of the customers.

Particulars	India	Bangladesh
Revenue	20,233.35	971.96
Non-Current Assets*	64,839.56	7,371.51

*excluding financials assets, deferred tax assets and employee benefit assets.

Major customers

The Group has no single customer who has contributed more than 10% of the Group's total revenue during the year ended 31 March 2024 and 31 March 2023.

4.30 With effect from April 1, 2023, the Ministry of Corporate Affairs (MCA) has made it mandatory for every company incorporated in India, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

- The Parent Company and Subsidiaries incorporated in India used multiple accounting software for maintaining its books of account.
- In respect of Parent Company and three subsidiaries, multiple accounting software were used and is in the process of establishing necessary controls and maintaining documentation regarding audit trail
- In respect of five subsidiaries, the accounting software used did not have a feature of audit trail (edit log) facility.
- In respect of one subsidiary and one joint venture, no accounting software is used for maintaining its books of accounts.
- The audit trail feature in accounting software used for maintenance of accounting records of one subsidiary was enabled on 27 March 2024.
- In respect of five subsidiaries, the audit trail (edit logs) has not been enabled at the database level for the accounting software used for maintenance of revenue and payroll records.
- The accounting software used for maintenance of accounting records of one subsidiary only captured shared user identification details rather than specific individual details for who made the changes.
- The accounting software used for maintenance of accounting records of one subsidiary did not capture the details of what data was changed while recording audit trail (edit log) at the application level.
- In respect of an accounting software used by a subsidiary, the audit trail feature only captured shared user identification details rather than specific individual details for who made the changes at the application level for accounting software used for maintenance of accounting records. Further, the audit trail feature was not enabled at the database level to log any direct data changes.
- In respect of one subsidiary, the audit trail feature for the accounting software used from 2 November 2023 onwards for maintenance of accounting records was not enabled at the database level to log any direct data changes. Whereas, it was enabled at the application level, however the said accounting software only captured shared user identification details rather than specific individual details for who made the changes.

Based on management assessment, the non-availability of audit trail at database level will not have any impact on the performance of the accounting software, as management has all other necessary controls in place which are operating effectively.





4.31 Employee benefits

Defined benefit plan

The Parent Company and its Indian subsidiaries provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit in accordance with Payment of Gratuity Act, 1972. The plan is managed by Life Insurance Corporation of India. The The Parent Company and its Indian subsidiaries accrues gratuity as per the provisions of the Payment of Gratuity Act,1972 as applicable as at the Balance Sheet date. The defined benefit plans of overseas subsidiaries are accounted based on year end actuarial valuation.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the defined benefit plan and the amounts recognised as at the reporting dates:

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation	776.48	250.87
Fair value of plan assets	512.80	24.27
Net defined benefit liability	**263.68**	**226.60**
Non-current	150.23	136.91
Current	113.45	89.69

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2024	As at 31 March 2023
Defined benefit obligation at the beginning of the year	250.87	197.36
Additional obligation pursuant to business combination	493.26	50.52
Benefit payments from plan assets	(40.20)	(33.06)
Benefit payments from employer	(0.14)	(0.77)
Current service cost	33.92	30.32
Interest expense	22.11	16.95
Actuarial losses/(gains)		
- changes in demographic assumptions	(0.54)	0.25
- changes in financial assumptions	2.24	(0.87)
- experience adjustments	14.96	(4.44)
Liabilities associated with assets held for sale	-	(5.39)
Defined benefit obligation at the closing of the year	**776.48**	**250.87**

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2024	As at 31 March 2023
Plan assets at the beginning of the year	24.27	7.34
Additional assets acquired pursuant to business combination	485.22	15.10
Contributions	48.63	35.37
Benefits paid	(40.19)	(33.04)
Interest income	6.22	1.73
Actuarial (losses)/gains	(11.35)	(1.97)
Assets held for sale	-	(0.26)
Plan assets at the closing of the year	**512.80**	**24.27**

C Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Current service cost	33.92	30.32
Interest on net defined liability / (asset)	15.89	15.22
Total cost, included in 'employee benefits expense'	**49.81**	**45.54**





4.31 Employee benefits (continued)

D Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Actuarial gain/(loss) on defined benefit obligation	(16.66)	5.06
Actuarial gain/(loss) on plan assets	(11.35)	(1.97)
Total cost recognised in the other comprehensive income	**(28.01)**	**3.09**

E Actuarial assumptions

The following are the principal actuarial assumptions:

Particulars	As at 31 March 2024	As at 31 March 2023
Attrition rate	4% - 40%	40.00%
Discount rate	6.9% - 7.23%	7.50%
Salary escalation rate	5% - 6%	5.00%
Retirement age	58 - 60 years	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

F Maturity profile of defined benefit obligation is as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Within 1 Year	166.40	89.96
2 to 5 years	366.26	162.29
6 to 10 years	159.45	42.78
	692.11	**295.03**

G Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2024 (%)	As at 31 March 2023 (%)
Discount rate (+ 1% movement)	(54.71)	(5.04)
Discount rate (- 1% movement)	58.79	5.32
Salary escalation (+ 1% movement)	55.97	6.39
Salary escalation (- 1% movement)	(49.60)	(6.18)

H The Group expects to contribute ₹218.64 as its contribution to plan asset within one year from the year ended 31 March 2024.

I Defined contribution plan

The group has certain defined contribution plans. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. Details for the expenditure recognised in the Statement of Profit and Loss is as below:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Amount recognised in the Statement of Profit and Loss towards Provident fund	158.2	135.33

4.32 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Holding Company and Ultimate Holding Company	BCP Asia II Topco IV Pte. Ltd, Singapore, Holding Company (w.e.f. 27 Oct 2023)
	BCP Asia II Holdco IV Pte. Ltd, Singapore, Ultimate Controlling Party (w.e.f. 27 Oct 2023)
	BCP Asia II Holding Co Pte. Ltd, Entity exercising joint control on BCP Asia II Holdco IV Pte. Ltd (w.e.f. 27 Oct 2023)
	BCP VIII Holding Co Pte. Ltd, Entity exercising joint control on BCP Asia II Holdco IV Pte. Ltd (w.e.f. 27 Oct 2023)
	Touch Healthcare Private Limited, Mauritius, Holding Company (w.e.f 29 Jun 2022 to 26 Oct 2023)
	TPG Capital, L.P, Ultimate Controlling Party (w.e.f 29 Jun 2022 to 26 Oct 2023)
Key Management Personnel (KMP) of Parent Company	Jasdeep Singh, Chief Executive Officer
	Vikas Rastogi, Chief Financial Officer (upto 12th Jan 2024)
	Varun Shadilal Khanna, Managing Director (w.e.f 10th Apr 2024)
	Deepak Khanna, Chief Financial Officer (w.e.f 30th May 2024)
	Gayathri Chandramoulieswaran, Company Secretary
Directors of Parent Company	Vishal Bali (Non-Executive Director)
	Jasdeep Singh (Executive Director)
	Ekta Bahl (Independent Non-Executive Director)
	Kewal Kundanlal Handa (Independent Non-Executive Director)
	Mahadevan Narayanamon(Non-Executive Director)
	Himanshu Dodeja (Non-Executive Director)
	Ganesh Mani (Non-Executive Director)
	Ayshwarya Vikram (Non-Executive Director)
	Tejas Naphade (Non-Executive Director)
	Aniket Damle (Non-Executive Director)
Entities in which Directors of the Group are interested	AKNA Medical Private Limited Indian Medtronic Private Limited Asia Healthcare Holding Advisory LLP Conexus social responsibility private limited Salus private limited Air Travel Enterprises India Limited, India KIMS Trust, India KIMSHEALTH Management Company WLL KIMS Holding Co. BSC, Bahrain Muralya Dairy Products Private Limited KIMS Oman Hospital LLC, Oman Royal Bahrain Hospital WLL, Bahrain Kameda Infologics Private Limited, India Chrysalis Communications Private Limited, India Society for Continuing Medical Education and Research (SOCOMER) KIMSHEALTH Education and Research Foundation
Entities having significant influence on the Company	Centella Mauritius Holdings Limited (w.e.f. 27 Oct 2023)
Sister entity of ultimate holding company	Evercare Group Management Ltd (upto 18 Jan 2024)
Joint venture	Quality Care Health Services India Private Limited





(b) Transactions

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Transactions during the year		
1 Purchase of drugs and consumables		
AKNA Medical Private Limited	-	0.26
India Medtronic Private Limited	-	41.38
2 Advance for purchase of Robo equipment		
India Medtronic Private Limited	-	5.00
3 Professional and business services		
Asia Healthcare Holding Advisory LLP	2.21	11.98
4 Payments to KMP/ Relatives of KMP/ Directors		
Remuneration/ professional fee *	518.16	192.98
5 Rent		
Dr. Seema Shailesh Puntambekar	-	0.06
Dr. Sandeep Dave	17.13	16.48
Vijay Bhargava	0.28	0.26
Kimshealth Education and Research Foundation#	0.30	-
Dr. P.M. Zuhara	0.08	-
Ms. Ramla Iqbal	0.07	-
Ms. Reshmi Aysha	0.03	-
Mr. Samer Sahadulla	0.03	-
Mr.Sheriff Sahadulla	0.06	-
6 Purchase of land		
Dr. Unmesh Takalkar	-	487.51
7 Revenue from professional services		
Evercare Group Management Ltd	-	2.15
8 Software user services		
Evercare Group Management Ltd	2.73	-
9 Issue of Compulsory Convertible Preference Shares		
Touch Healthcare Private Limited	-	6,591.13
10 Issue of Equity Shares		
BCP Asia II Topco IV Pte. Ltd	20,100.00	-
Centella Mauritius Holdings Limited	6,700.00	-
11 Recruitment fee		
KIMSHEALTH Management Company WLL	0.07	-
12 Travel and clearing and forwarding expense		
Air Travel Enterprises India Limited	0.85	-
13 Advertisement and promotion		
Chrysalis Communications Private Limited	6.21	-
14 Repairs and maintenance		
Kameda Infologics Private Limited	0.99	-
15 Purchase of Fixed Assets/CWIP		
Kameda Infologics Private Limited	1.46	-
16 Data archiving expenses:		
Datafort Limited	0.45	-

* The amounts does not include provision for gratuity and compensated absences as the same is determined based on actuarial valuation.

#KHML has transferred land and building pertaining to KIMS college of Nursing to KIMS Health Education and Research Foundation for operating and managing colleges and schools relating to medical courses by the approval of board of directors and audit committee, dated 15 January 2024. The aforesaid transaction is not in the ordinary course of business and not at arm's length price.





(c) Balances outstanding from/ to the related parties

Particulars	As at 31 March 2024	As at 31 March 2023
Balances outstanding from/ to the related parties		
1 Quality Care Health Services India Private Limited		
Loans receivable**	65.83	65.83
2 AKNA Medical Private Limited		
Trade payable	-	-
3 Indian Medtronic Private Limited		
Trade payable	-	13.18
Advance for purchase of Robo equipment	-	5.00
4 Professional fee payable	6.11	11.26
5 SOCOMER	1.82	-
6 Kimshealth Education and Research Foundation	0.11	-
7 KIMS Trust	0.84	-
8 Air Travel Enterprises India Limited	0.13	-
9 Kameda Infologics Private Limited	1.83	-
10 Chrysalis Communications Private Limited	3.54	-
11 Mr. Khondoker Moniruddin & Family	0.10	-
12 Mr. Mohammad A Moyeen & Family	0.05	-
13 Mr. Tipu Munshi & Family	0.01	-

** The outstanding amount as at 31 March 2024 aggregating to 65.83 (31 March 2023: 65.83) is provided for in the books (refer note 4.12).





4.33 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2024		As at 31 March 2023	
	FVTPL*	Amortised cost	FVTPL*	Amortised cost
Financial assets				
Investments	6.42	-	430.87	-
Trade receivables	-	3,099.30	-	1,944.42
Cash and cash equivalents	-	1,448.33	-	522.93
Other bank balances	-	1,796.03	-	576.46
Loans	-	15.62	-	2.43
Other financial assets	-	1,033.98	-	720.46
Total financial assets	**6.42**	**7,393.26**	**430.87**	**3,766.70**

	As at 31 March 2024		As at 31 March 2023	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial liabilities				
Borrowings	-	6,170.26	-	3,493.57
Trade payables	-	3,582.47	-	1,741.46
Lease liabilities	-	1,787.95	-	2,244.41
Other financial liabilities	-	6,872.56	-	6,786.78
Total financial liabilities	-	**18,413.24**	-	**14,266.22**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss**

Fair value measurement

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Valuation technique and key input	Fair value hierarchy	Fair value as at (in ₹)	
			As at 31 March 2024	As at 31 March 2023
Financial assets				
Investment in mutual funds	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. (quoted prices in active market)	Level 1	6.42	430.87

There are no transfers between Level 1, Level 2 and Level 3 during the year.
The fair value hierarchy of financial assets and financial liabilities of the Group except for investment in mutual funds is Level 3.

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4.34 Financial instruments risk management

Financial Risk Management Framework

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Groups's Board of Directors have an overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Group derives directly from its operations. The Group also holds FVTPL investments.

The Group is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investments, balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of the credit risk.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2024. Credit risk on cash and cash equivalents, including fixed deposits is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Financial assets that are past due but not impaired

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due. Management monitors the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at each hospital level in accordance with practice set by the Group.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2024	Up to 1 year	1 to 5 Years	More than 5 Years	Total
Borrowings	1,730.35	3,608.49	831.42	**6,170.26**
Trade payables	3,582.47	-	-	**3,582.47**
Lease liabilities	317.12	932.74	824.45	**2,074.31**
Other financial liabilities	2,068.96	4,803.60	-	**6,872.56**
Total	**7,698.90**	**9,344.83**	**1,655.87**	**18,699.60**

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	Up to 1 year	1 to 5 Years	More than 5 Years	Total
Borrowings	511.65	2,270.82	711.10	**3,493.57**
Trade payables	1,741.46	-	-	**1,741.46**
Lease liabilities	272.47	807.34	1,235.52	**2,315.33**
Other financial liabilities	487.97	-	-	**487.97**
Total	**3,013.55**	**3,078.16**	**1,946.62**	**8,038.33**

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4.34 Financial instruments risk management (continued)

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rates of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument shall fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Fixed rate instruments		
Financial assets	3,228.37	1,029.81
Variable rate instruments		
Financial liabilities	6,170.26	3,493.57

The Group's investments are in deposits with reputed banks and therefore do not expose the Group to significant interest rates risk.

Sensitivity analysis

For the years ended 31 March 2024 and 31 March 2023, every 50 basis point decrease in the floating interest rate component applicable to the Group's borrowings would have increased the profit before tax approximately by ₹30.85 and ₹24.02 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

4.35 Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payments to the shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group's policy is to keep the gearing ratio below 30%. The Group includes within net debt, borrowings (long and short term), less cash and cash equivalents.

	As at	
	31 March 2024	31 March 2023
Borrowings (note 4.14)	6,170.26	3,493.57
Less: Cash and cash equivalents (note 4.11(a))	(1,448.33)	(522.93)
Less: Other bank balances (note 4.11(b))	(1,796.03)	(576.46)
Less: Investment in mutual funds (note 4.5(b))	(6.42)	(430.87)
Net debt (A)	**2,919.48**	**1,963.31**
Total equity (B)	58,121.22	10,227.63
Net debt and total equity (A) + (B)	61,040.70	12,190.94
Gearing ratio (%)	**4.78%**	**16.10%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. There are no breach in financial covenants of borrowings as at March 31, 2023. In the current year, debt service coverage ratio was not satisfied and the Parent Company has taken waiver from the lenders.

No changes were made in the objectives, policies or processes for managing the capital during the years ended 31 March 2024 and 31 March 2023.

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4.36 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Claims against the Group not acknowledged as debts		
- Disputed cases under Income Tax Act, 1961	361.30	33.94
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	128.12	-
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed custom duties	37.34	-
- Disputed luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	68.15
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	12.34	8.77
- Disputed tax levied on specific building of the Group under the Expenditure Tax Act, 1987	7.83	7.83
Patient legal claims pending with various Consumer Disputes Redressal Commission	327.49	229.86
Other legal claims pending under the various Statutory Acts	447.18	317.03
Legal claims from third party	189.38	-

Based on the facts of the case and legal counsel view, the Group believes no provision is required in the financial statements for the above claims.

(b) Commitments

Particulars	As at 31 March 2024	As at 31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	748.50	277.39
Other Commitments	140.88	-

Also refer note 4.17 (a) for deferred consideration and note 4.17 (b) for payables towards expected liability

4.37 Leases

The Group has taken hospital buildings, plant and machinery and vehicles on operating lease having a term ranging from 1 year to 15 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain lease of building with lease terms of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases.

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	2,244.41	1,664.86
Additions on account of business combination	109.68	-
Additions during the year	147.67	1,035.18
Deletions during the year	(458.90)	(59.85)
Finance cost accrued during the year	179.37	214.44
Other adjustments	(3.44)	18.93
Payment of lease liabilities	(430.84)	(629.15)
Lease liabilities as at the end of the year	**1,787.95**	**2,244.41**
Current lease liabilities	283.19	260.17
Non-current lease liabilities	1,504.76	1,984.24

The effective interest rate for lease liabilities is 9.55% with maturity between 2020-2034.

Following amounts have been recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation on Right-of-use assets	309.74	398.23
Interest on lease liabilities	179.37	222.40
Total amount recognised in the Statement of profit and loss	**489.11**	**620.63**

Details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2024	As at 31 March 2023
Less than one year	438.08	482.46
One to five years	1,219.80	1,605.81
More than five years	919.78	1,384.00
Total	**2,577.66**	**3,472.27**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹96.79 for the year ended 31 March 2024 (31 March 2023: ₹64.55).





4.38 Transfer pricing

The Group has entered into commercial transactions with its associated enterprises which are subject to assessment and test of transactions being carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Group has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length and no material adjustments are expected to arise on the consolidated financial statements for the year ended March 31, 2024

4.39 Disclosure of Interest in other entities

(a) Subsidiaries

Particulars	Nature of relationship	Principal place of business	Effective interest held by the Group		Ownership interest held by non controlling interests	
			As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%	25.87%	25.87%
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%	43.67%	43.67%
Galaxy Care Multispecialty Hospital Private Limited	Subsidiary	India	-	76.00%	-	24.00%
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%	0.00%	0.00%
Convenient Hospitals Limited	Subsidiary	India	100.00%	95.00%	0.00%	5.00%
Heart Care Institute And Research Centre (Indore) Pvt Ltd	Step down subsidiary	India	100.00%	95.00%	0.00%	5.00%
United CIIGMA Institute of Medical Sciences Private Limited	Subsidiary	India	76.00%	76.00%	24.00%	24.00%
United Ciigma Hospitals Healthcare Private Limited	Step down subsidiary	India	76.00%	76.00%	24.00%	24.00%
Ciigma Institute of Medical Sciences Private Limited	Step down subsidiary	India	76.00%	76.00%	24.00%	24.00%
Condis India Healthcare Private Limited (CIHPL)	Subsidiary	India	89.37%	-	10.63%	-
KIMS Healthcare Management Limited (KHML)	Step down subsidiary	India	78.25%	-	21.75%	-
KIMS Kollam Multispeciality Hospital India Private Limited	Step down subsidiary	India	78.25%	-	21.75%	-
KIMS Bellerose Institute of Medical Sciences Private Limited	Step down subsidiary	India	78.25%	-	21.75%	-
KIMS Nagercoil Institute of Medical Sciences Private Limited	Step down subsidiary	India	78.25%	-	21.75%	-
Spicenetreat Hospitality Services Private Limited	Step down subsidiary	India	78.25%	-	21.75%	
KIMSHEALTH Executive Leisure Private Limited	Step down subsidiary	India	78.25%	-	21.75%	
KIMS Al Shifa Healthcare Private Limited	Step down subsidiary	India	39.91%	-	60.09%	
Chemistry Intermediary holdings Limited (CIHL)	Subsidiary	Mauritius	100.00%	-	0.00%	-
STS Holdings Limited	Step down subsidiary	Bangladesh	60.12%	-	39.88%	
STS Hospital Chittagong Limited	Step down subsidiary	Bangladesh	60.12%	-	39.88%	

(b) Non Controlling Interests: Set out below is summarised financial information for each subsidiary that has non controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before intercompany eliminations.

Summarised Balance Sheet	Chemistry Intermediary holdings Limited*	Condis India Healthcare Private Limited*	Ramkrishna Care Medical Sciences Private Limited		United CIIGMA Institute of Medical Sciences Private Limited	
	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Current assets	510.86	2,715.86	810.11	465.85	506.48	307.25
Current liabilities	3,031.42	1,638.98	484.14	493.34	262.00	222.90
Net current Assets	**(2,520.56)**	**1,076.88**	**325.97**	**(27.49)**	**244.48**	**84.35**
Non-current Assets	8,185.38	10,903.14	1,348.45	1,388.88	2,613.44	2,796.96
Non-current Liabilities	1,151.97	1,808.97	254.22	392.26	926.38	1,038.54
Net non-current assets	**7,033.41**	**9,094.17**	**1,094.23**	**996.62**	**1,687.06**	**1,758.42**
Net assets	**4,512.85**	**10,171.05**	**1,420.20**	**969.13**	**1,931.54**	**1,842.77**
Accumulated NCI	**3,935.72**	**9,260.33**	**676.62**	**479.67**	**1,160.22**	**1,138.98**

* Comparatives are not required as controlling stake was acquired during the current year. Further, accumulated NCI determined above includes the NCI of step down subsidiaries.

Summarised statement of profit and loss	Chemistry Intermediary holdings Limited*	Condis India Healthcare Private Limited*	Ramkrishna Care Medical Sciences Private Limited		United CIIGMA Institute of Medical Sciences Private Limited	
	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Revenue	971.960	2,089.560	2,802.080	2,501.150	1,494.410	937.740
Profit for the year	9.780	298.780	451.830	267.230	88.640	16.060
Other comprehensive income	349.830	0.590	(0.800)	(0.600)	0.120	0.450
Total Comprehensive income	359.600	299.380	451.020	266.620	88.770	16.500
Profit allocated to NCI	3.900	84.790	197.310	116.700	21.220	3.840

* Comparatives are not required as controlling stake was acquired during the current year. Further, profit allocated to NCI above includes the step down subsidiaries.

Summarised statement of Cash flows	Chemistry Intermediary holdings Limited*	Condis India Healthcare Private Limited*	Ramkrishna Care Medical Sciences Private Limited		United CIIGMA Institute of Medical Sciences Private Limited	
	31-Mar-24	31-Mar-24	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Cash flows operating activities	87.39	17.58	456.79	529.98	329.07	302.31
Cash flows investing activities	(87.74)	(425.05)	(102.75)	(368.11)	(70.80)	(1,036.77)
Cash flows from financing activities	(64.53)	(15.92)	(234.84)	(194.01)	(182.21)	684.96
Net increase/(decrease) in cash and cash equivalents	**(64.88)**	**(423.39)**	**119.20**	**(32.14)**	**76.06**	**(49.50)**

* Comparatives are not required as controlling stake was acquired during the current year.

(c) Transactions with Non controlling interests

The effect on the equity attributable to the owners of Quality Care India Limited during the year is summarised as follows during the current year FY 23-24 and

Particulars	Condis India Healthcare Private Limited	Convenient Hospitals Limited
Controlling stake acquired	69.70%	95.00%
Controlling stake acquired on	22-Jan-24	28-Jun-22
Additional stake acquired as on 31 March 2024	8.55%	5.00%
Carrying amount of existing non-controlling interest immediately prior to purchase of additional stake (a)	2,896.88	204.96
Consideration paid to non-controlling interests (b)	2,896.88	153.53
Deficit consideration paid recognised in retained earnings within equity (c) = (a) - (b)	-	51.43

There were no transactions with non-controlling interests in previous year.

(d) Interest in Joint Venture

The group has a 50% interest in joint venture in Quality Care Health Services India Private Limited for the purpose of extending hospital business. The principal place of business of the joint operation is in India.

4.40 Unearned revenue

The following table discloses the movement in the unearned revenue during the year ended 31 March 2024 and 31 March 2023:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Balance at the beginning of the year	46.02	40.54
Revenue recognised during the year	(46.02)	(40.54)
Unearned revenue during the year	110.61	46.02
Balance at the end of the year	**110.61**	**46.02**

4.41 In 2009, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") to acquire a land parcel and development of a Health City along with allied infrastructure ("Project") in Visakhapatnam, Andhra Pradesh. Pursuant to the terms of the said agreement, the APIIC has allotted 4.18 acres of land to the Company upon payment of 105.55 and included in Property, plant and equipment [refer note 4.1] subjected to conditional registration of land in favor of the Company upon completion of the Project. During the current year the project was completed and title deeds of the land was also transferred in the name of the company.





4.42 Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets
The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements (revised, as applicable) of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter
The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
During the year, the Parent Company acquired a majority stake in Condis India Healthcare Private Limited (CIHCPL). As of acquisition date, CIHCPL had subsidiaries upto two layers. However, after the acquisition, the number of layers of subsidiaries of the Company exceed beyond two layers limit prescribed in Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017. As a remedial measure, the Company, through its subsidiaries, has taken necessary steps and approved a scheme of amalgamation of intermediate companies CIHCPL with KIMS Healthcare Management Limited in their respective board meetings held on June 26, 2024. Upon the orders sanctioning the scheme and post amalgamation, the number of layers of subsidiaries of the Parent Company is expected to be within the limits prescribed under the Act.

(vi) Compliance with approved scheme(s) of arrangements
The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

(A) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Parent Company has received funds during the current year on private placement of equity shares from parties as listed below with the understanding that the parent company shall further invest the funds in equity shares for the acquisition of 89.37% stake in Condis India Healthcare Private Limited, 23.25% stake in KIMS Healthcare Management Limited and 100% stake in Chemistry Intermediary holdings Limited and to meet related acquisition-related costs. The Parent Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the parent company shall provide any guarantee, security or the like on behalf of the ultimate beneficiaries.





The details of date and amount of funds received from funding parties during the year ended 31 March 2024 are as follows:

Name of the funding party	Registered address of the funding party	Relationship with the funding party	Date of funds received	Amount of funds received
BCP Asia II Topco IV Pte. Ltd.	77 Robinson Road, #13-00 Robinson 77 Singapore 068896	Holding Company	19/01/2024	18,000.00
Centella Mauritius Holdings Limited	IQ EQ, Corporate Services (Mauritius) Ltd. 33 Edit Cavell Street, 11324, Port-Louis, Mauritius	Shareholder	19/01/2024	6,000.00
BCP Asia II Topco IV Pte. Ltd.	77 Robinson Road, #13-00 Robinson 77 Singapore 068896	Holding Company	07/02/2024	1,500.00
Centella Mauritius Holdings Limited	IQ EQ, Corporate Services (Mauritius) Ltd. 33 Edit Cavell Street, 11324, Port-Louis, Mauritius	Shareholder	07/02/2024	500.00
M I Sahadulla	Rastanura, 66 RPD Marg, Kuravankonam, Kowdiar PO, Trivandrum, Kerala – 695 003	Subsdiary Shareholder	16/03/2024	900.17
P M Zuhara	Rastanura, 66 RPD Marg, Kuravankonam, Kowdiar PO, Trivandrum, Kerala – 695 003	Subsdiary Shareholder	16/03/2024	9.60
Samer Illias Sahadulla	Rastanura, 66 RPD Marg, Kuravankonam, Kowdiar PO, Trivandrum, Kerala – 695 003	Subsdiary Shareholder	21/03/2024	136.88
Reshmi Aysha	Rastanura, 66 RPD Marg, Kuravankonam, Kowdiar PO, Trivandrum, Kerala – 695 003	Subsdiary Shareholder	21/03/2024	20.29
Yusuf Samer Sahadulla	Rastanura, 66 RPD Marg, Kuravankonam, Kowdiar PO, Trivandrum, Kerala – 695 003	Subsdiary Shareholder	21/03/2024	18.58
Zaheer Elias Najeeb	TC 12402, House No. 66, Padiyath House, RPD Marg, Near Salvation Army School, Kowdiar, Trivandrum, Kerala 695003	Subsdiary Shareholder	21/03/2024	43.80
Sherin Ayoob	TC 12402, Padiyath House, Kuravankonam, Near Salvation Army School, Kowdiar, Trivandrum, Kerala 695003	Subsdiary Shareholder	21/03/2024	183.09
Manha Manaal Zaheer	TC 12402, House No. 66, Padiyath House, RPD Marg, Near Salvation Army School, Kowdiar, Trivandrum, Kerala 695003	Subsdiary Shareholder	21/03/2024	41.37
Tariq Elias Najeeb	TC 12402, House No. 66, Padiyath House, RPD Marg, Near Salvation Army School, Kowdiar, Trivandrum, Kerala 695003	Subsdiary Shareholder	21/03/2024	47.79
Saffia P M	TC 12402, Padiyath House, RPD Marg, Near Salvation Army School, Kowdiar, Trivandrum, Kerala 695003	Subsdiary Shareholder	21/03/2024	60.11
E. Iqbal	Mullasseri House, Sasthavattom P O, Murukumpuzha, Azhoor, Trivandrum, Kerala 695305	Subsdiary Shareholder	21/03/2024	22.45
BCP Asia II Topco IV Pte. Ltd.	77 Robinson Road, #13-00 Robinson 77 Singapore 068896	Holding Company	21/03/2024	600.00
Centella Mauritius Holdings Limited	IQ EQ, Corporate Services (Mauritius) Ltd. 33 Edit Cavell Street, 11324, Port-Louis, Mauritius	Shareholder	27/03/2024	200.00





The details of date and amount of funds further invested by the Company to ultimate beneficiaries during the year ended 31 March 2024 are as follows:

Name of the ultimate beneficiaries	Registered address of the ultimate beneficiaries	Relationship with the ultimate beneficiaries	Date of investment	Amount of investment from funds received from Holding Company
Condis India Healthcare Private Limited	Avittom Residency, Anamugam Anayara Post, Trivandrum, Kerala, India, 695029	Subsidiary Company	23.01.2024	16,753.69
			15.03.2024	-1,183.84
			19.03.2024	735.80
KIMS Health care Management Limited	Kumarapuram Poonthi Road, Anamukham, Trivandrum, Kerala, India, 695029	Subsidiary Company	23.01.2024	6,888.67
			30.01.2024	81.82
			22.03.2024	895.42
Chemistry Intermediary holdings Limited	IQEQ Corporate Services (Mauritius) Ltd., Les cascades Building, 33 Edith cavell Street, Port Louis, 11324, Mauritius	Subsidiary Company	14/02/2024	991.38

The details of date and amount of funds received from funding party during the year ended 31 March 2023 are as follows:

Name of the funding party	Registered address of the funding party	Relationship with the funding party	Date of funds received	Amount of funds received
Touch Healthcare Private Limited, Mauritius	33 Edith Cavell Street, 11324, Port-Louis, Mauritius	Holding Company	28-Jun-23	3,412.73
			25-Jul-23	3,178.40

The details of date and amount of funds further invested by the Group to ultimate beneficiaries during the year ended 31 March 2023 are as follows:

Name of the ultimate beneficiaries	Registered address of the ultimate beneficiaries	Relationship with the ultimate beneficiaries	Date of investment	Amount of investment from funds received from Holding Company
Convenient Hospitals Limited	Near LIG Square, A.B.Road, Indore, Madhya Pradesh - 452008, India.	Subsidiary Company	29-Jun-23	3,412.73
United Cligma Institute of Medical Sciences Private Limited	Plot No. 6 & 7, Survey No. 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra - 431005, India.	Subsidiary Company	26-Jul-23	3,178.40

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

(xii) There are no transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current period by the entities in Group.

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4.43 Business combinations

a) On 23 January 2024, the Parent Company has acquired 80.19% and 69.71% effective equity stake in Condis India Healthcare Private Limited and KIMS Health Care Management Limited respectively, which is primarily engaged in providing healthcare and related services. The acquisition is expected to strengthen the Group's presence in Kerala. Management expects the acquisition will create synergies and accordingly, the difference between consideration and net identifiable assets acquired is recognised as goodwill.

The assets and liabilities acquired are as follows:

Particulars	Amount
Assets	
Property Plant and equipment including investment properties	13,013.20
CWIP	216.40
Brand	7,021.00
ROU Assets	33.90
Intangible Assets including under development	53.36
Investment	0.40
Other financial Assets	112.12
Deferred tax Assets Net	179.92
Income tax assets (Net)	224.79
Other Non current Assets	225.07
Inventories	308.80
Trade receivables	540.68
Cash and cash equivalents	1,093.57
Bank Balances	835.91
Other financial assets	28.96
Liabilities	
Borrowings	(1,302.92)
Lease liabilities	(35.92)
Other financial liabilities	(248.41)
Provisions	(160.86)
Deferred tax liabilities (Net)	(3,787.12)
Trade payables	(1,215.66)
Other current liabilities	(172.54)
Non Controlling Interest (KIMS Al Shifa Healthcare Private Limited)	(1,484.70)
Net identifiable assets acquired	**15,479.95**
Non controlling interest	10,263.90
Purchase consideration (also refer note (i) below)	23,819.10
Goodwill recognised	**18,603.05**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of 4,660.69 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is 2,089.56 and 298.78 respectively. If the acquisitions had occurred on 1 April 2023, the amount of consolidated revenue and consolidated profit would have been 30,210.92 and 1,216.59 respectively.

The Fair value of acquired trade receivables acquired is 540.68. The gross contracted amount for trade receivables due is 667.04 with a loss allowance of 126.36.

The Non-controlling interest as at the acquisition date is 10,263.90 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Cost approach using Depreciated Replacement Cost Method to arrive at fair value of the buildings and reproduction cost method to arrive at fair value of the Furniture & Fittings which was classified under building
Plant and machinery, Furniture & Fittings	Cost approach using reproduction cost method to arrive at fair value of the Plant and machinery, Furniture & Fittings.
Brand	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Book value of the assets as on 22 January 2024 has been adopted as Fair Value.

(i) Details of Purchase consideration is as follows:

Cash Paid	23,642.36
Acquisition related costs*	176.74
Total	**23,819.10**

*Acquisition-related costs incurred on behalf of the acquiree 176.74 is considered as part of purchase consideration. Other acquisition related costs of 56.16 incurred by the acquirer are included in other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

b) On 14 January 2024, the Parent Company has acquired 100 equity stake in Chemistry Intermediary holdings Limited, Mauritius, which is primarily engaged in providing healthcare and related services through it's subsidiaries. The acquisition is expected strengthen the Group's presence in Bangladesh. Management expects the acquisition will create synergies and accordingly, the difference between consideration and net identifiable assets acquired is recognised as goodwill.

The assets and liabilities acquired:

Particulars	Amount
Assets	
Fixed Assets	10,639.02
CWIP	103.01
Intangible assets	40.49
ROU Assets	70.35
Other Assets	141.42
Deferred tax assets	507.01
Inventories	286.58
Brand and Trademark	1,508.50
Trade receivables	41.73
Other financial assets	180.94
Cash and cash equivalents	104.43
Liabilities	
Long term loan	(896.14)
Lease liabilities	(67.88)
Deferred tax liabilities (Net)	(154.55)
Other financial liabilities	(73.09)
Trade payables	(590.41)
Current tax liabilities	(204.52)
Other current liability	(90.45)
Short term loan	(565.03)
Employee benefit obligations	(110.38)
Liability for brand and trademark	(1,127.28)
Deferred tax liability on fair value of PPE and intangible assets	(493.00)
Total net assets	**9,250.75**
Non controlling interest	3,792.31
Purchase consideration including deferred consideration (refer note (i) below)	5,716.98
Goodwill recognised	**258.54**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of 5,209.30 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is 971.96 and 9.78 respectively. If the acquisitions had occurred on 1 April 2023, the amount of consolidated revenue and consolidated profit would have been 27,172.71 and 390.35 respectively.

The Fair value of acquired trade receivables acquired is 41.54. The gross contracted amount for trade receivables due is 47.26 with a loss allowance of 5.72.

The Non-controlling interest as at the acquisition date is 3,792.31 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Cost approach using Depreciated Replacement Cost Method to arrive at fair value of the buildings
Plant and machinery, Furniture & Fittings	Cost approach using reproduction cost method to arrive at fair value of the Plant and machinery Furniture & Fittings
Brand	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Book value of the assets as on 13 February 2024 has been adopted as Fair Value.

(i) Details of Purchase consideration is as follows:

Cash Paid	991.38
Deferred Consideration (refer note 4.17)	4,725.60
Total	**5,716.98**

Acquisition related costs of 223.18 incurred by the acquirer are included in other expenses in the statement of profit and loss and in operating cash flows in the statement of cash flows.

c) On 14 April 2022, the Group has acquired Thumbay Hospital New Life, Hyderabad engaged in healthcare services business on a slump sale basis. This acquisition is expected to further strengthen the Group's presence in Hyderabad market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to Thumbay hospital unit.

The assets and liabilities acquired:

Particulars	Thumbay Hospital New Life
Property, plant and equipment	180.20
Inventory	2.66
Net identifiable assets acquired	**182.86**
Purchase consideration paid in cash	**200.00**
Goodwill recognised	**17.14**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is no gain/loss attributable on fair value. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and loss from the date of acquisition is ₹126.82 and ₹144.33, respectively. If the acquisitions had occurred on 1 April 2022, the amount of revenue and loss would have been ₹ 126.87 million and ₹144.27, respectively.

d) On 28 June 2022 the Group has acquired 95% equity stake in Convenient Hospitals Limited, Indore engaged in healthcare services business through acquisition of shares. This acquisition is expected to further strengthen the Group's presence in Indore market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to Convenient Hospital unit.

The assets and liabilities acquired:

Particulars	Amount
Assets acquired	
Non current assets	
-Property, plant and equipment	1,590.21
-Intangible assets	0.53
-Trade mark	352.52
-Non current investments	0.37
-Other non current assets	8.36
- Deferred Tax assets	96.00
Current assets	
-Inventories	42.43
-Loans	227.85
-Trade receivables	114.88
-Cash and cash equivalents	338.80
-Other current assets	65.21
Total assets acquired (a)	**2,837.16**
Liabilities taken over	
Current liabilities	
-Short term borrowings	15.01
-Trade payables	119.25
-Other current liabilities	188.36
-Provisions	11.38
Payable towards acquisition of Pharmacy and Diagnostic Business	654.92
Total liabilities taken over (b)	**988.92**
Fair value of net assets acquired (c) = (a) - (b)	**1,848.24**
Non controlling interest (d) = (c) x (100% - 95%)	199.58
Total purchase consideration for 95% equity stake (e)	3,791.93
Goodwill recognised (f) = (d) + (e)- (c)	**2,143.27**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of ₹1,147.65 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is ₹1,439.06 and ₹107.72, respectively. If the acquisitions had occurred on 1 April 2022, the amount of consolidated revenue and consolidated profit would have been ₹ 16,335.52 million and ₹983.42, respectively.

Fair value of trade receivables acquired is ₹114.88 as of acquisition date and as of 31 March 2023, the amounts are substantially collected.

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The Non-controlling interest as at the acquisition date is ₹199.58 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Depreciated Replacement Cost Method under cost approach to arrive at fair value of the buildings.
Plant and machinery	Replacement Cost New, adjusted for depreciation and obsolescence under Cost Approach to arrive at the fair value of Plant and Machinery
Trade mark	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Valued at Cost and book value of the assets as on 28 June 2022 has been adopted as Fair Value.

e) On 25 July 2022 the Group has acquired 76.06% equity stake in United Ciigma Institute of Medical Sciences Private Limited, Aurangabad engaged in healthcare services business through acquisition of shares. This acquisition is expected to further strengthen the Group's presence in Aurangabad market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to United Ciigma Hospital unit.

Particulars	Amount
Assets acquired	
Non current assets	
-Property, plant and equipment	1,634.60
-Non current tax assets	67.97
-Trade mark	297.24
-Non current investments	6.91
-Other non current assets	55.84
Current assets	
-Inventories	40.66
-Loans	0.47
-Trade receivables	174.04
-Cash and cash equivalents	1,605.07
-Other current assets	98.44
Total assets acquired (a)	**3,981.24**
Liabilities taken over	
Non current liabilities	
-Long term borrowings	2,064.29
-Deferred tax liabilities (net)	139.60
Current liabilities	
-Short term borrowings	4.87
-Trade payables	225.89
-Other current liabilities	140.54
-Loan from related parties	228.04
Total liabilities taken over (b)	**2,803.23**
Fair value of net assets acquired (c) = (a) - (b)	**1,178.01**
Non controlling interest (d) = (c) x (100% - 76.06%)	1,135.03
Total purchase consideration for 76.06% equity stake (e)	3,594.25
Goodwill recognised (f) = (d) + (e)- (c)	**3,551.27**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of ₹736.40 loss attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is ₹937.74 and ₹16.50, respectively. If the acquisitions had occurred on 1 April 2022, the amount of consolidated revenue and consolidated profit would have been ₹ 16,475.34 million and ₹991.79 respectively.

Fair value of trade receivables acquired is ₹174.04 as of acquisition date and as of 31 March 2023, the amounts are substantially collected.

The Non-controlling interest as at the acquisition date is ₹1,135.03 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Depreciated Replacement Cost Method under cost approach to arrive at fair value of the buildings.
Plant and machinery	Replacement Cost New, adjusted for depreciation and obsolescence under Cost Approach to arrive at the fair value of Plant and Machinery.
Trade mark	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Valued at Cost and book value of the assets as on 28 June 2022 has been adopted as Fair Value.





4.44 Other regulatory information

(i) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4.1 (a) to the financial statements, are held in the name of the company.

(ii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(iii) The group has not given loans/advances in the nature of loans to directors, promoters, KMPs or any other related parties which are repayable on demand or without specifying terms & conditions of repayment.

4.45 Exceptional item

During the year FY 22-23, post the acquisition of United Ciigma Institute of Medical Sciences Private Limited and United Ciigma Hospitals Healthcare Private Limited by Quality Care India Limited on 25 July 2022, the management has determined, based on their physical verification of inventory representing medical consumables and pharmacy items, as not fit for consumption. Hence, the management has charged off the inventory amounting to 41.41 to the Statement of Profit and Loss as an exceptional item.

4.46 The Country (Bangladesh) has experienced an outbreak of public revolt which has led to political unrest following which the ruling Government demised. As a result, the country was under complete curfew for few days, during this period the Group was unable to perform its business operations in Bangladesh but post the uplift of curfew, the operations were resumed as usual in Bangladesh with no material impact on the business operations or its assets.

Since the Country is still in turmoil, the management has assessed the impact on the recoverability of its assets and business operations. Considering that Group is in providing Healthcare services which is an essential service, the management has assessed no impact on the recoverability of its assets and business operations.

As the country is still experiencing political instability, the Group will continue to closely monitor any material changes to future economic conditions.

4.47 Assets classified as held for sale

a) Pursuant to the share purchase agreement entered by the Parent Company, the equity investment in KIMS Holding B.S.C is expected to be sold and hence classified as held for sale.

b) Investment in Galaxy Care Multispecialty Hospital Private Limited which was disclosed as 'Assets classified as held for sale' as at 31 March 2023 was fully divested in the current year.

4.48 Other matters of KIMS Bellerose Institute of Medical Sciences Private Limited (KBIMSPL)

During earlier years certain erstwhile shareholders ('petitioners') of KBIMSPL had filed petitions with National Company Law Tribunal, Chennai [NCLT] under Section 241 and 242 of the Companies Act, 2013 against KBIMSPL, KHML and the other directors of KBIMSPL (together referred to as ' Respondents'). These petitions alleged operation and mismanagement of the affairs of KBIMSPL and certain violations of terms of the Share Purchase Agreement by the respondents. During September 2018, NCLT had passed an order dismissing the petitions filed by the petitioners and subsequently during December 2018, National Company Law Appellate Tribunal ("NCLAT") also dismissed the appeal filed by the petitioners. Arbitration proceeding, as allowed by the said orders by the NCTL and NCTAL, have not been initiated by the parties. Thereafter petitioners have filed a Civil Appeal No. 869/2019 with Supreme Court on 21 December 2018, against the order of the NCLT and NCLAT. During the financial year ended 31 March 2024, KBIMSPL has entered into Share Purchase Agreement on 7 August 2023 to purchase all the shares of petitioners. Based on the settlement in the form of Share Purchase Agreement dated 7 August 2023, the Civil appeal has been dismissed by the Supreme Court vide order dated 8 February 2024.

Further the petitioners have made other complaints with similar allegations with the Police department, Registrar of Companies, Kerala and Serious Fraud Investigation Office ("SFIO") as well. The petitioners had also alleged other criminal misconducts in the Police Compliant for which a First Information Report ("FIR") was filed. Against the same, KBIMSPL had filed a petition in the High Court to quash the FIR. The Crime Branch of the police department ('CB') had already submitted its final report with Judicial First Class Magistrate Court III, Kottayam. The CB has concluded that, the claim of the petitioners regarding forgery of signatures and documents and other criminal misconduct were incorrect. The High Court dismissed the petition, based on the said order of the CB. The Honourable Judicial First Class Magistrate has dismissed the petition vide order dated 6 December 2023.

Meanwhile the Assistant Director, Directorate of Enforcement, Cochin initiated proceedings including search and seizures at KBIMSPL under Section 3 of the Prevention of Money Laundering Act, 2002 ("PMLA") on the basis of the FIR as mentioned above. Pursuant to the proceedings, summons and Show Cause Notices (SCN) were issued. Thereafter a Writ Petition seeking to quash proceedings initiated by Directorate of Enforcement and SCNs issued was filed before the High Court of Kerala. The High Court of Kerala has quashed the proceeding initiated by Directorate of Enforcement by final order dated 6 December 2023

During the previous year, KBIMSPL had also received a preliminary finding letter based on the inspection of books and accounts and other records carried out by the Registrar of Companies ("ROC") highlighting non-compliances of certain provisions of the Companies Act, 2013 ("the Act"). KBIMSPL had filed its detailed responses with the ROC and the management has evaluated the observations and provided for potential exposure, where considered necessary, based on such assessment. Subsequent to the balance sheet date, KBIMSPL has filed 8 applications for compounding of offence under Section 441 of Companies Act, 2013 with respect to non-compliance of certain provisions of the Act, out of which, the Regional Director (Southern Region) has passed compounding order against 4 application vide order dated 15 July 2024 and the remaining applications are pending adjudication. In view of the management, any further impact with respect to remaining applications is not expected to be material to these financial statements and this does not have any adverse impact on the functioning of KBIMSPL.

During the previous period the KBIMSPL has received a notice from the panchayat office alleging encroachment of government land in which the canteen is situated. KBIMSPL has filed a writ petition with the High Court requesting for time to avail statutory remedies in this matter. The court has passed interim direction to keep in abeyance the coercive proceedings against the KBIMSPL. Final orders are pending with the court.

In the previous year, KBIMSPL has also filed a writ petition requesting the High Court of Kerala to pass orders to affect the change in name of KBIMSPL and its representative in revenue records from "Bellerose Institute of Medical Science Private Limited" to "KIMS Bellerose Institute of Medical Science Private Limited" as per the revised certificate of incorporation issued by the Registrar of Companies. The Hon'ble High Court after considering subsequent developments relating to dismissal of the Civil appeal before the Hon'ble SC and quashing of the ECIR registered by the Enforcement Directorate, the Hon'ble High Court vide its Order dated 4 June 2024, directed the Tahsildar to change of name of KBIMSPL and its representative in revenue records within 30 days from the date of submission of certified copy of the Judgment. On 19 June 2024, KBIMSPL has submitted the argument note along with the certified copy of the Judgement to Tahsildar, Kottayam for his action.

Additionally, KBIMSPL has also received notice to surrender the food safety license for operation of canteen due to certain discrepancies found in the application and consequently, an application for license from food safety department has been made through the contractor who manages the canteen. KBIMSPL has filed a writ petition with the High Court of Kerala to grant this license to the contractor. The court has passed interim order deferring the direction to surrender till next hearing. The final judgment is pending with the court.





4.49 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

Name of the entity	For the year ended and as at 31 March 2024							
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated profit	Amount in millions
Parent company								
Quality Care India Limited	70.58%	41,013.06	-511.79%	(964.31)	-1.89%	(6.44)	-183.88%	(970.75)
Subsidiaries								
Ganga Care Hospital Limited	0.96%	560.28	45.19%	85.14	-0.17%	(0.58)	16.02%	84.56
Ramkrishna Care Medical Sciences Private Limited	2.44%	1,420.20	239.81%	451.83	-0.24%	(0.80)	85.44%	451.03
Galaxy Care Multispecialty Hospital Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Quality Care Jharsuguda Private Limited	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-
Convenient Hospitals Limited	1.81%	1,053.06	117.85%	222.04	-0.95%	(3.21)	41.45%	218.83
Heart Care Institute And Research Centre (Indore) Pvt Ltd	0.69%	399.89	8.23%	15.50	0.00%	-	2.94%	15.50
United Ciigma Institute of Medical Sciences Private Limited	3.51%	2,039.94	56.48%	106.42	0.03%	0.11	20.18%	106.53
United Ciigma Hospitals Healthcare Private Limited	0.41%	238.87	-14.66%	(27.62)	0.01%	0.02	-5.23%	(27.60)
Ciigma Institute of Medical Sciences Private Limited	0.04%	22.65	5.22%	9.84	0.00%	-	1.86%	9.84
Condis India Healthcare Private Limited	4.98%	2,896.23	9.33%	17.57	0.00%	-	3.33%	17.57
KIMS Health Care Management Limited	16.75%	9,735.01	141.54%	266.67	0.04%	0.14	50.54%	266.81
Spiceretreat Hospitality Private Limited	0.43%	248.80	7.76%	14.63	0.01%	0.02	2.78%	14.65
KIMS Bellerose Institute of Medical Science Private Limited	0.53%	305.18	-7.66%	(14.43)	-0.01%	(0.05)	-2.74%	(14.48)
KIMS Kollam Multi Speciality Hospital India Private Limited	0.95%	552.88	2.71%	5.10	0.00%	-	0.97%	5.10
KIMS Al Shifa Healthcare Private Limited	0.93%	543.16	3.38%	6.36	0.03%	0.11	1.23%	6.47
KIMS Executive Leisure Private Limited	0.32%	183.54	0.33%	0.62	0.00%	-	0.12%	0.62
KIMS Nagercoil Institute of Medical Sciences Private Limited	0.84%	488.65	-1.84%	(3.46)	0.00%	-	-0.66%	(3.46)
Chemistry Intermediary holdings Limited	0.00%	(0.14)	0.00%	-	0.00%	-	0.00%	-
STS Holdings Limited	10.50%	6,103.66	26.43%	49.79	-3.03%	(10.29)	7.48%	39.50
STS Hospital Chittagong Limited	4.45%	2,588.92	-20.80%	(39.19)	-0.01%	(0.03)	-7.43%	(39.22)
Non-controlling interest	26.11%	15,177.80	174.75%	329.24	41.00%	139.21	88.74%	468.45
Total	**147.23%**	**85,571.63**	**282.26%**	**531.74**	**34.82%**	**118.21**	**123.14%**	**649.95**
Consolidation adjustments	**-47.23%**	**(27,450.41)**	**-182.22%**	**(343.33)**	**65.18%**	**221.29**	**-23.12%**	**(122.04)**
Consolidated net assets/ profit after tax	**100.00%**	**58,121.22**	**100.04%**	**188.41**	**100.00%**	**339.50**	**100.02%**	**527.91**





Name of the entity	For the year ended and as at 31 March 2023							
	Net assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated profit	Amount in millions
Parent company								
Quality Care India Limited	71.67%	7,330.50	37.95%	373.13	-136.21%	(3.95)	37.44%	369.18
Subsidiaries								
Ganga Care Hospital Limited	4.65%	475.67	2.93%	28.85	-2.07%	(0.06)	2.92%	28.79
Ramkrishna Care Medical Sciences Private Limited	9.48%	969.14	27.18%	267.23	-20.69%	(0.60)	27.04%	266.63
Galaxy Care Multispecialty Hospital Private Limited	1.70%	173.48	-0.17%	(1.68)	-5.17%	(0.15)	-0.19%	(1.83)
Quality Care Jharsuguda Private Limited	0.00%	(0.01)	0.00%	-	0.00%	-	0.00%	-
Convenient Hospitals Limited	8.16%	834.21	10.60%	104.20	279.66%	8.11	11.39%	112.31
Heart Care Institute And Research Centre (Indore) Pvt Ltd	3.76%	384.42	-0.35%	(3.48)	-30.69%	(0.89)	-0.44%	(4.37)
United Ciigma Institute of Medical Sciences Private Limited	18.90%	1,933.41	7.32%	72.00	9.66%	0.28	7.33%	72.28
United Ciigma Hospitals Healthcare Private Limited	2.61%	266.44	-4.42%	(43.46)	2.41%	0.07	-4.40%	(43.39)
Ciigma Institute of Medical Sciences Private Limited	0.13%	12.83	-0.40%	(3.89)	3.10%	0.09	-0.39%	(3.80)
Non-controlling interest	19.44%	1,988.26	13.49%	132.66	5.17%	0.15	13.47%	132.81
Total	**140.50%**	**14,368.35**	**94.13%**	**925.56**	**105.17%**	**3.05**	**94.17%**	**928.61**
Consolidation adjustments	**-40.49%**	**(4,140.72)**	**5.86%**	**57.64**	**-5.17%**	**(0.15)**	**5.83%**	**57.49**
Consolidated net assets/ profit after tax	**100.01%**	**10,227.63**	**99.99%**	**983.20**	**100.00%**	**2.90**	**100.00%**	**986.10**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act. Joint Venture Net assets and Share of Profit or loss is immaterial hence not disclosed in the table above.

4.50 The analytical ratios have not been disclosed in the consolidated financial statements as per the clarification in general instructions to the preparation of consolidated financial statements in paragraph 12.1 of the "Guidance Note on Division II - IND AS Schedule III to the Companies Act, 2013"

4.51 Figures for the previous year have been regrouped/reclassified wherever necessary to correspond with current year's classifications/ disclosures.

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad

Date: 04 September 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shudhir Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 04 September 2024

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 04 September 2024

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QUALITY CARE INDIA LIMITED

31st (THIRTY FIRST) ANNUAL REPORT 2022-23

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Jasdeep Singh – Director and Chief Executive Officer

Mr. Kewal Kundanlal Handa – Independent Non-Executive Director

Ms. Ekta Bahl – Independent Non-Executive Director

Mr. Arunprakash Srinivasarao Korati – Non-Executive Director

Mr. Vishal Bali – Non-Executive Director

Mr. Ankur Nand Thadani – Non-Executive Director

Mr. Mahadevan Narayanamoni – Non-Executive Director

Mr. Madan Rohinikrishnan – Non-Executive Director

Mr. Massimiliano Colella – Non-Executive Director

Mr. Vikas Rastogi - Chief Financial Officer

Mrs. Gayathri Chandramoulieswaran – Company Secretary

BOARD COMMITTEES

Audit Committee

Mr. Kewal Kundanlal Handa - Chairman
Ms. Ekta Bahl - Member
Mr. Mahadevan Narayanamoni - Member

Nomination and Remuneration Committee

Mr. Arunprakash Srinivasarao Korati - Chairman
Ms. Ekta Bahl - Member
Mr. Kewal Kundanlal Handa - Member
Mr. Vishal Bali - Member

Corporate Social Responsibility Committee

Mr. Kewal Kundanlal Handa - Chairman
Mr. Arunprakash Srinivasarao Korati - Member
Ms. Ekta Bahl - Member

Operating Committee

Mr. Mahadevan Narayanamoni - Chairman
Mr. Jasdeep Singh - Member
Mr. Massimiliano Colella - Member

REGISTERED OFFICE
6-3-248/2, Road No.1
Banjara Hills
Hyderabad – 500 034

CORPORATE OFFICE
CARE Corporate Office
1st Floor, Kohinoor building, Road No 2, Banjara Hills,
Hyderabad -500034 Telangana

STATUTORY AUDITORS
M/s. Price Waterhouse Chartered Accountants LLP
Unit -2B, 8th Floor, Octave Block, Block E1, Parcel-4,
Salarpuria Sattva Knowledge City,
Raidurg, Hyderabad – 500 081 Telangana

INTERNAL AUDITORS
Ernst & Young LLP
18, iLabs Centre, Madhapur,
Hyderabad – 500 081 Telangana

COST AUDITORS
M/s. Nageswara Rao & Co
Cost Accountants
H.No.30-1569/2, Plot No.35, Anantanagar Colony
Neredmet, Secunderabad.

SECRETARIAL AUDITORS
RVR & ASSOCIATES
Company Secretaries
D.No #1-10-18/G1, Lakshmi Sree Park View Apartments,
Opp. Municipal Park, Ashok Nagar,
Hyderabad- 500020, Telangana

BANKERS
Union Bank of India, Banjara Hills Branch, Hyderabad
Axis Bank Limited, Corporate Banking branch, Hyderabad
The Hongkong and Shanghai Banking Corporation Limited, Hyderabad

QUALITY CARE INDIA LIMITED

Regd. Office: 6-3-248/2, Road No.1, Banjara Hills, Hyderabad-500 034;
CIN: U85110TG1992PLC014728; **Email**:Info@carehospitals.com,
Website: www.carehospitals.com; **contact no.**: 040-30418888, 040-68306565, 040-68106565

NOTICE

NOTICE is hereby given that the **Thirty First (31st)** Annual General Meeting of **QUALITY CARE INDIA LIMITED** (the Company) will be held on Tuesday, the 26th day of September, 2023 at 12.30 Noon through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad - 500034 Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements I.e. Balance Sheet, the statement of Profit & Loss (including the Consolidated Financial Statements) and the Cash Flow Statement of the Company for the Financial Year ended 31st March 2023 and the reports of the Auditors and Board of Directors thereon.

2. To reappoint Mr. Arunprakash Srinivasarao Korati (DIN: 00027783) as a director, who retires by rotation and being eligible, offers his candidature for re-appointment.

3. To reappoint Mr. Ankur Nand Thadani (DIN: 03566737) as a director, who retires by rotation and being eligible, offers his candidature for re-appointment.

4. To Declare Dividend for Compulsory Convertible Preference Shares (CCPS) as per the recommendation of the Board:

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

   "**RESOLVED THAT** a dividend at the rate of 0.001% Per Compulsory Convertible Preference share capital of the company for the year ended 31st March 2023 be paid subject to the approval of the shareholders to those shareholders whose names appear on the register of members as on the date of Book Closing in proportion to the paid up value of the Compulsory Convertible Preference share."

SPECIAL BUSINESS:

5. **To Ratify the Remuneration Payable to Cost Auditors:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force),

Cost Auditors, M/s. Nageswara Rao & Co, Cost Accountants having Firm Registration No: 000332 appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company for the Financial year ending 31 March 2024, who shall be paid a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) Per Annum plus applicable taxes and out of pocket expenses at actual.

RESOLVED FURTHER THAT Board of Directors, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard including but not limited to filing of requisite application/forms/ reports, etc. with the Ministry of Corporate Affairs or with such other authorities as may be required for the purpose of giving effect to this resolution."

For and on behalf of the Board of
QUALITY CARE INDIA LIMITED

Place: Hyderabad, India
Date: 23.08.2023

Mr. Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

Notes:

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

2. The Ministry of Corporate Affairs ("MCA") has vide its General circular No. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, read with circulars No. 21/2021 dated 8.12.2021, General circular no. 2/2022 dated 05.05.2022 and General circular no. 10/2022 dated 28.12.2022 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members till **30th September, 2023**. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars and relevant circulars and other applicable provisions, the AGM of the Company is being held through VC / OAVM. The proceedings of the Annual General Meeting will be deemed to be conducted at the registered office of the Company at #6-3-248/2, Road No.1, Banjara Hills, Hyderabad -500034.

3. The VC/OAVM facility for members to join the meeting, shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 30 minutes after the conclusion of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Members desiring to seek any information/clarifications on the Financial Statements are requested to write to the Company at least seven (7) days before the Annual General Meeting to enable the management to keep the information ready.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes. Institutional / Corporate Shareholders are requested to send a scanned copy (PDF/JPG Format) of its certified true copy of Board or governing body Resolution/Authorization/Power of Attorney etc., alongwith the specimen signature of the authorized representative who is authorized to attend the AGM on its behalf and to vote pursuant to Section 113 of the Act. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs.office@carehospitals.com

8. Members holding shares in physical/dematerialized mode, who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company along with their details and folio number at cs.office@carehospitals.com

9. Members whose email ids are already registered with the Company or with Registrar and Share transfer agent will receive the Zoom Link (for video conferencing) for attending the Annual General Meeting which is also given below; Members are requested to attend the meeting through the given link and In case any member has not received the link via email then they are requested to send a mail from their E-mail account and write to cs.office@carehospitals.com.

Zoom Link:

***Topic**: QCIL Annual General Meeting 2023*
***Time**: 12:30 Noon*

Join Zoom Meeting
https://us02web.zoom.us/j/85464621651?pwd=d1ozRnc1NUg2NkxQK3l6UCsyRHA3Zz09

***Meeting ID**: 854 6462 1651*

***Passcode**: 368044*

Find your local number: https://us02web.zoom.us/u/kbkIlFONUG

Instructions:

a) Type the exact link given above in the web address bar and enter

Or

b) i) open Google Chrome/Mozilla Firefox/Internet Explorer

ii) Go to join.zoom.us and type

Meeting ID: 854 6462 1651

Passcode: 368044

iii) Click **Join**

In case of any technical difficulties write to - udaykumar.bellapu@carehospitals.com; or cs.office@carehospitals.com;

10. In keeping with Ministry of Corporate Affairs' Green initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars, etc. from the Company electronically by writing to cs.office@carehospitals.com.

11. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to cs.office@carehospitals.com

12. All shareholders attending the AGM will have the option to post their comments/queries through a dedicated chat box, which will be made available.

13. The Annual Report of the Company including the Notice convening the AGM circulated to the members of the Company will be available on the Company's website at https://www.carehospitals.com/annual-reports

14. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act 2013)

Item No. 5

The Board has approved the re-appointment of the Cost Auditors, M/s. Nageswara Rao & Co. at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per annum plus applicable taxes and out of pocket expenses at actuals, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2024.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2024.

None of the Directors / Key Managerial Personnel / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Your Board recommends the resolution set forth in the item no. 5 of the Notice for approval of the Members

For and on behalf of the Board
QUALITY CARE INDIA LIMITED

Place: Hyderabad, India
Date: 23.08.2023

Mr. Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

ADDENDUM TO THE NOTICE OF 31ST ANNUAL GENERAL MEETING OF QUALITY CARE INDIA LIMITED

This addendum is being issued by **QUALITY CARE INDIA LIMITED** ("the Company) in continuation of Notice dated August 23, 2023, convening **Thirty First (31st)** Annual General Meeting of the members of the Company, scheduled to be held on Tuesday, the 26th day of September, 2023 at 12.30 Noon through Video Conferencing (VC)/Other Audio Visual means (OAVM) at Board Room, Corporate Office, 1st Floor, Kohinoor Building, Road No.2, Banjara Hills, Hyderabad – 500034.

Subsequent to the issuance of Notice of the AGM, the requirement for increasing the investment limits under Section 186 of the Companies Act, 2013 and rules made thereunder has arose and in view of the same and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits;

Therefore the addendum including the proposed special resolution and its explanatory statement is being issued in order to include the addition of the below mentioned resolution as Resolution no. 6 under the special business of the AGM Notice which was dispatched to all the members of the Company in due compliance with the provisions of the Companies Act, 2013, and rules made thereunder, read with circulars issued by Ministry of Corporate Affairs.

Please note that there are no other modifications to the Notice of AGM and this Addendum should be read in continuation of and in conjunction with the Notice of AGM.

The members of the Company are requested to note the developments/amendments with respect to and in connection with the AGM are as under:

SPECIAL BUSINESS

6. Approval to grant loans, give guarantee or provide security and to invest the funds of the Company u/s 186

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

"RESOLVED THAT pursuant to the provisions to the Section 186(3) of the Companies Act, 2013, read with the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act (including any amendment thereto or re-enactment thereof for the time being in force), and such other approvals, consents, sanctions and permissions as may be required in that behalf and the enabling provisions of the memorandum and articles of association of the Company, the consent of the members be and is hereby accorded to the board of directors (i) to grant loans to any person or other bodies corporate or (ii) to give guarantee or provide security in connection with a loan to any person or other

bodies corporate or (iii) to acquire by way of subscription, purchase or otherwise the securities of other bodies corporate as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of **Rs. 5,690 Crores (Rupees Five Thousand Six Hundred and Ninety Crores Only)** as the board may think fit, on such terms and conditions in the best interest of the Company and the stakeholders.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, Mr. Jasdeep Singh Director & Chief Executive Officer and/or any other Director of the Company and/or Company Secretary of the company or any person appointed or assigned by them from time to time be and are hereby severally authorized to identify, finalise and invest in the best interest of the Company and to do all the acts, deeds and things as may be required including signing or executing any deeds, applications, agreements, documents as may be required, on behalf of the Company, to file necessary e-Forms with ROC, Ministry of Corporate Affairs and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.

RESOLVED FURTHER THAT any Director or Company Secretary or Chief Financial Officer of the Company is hereby authorised to give a certified true copy of this resolution to whoever needs the same".

For and on behalf of the Board of
QUALITY CARE INDIA LIMITED

Quality Care India Limited Hyderabad

Place: Hyderabad, India
Date: 04.09.2023

Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") relating to Special Business to be transacted at Annual General Meeting is annexed hereto.
2. All the processes, notes and instructions relating to proceedings during the Annual General Meeting as set out in the Notice of **Thirty First (31st)** Annual General Meeting of the Company shall mutatis-mutandis apply to the Resolution proposed in this Addendum to the Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act 2013)

Item No. 6

The Company has been making investments, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

As per the latest audited Balance Sheet of the Company as on 31st March 2023, sixty per cent of the paid-up share capital, free reserves and securities premium account amounts to INR 439.15 Crores while one hundred per cent of its free reserves and securities premium account amounts to INR. 690.42 Crores. Also, the Company in its Extra-Ordinary General meeting held on June 17, 2022, passed a special resolution and approved the following - the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of **Rs. 950 Crores (Rupees Nine Hundred Fifty Crores Only)**

Therefore, the maximum limit available to the Company under Section 186(2) of the Act for making investments or giving loans or providing guarantees / securities in connection with a loan, as the case may be, is INR. 950 Crores.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the above said limits; hence the Special Resolution at item No. 6. of the Notice is proposed to be passed.

The Directors recommend the Special Resolution as set out at Item No. 6 of the accompanying Notice, for Members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

For and on behalf of the Board of
QUALITY CARE INDIA LIMITED

Quality Care India Limited Hyderabad

Place: Hyderabad, India
Date: 04.09.2023

Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303
Email: jasdeep.singh@carehospitals.com

BOARD'S REPORT

To
The Members,

On behalf of Board, We take pleasure in presenting the **31st (Thirty First)** Annual Report on the business and operations of your Company along with the standalone & consolidated summary financial statements for the year ended 31 March, 2023.

1. FINANCIAL HIGHLIGHTS: [Rule 8(5)(i) of Companies (Accounts) Rules, 2014]

(Rs. In millions)

	QCIL(CARE standalone)		*QCIL (CARE Consol)*	
Particulars				
	31-Mar-23	**31-Mar-22**	**31-Mar-23**	**31-Mar-22**
Net Sales /Income from:				
Business Operations	10,401.38	10,223.07	16,043.95	13,181.61
Other Income	99.91	59.64	191.98	98.56
Total Income	**10,501.29**	**10,282.71**	**16,235.93**	**13,280.17**
Less: Expenditure	**8,315.07**	**8,069.83**	**12,866.44**	**10,564.41**
EBITDA	**2,186.22**	**2,212.88**	**3,369.49**	**2,715.76**
Less: Finance costs	695.66	336.02	886.27	421.02
Less Depreciation	651.15	715.03	988.05	905.27
Profit before exceptional items and tax	**839.41**	**1,161.83**	**1,495.17**	**1,389.47**
Exceptional items	0.00	0.00	41.41	0
Profit before share of loss of a Joint venture	**839.41**	**1,161.83**	**1,453.76**	**1,389.47**
Share of loss of a Joint Venture	0.00	0.00	0.00	0.01
Profit before tax	**839.41**	**1,161.83**	**1,453.76**	**1,389.46**
Less: Current Income Tax	121.50	245.00	278.19	302.84
MAT Credit	(74.62)	-	(74.62)	-
Less: Income tax relating to earlier periods	157.63	22.15	166.37	21.51
Less: Deferred Tax Expense /(Benefit)	261.77	(160.57)	100.66	(163.80)
Profit/(loss) for the year	**373.13**	**1055.25**	**983.16**	**1,228.91**
Other Comprehensive income: 1. Items that will not be reclassified subsequently to profit or loss a. Gain/(loss) on remeasurement of post-employment benefit obligations	(6.06)	(4.44)	3.09	(7.08)
2. Income tax relating to items that will not be reclassified to profit or loss	2.12	1.52	(0.19)	2.19

Total Comprehensive Income/(Loss) for the year	**369.19**	**1052.33**	**986.07**	**1,224.02**
Profit for the year attributable to:				
Owners of the parent			850.54	1,157.87
Non-controlling interests	0.00	0.00	132.62	71.04
Other comprehensive loss attributable to:				
Owners of the parent			2.75	(4.17)
Non-controlling interests	0.00	0.00	0.15	(0.72)
Total comprehensive income attributable to:				
Owners of the parent			853.30	1,153.70
Non-controlling interests	0.00	0.00	132.77	70.32
Earnings per share Basic	8.99	25.43	20.50	27.90
Earnings per share Diluted	8.99	25.43	19.52	27.90

2. CHANGE IN THE NATURE OF BUSINESS [Rule 895)(ii) of Companies (Accounts) Rules, 2014]

During the Financial year under review, there was no change in the nature of business of the Company.

3. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT [Section 134 (3) (l)]

a. During the previous year, the Company had raised the Authorised Share Capital from Rs. 79,50,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity shares of Rs. 10/- each and 1,55,00,000 Compulsory Convertible Preference Shares of Rs. 10/- each vide Extra Ordinary General Meeting dated 25.03.2022.

b. During the year under review, the Company allotted 75,45,290 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 24.06.2022.

c. During the year under review, the Company allotted 70,27,190 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 25.07.2022 .

4. DIVIDEND [Section 134 (3) (k)]

The Board of Directors of your Company has not recommended any dividend for the Equity shareholders for the financial year 2022-23. The current year profits are ploughed back for expansion plans of the Company.

Whereas, the Board has recommended the payment of dividend at the rate of 0.001% Per Compulsory Convertible Preference share capital of the company for the year ended 31st March 2023 as per the terms of issue of CCPS, to those preference shareholders entitled to receive the same and whose names appear on the register of members as on the date of Book Closing.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 does not apply as there was no dividend declared and paid in the previous Financial Year 2022-23.

6. TRANSFER TO RESERVES [Section 134 (3) (j)]

The details of the amount transferred to the reserves and surplus is detailed in Statement of changes in Equity for the year ended 31 March 2023 and Note No 4.13(b) of the financial statements enclosed herewith.

7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES [Rule 8(5)(iv) of Companies Accounts) Rules, 2014]

The Company has Six subsidiaries and one associate company as on 31st March 2023. There has been no material change in the nature of the business of the subsidiaries.

During the year under review 2022-23 the Company has acquired 2 Companies as its subsidiaries by acquiring a stake of 95% in Convenient Hospitals Limited (CHL) and 76% in United CIIGMA Institute of Medical Sciences Private Limited.

During the current year FY 2023-24, the Company has further acquired 5% stake in Convenient Hospitals Limited on April 20, 2023, making CHL its Wholly Owned Subsidiary.

During the current year FY 2023-24, the Company has disinvested its 76% stake in Galaxy Care Multispeciality Hospital Private Limited and it is no longer a subsidiary of the Company w.e.f. April 27, 2023.

Pursuant to the provisions of Section 139 (3) of the Companies Act 2013, a statement containing the salient features of the subsidiaries and associates companies in Form No. AOC-1 is attached to the financial statements of the Company as **Annexure- I**

8. DETAILS RELATING TO DEPOSITS [Rule 8(5) (v) of Companies Accounts) Rules, 2014]

The Company has not accepted/renewed any deposits during the financial year 2022-23.

Details relating to deposits covered under Chapter V of the act –

a. Accepted during the year; - NIL
b. Remained unpaid or unclaimed as at the end of the year; - NIL
c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- None

i. At the beginning of the year; - NA
ii. Maximum during the year; - NA
iii. At the end of the year; - NA

There are no deposits which are not in compliance with the requirements of Chapter V of the Act;

9. SHARE CAPITAL

The Authorised Share Capital as on 31st March 2023 was Rs. 95,00,00,000/- consisting of 7,95,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each and 1,55,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each. The paid-up Equity Share Capital as on 31st March 2023 was Rs. 41,49,68,940/- consisting of 4,14,96,894 equity shares of Rs. 10/- each and the paid-up preference share capital is as on 31st March 2023 was Rs. 14,57,24,800/- consisting of 1,45,72,480 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each.

Increase in Authorized Share Capital –

In the Financial Year 2021-22, at the Extra-Ordinary General Meeting held on March 25, 2022, the Company increased its Authorized share capital from Rs.79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) consisting of 7,95,00,000 (Seven Crores and Ninety Five Lakhs Only) Equity Shares of Rs. 10/- (Ten Only) each to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each by addition of Rs. 15,50,00,000/- (Rupees Fifteen Crores and Fifty Lakhs only) divided into 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only)

In the Financial Year 2021-22, the Company has issued 99,50,000 (Ninety Nine Lakh Fifty Thousand Only) 0.001% Compulsorily Convertible Preference shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to Rs. 4,500,385,000/- (Rupees Four Hundred & Fifty Crores Three Lakhs and Eighty Five Thousand Only) for cash through private placement to 'Touch Healthcare Private Limited' on 25.03.2022.

During the year under review, the following events had taken place post issuance of the above-mentioned CCPS –

- Allotment of 75,45,290 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% CCPS aggregating to Rs. 3,41,27,34,667/- to Touch Healthcare Private Limited on **June 24, 2022.**

- Withdrawal and abandonment of 24,04,710 0.001% Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10/- each aggregating to Rs. 2,40,47,100 /- out of 99,50,000 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each offered which were offered during the year to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Issuance of 79,54,710 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% Compulsory Convertible Preference Shares ("CCPS") aggregating to Rs. 3,59,79,15,333/- for cash through private placement to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Allotment of 70,27,190 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% CCPS aggregating to Rs. 3,17,83,98,037/- to Touch Healthcare Private Limited on **July 25, 2022.**

During the year under review, the Company has not issued shares with differential voting rights.

During the year under review, the company has not undertaken any of the following transactions.

Buy Back of Securities	Sweat Equity Shares	Bonus Shares	Employees Stock Option
Nil	Nil	Nil	Nil

However during the previous year, the Company vide Special Resolution dated 25.03.2022 discontinued the ESOPs 2013 Scheme and Share Warrants 2016 Scheme and approved payment of Ex-Gratia to vested holders of Eligible ESOPs holder under ESOPs 2013 Scheme and Share Warrants 2016 Scheme respectively.

10. DIRECTORS RESPONSIBILITY STATEMENT [Section 134(3) (c) and 134(5)]:

In accordance with the provisions of 134(3)(c) and Section 134(5) of the Companies Act, the Board of Directors, to the best of their knowledge and ability, confirms that -

i. In the preparation of the annual accounts for the Financial year ending 31st March, 2023, the applicable accounting standards have been followed and there are no material departures

ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company and of the profits of the Company for that period;

iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. They have prepared the annual accounts on a **"Going Concern"** basis;

v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL [Rule 8(5)(iii) of Companies Accounts) Rules, 2014]:

DIRECTORS:

In accordance with the provisions of Articles of Association Mr. Arunprakash Srinivasarao Korati (DIN: 00027783) and Mr. Ankur Nand Thadani (DIN: 03566737), Directors are liable to retire by rotation and being eligible offers themselves for reappointment.

During the year under review, there have been no changes on the Board of the Company.

KEY MANAGERIAL PERSONNEL's (KMP's):

During the year under review and in accordance with the provisions of Section 203 of the Companies Act, 2013, no changes in the Key Managerial personnel's have taken place.

The performance of KMP is evaluated annually by the Nomination and Remuneration Committee (NRC).

The details pertaining to the Board Committees viz Composition, meeting dates and the Policy (if any) are covered separately in the Corporate Governance Report attached to this report as **Annexure V**.

12. NUMBER OF BOARD MEETINGS: [Section 134(3)(b)]:

A total of Five (5) Board Meetings were held during the Financial Year 2022-23. The details of the said meetings of the Board are placed in the Corporate Governance report, which is forming part of this report.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 [Section 134 (3) (d) & 149(6)]

Your Company has received declarations from all independent directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of section 149 of the Companies Act, 2013. The independent Directors have duly complied with the code for Independent Directors prescribed in Schedule IV to the Act.

In the opinion of the Board, all Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity required to discharge their duties with an objective independent judgment and without any external influence.

14. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR. [Rule 8(5)(iiia) of Companies (Accounts) Rule, 2014].

The Company has 2 Independent Directors, Mr. Kewal Kundanlal Handa and Ms. Ekta Bahl and in the opinion of the Board, both of them possess requisite expertise, integrity and experience (including proficiency).

15. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013 [Section 134(3)(e) and 178 (3)]

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. Your company has put in place the relevant framework and a Nomination & Remuneration Policy as required under section 178 of the Companies Act 2013. The NRC policy is given in the Corporate Governance report which is annexed to this report.

16. MECHANISM FOR EVALUATION OF BOARD [Rule 8(4) of Companies Accounts) Rules, 2014]:

In terms of the provisions of the Companies Act, 2013 read with Rules issued there under, formal Annual Performance process has been carried out for evaluating the performance of the Board, the Committees of the Board and Individual Directors

A note on performance evaluation was duly circulated and placed before the Board.

Detailed information on the Directors is provided in the Corporate Governance Report.

17. CORPORATE SOCIAL RESPONSIBILITY, STATEMENT UNDER SECTION 135[Rule 8(1) of Companies (CSR Policy) Rules, 2014 read with Rule 9 of Companies (Accounts) Rule, 2014::

The Company was required to spend CSR amount in FY 2022-23 and the Company is committed to taking up Corporate Social Responsibility activities. The Company constituted Corporate Social Responsibility Committee as required under the provisions of Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Report including brief details of CSR Policy is enclosed to this Board report as **Annexure III.**

18. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186[Section 134(3)(g)]:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements. Please refer to the standalone financials.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT 2013 [Section 134(3)(h)].:

During the year under review, the company entered only into related party transactions which were in the ordinary course of business

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to The Companies (Accounts) Rules, 2014 is enclosed to this report as **Annexure II.**

20. COPY OF ANNUAL RETURN [Section 134(3)(a)]

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return of the Company in Form MGT-7 for FY 2022-23, is available on the Company's website at https://www.carehospitals.com/annual-reports

21. RISK MANAGEMENT POLICY [Section 134(3)(n)]

The Company has adequate internal financial control system in place which operates effectively. Risks are re-viewed from time to time and controls are put in place with specific responsibility of

the concerned officer of the company. According to the Directors of your Company, elements of risks that threaten the existence of your Company are very minimal.

22. EMPLOYEE STOCK OPTION SCHEME 2013 AND SHARE WARRANT SCHEME -2016 [Rule 12(9) of Companies (Share Capital and Debentures) Rule, 2014]

During the previous year, the Company has discontinued the 'Employee Stock Option Sheme-2013' and 'Share Warrant Scheme-2016' and approved payment of Ex-Gratia to vested holders of Eligible ESOPs holder under ESOPs 2013 Scheme and Share Warrants 2016 Scheme respectively by passing Special Resolution in the Extra Ordinary General Meeting held on 25.03.2022

23. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE. [SECTION 134(3)(F)] :

23.1. STATUTORY AUDITORS

Members at their Twenty Eighth Annual General Meeting held on 24th September, 2020 appointed M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016), as Statutory Auditors of the Company for a period of 5 years till the conclusion of the Annual General Meeting to be held in 2025.

REPLY TO COMMENTS IN AUDITORS' REPORT

As required to be stated under section 134 (3)(f) of the Act, there are no qualifications, reservations or adverse remarks made by the Auditors in their independent auditor's report except as provided hereunder. The auditors' report and notes to accounts forming part of financial statements are self-explanatory and do not call for further explanation.

Auditor's remarks –

Explanation for the Auditors' remarks under the head "Disclaimer of opinion"

"The audit reports on the system of internal financial controls with reference to financial statements for the following subsidiaries of the Holding Company: United Ciigma Institute of Medical Sciences Private Limited, Ciigma Institute of Medical Sciences Private Limited, United Ciigma Hospitals Healthcare Private Limited, Convenient Hospitals Limited and Heart Care Institute And Research Centre (Indore) Pvt Ltd for the year ended March 31, 2023 contained a disclaimer of opinion as detailed in Note 4.48 of the consolidated financial statements and, consequently, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Group had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI."

However, after the operations of the Company during the year under review 2022-23 the Company has acquired 2 Companies as its subsidiaries by acquiring a stake of 95% in Convenient Hospitals Limited (CHL) and 76% in United CIIGMA Institute of Medical Sciences Private Limited & during the current year FY 2023-24, the Company has further acquired 5% stake in Convenient Hospitals Limited on April 20, 2023, making CHL its Wholly Owned Subsidiary and the affairs of both the Companies and their respective subsidiaries was taken over by the Management. The Investment in this Company was made after conducting due diligence and with necessary suggestions and recommendations.

The earlier management was involved in the day to day operations of these Companies including finance function which was responsible for the year under review for ensuring that there were all internal controls commensurating with the size and operations of the Company. The statutory Auditors of the Company has expressed that - we are unable to obtain sufficient audit evidence to determine if the Company has established adequate internal financial control with reference to financial statements and whether such internal financial controls were operating effectively as at March 31, 2023.

Since these Companies (CHL & CIIGMA & their subsidiaries) were recently acquired during the year under review, the Management has taken complete control over the accounting and financial functions and it is in the process of establishing and implementing internal controls and Standard Operating Processes in these companies in order to ensure that the same are in line with the Holding Company (QCIL).

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report

23.2. SECRETARIAL AUDIT

The Board has appointed M/s RVR & Associates, Practicing Company Secretaries for conducting the Secretarial Audit of the Company for the Financial year 2022-23 in accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report for the Financial Year 2022-23. The Secretarial Auditor's report is annexed as **Annexure IV** and is a part of this report.

23.3. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, Company has appointed M/s. Nageswara Rao & Co, Cost Accountants as the Cost auditors for the Company for conducting the cost audit for the Financial Year 2022-23.

The remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence the resolution at Item no. 4 of the Notice of the Annual General Meeting (AGM) is recommended by the Board for members approval.

DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS [RULE 8(5)(ix) of Companies (Accounts) Rule, 2014].

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

23.4. INTERNAL AUDIT [RULE 8(5)(viii) of Companies (Accounts) Rule, 2014].

The internal audit function is adequately resourced commensurate with the operations of the Company. The provisions of section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 regarding appointment of internal auditor are applicable to the Company and as per the provisions the Board has appointed M/s. EY LLP, Chartered Accountants as Internal Auditors of the Company for conducting the internal audit for the financial year 2022-23.

24. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT [Section 134(3)(ca)];

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS [Rule (5)(vii) of Companies (Accounts) Rule, 2014]

The Company has well established policies and procedures for internal financial controls commensurate with its size and operations to safeguard and ensure prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following generally accepted accounting principles and Ind Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

26. VIGIL MECHANISM [Rule 7 of Companies (Meeting of Board and its Powers) Rule, 2014]

Pursuant to section 177 (9) of Companies Act, 2013, the company formulated Whistle Blower Policy.

The Whistle Blower Policy/ Vigil Mechanism provides a mechanism for the director/employee to report violations without fear of victimisation of any unethical behaviour, suspected or actual fraud etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The Directors and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee

27. SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings respectively.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE [Rule 8(5)(vii) of Companies (Accounts) Rule, 2014]

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

29. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR [Rule 8(5)(xi) of Companies (Accounts) Rule, 2014].

The Company has one pending proceeding against it under the Insolvency and Bankruptcy Code, 2016 which was filed by Soniks Consultancy Services Private Limited alleging non-payment of un-entitlement claim for incomplete services provided by them. The proceedings of the case are pending for adjudication.

30. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSA) ACT, 2013 AND THE RULES MADE THEREUNDER [Rule 8(5)(x) of Companies (Accounts) Rule, 2014].

The Company has adopted a policy with the name "Policy on Prevention, Prohibition and Redressal of Sexual Harassment". The policy is applicable to all the employees of the organization, which includes corporate office, Units etc.

An Internal Committee has also been set up to redress complaints received on sexual harassment as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder the information required to be disclosed under the provisions of the said Act are as follows:

S. No	Particulars	
(a)	number of complaints received during FY 2022-23	14
(b)	number of complaints disposed of during the FY 2022-23	14
(c)	number of cases pending for more than ninety days	0

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO [Section 134(3)(m)] with Rule 8(3) of Companies (Accounts) Rule, 2014].

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A. CONSERVATION OF ENERGY:	
1. The steps taken or impact on conservation of energy.	The company is making efforts to conserve energy through periodic monitoring and analysis of energy consumption. The Company has taken appropriate steps to reduce the consumption through timely maintenance/installation/upgradation of all the energy consuming areas/equipment.
2. The steps taken by the Company for utilizing alternate sources of energy	The company has successfully implemented several energy conservation measures and is also working on renewable energy options like solar energy where, an approximate of 1.6 million units is being generated via solar PV annually, Heat pumps where the conservation initiatives has resulted in migration of traditional hot water generators using diesel fuel / conventional Geysers to Heat pump technology thus saving fossil fuel and hot water generation cost.
3. The Capital investment on energy conservation equipment's	Energy efficient air conditioning solutions like chillers, pumps and other associated measures have been implemented to optimize the energy savings and improve the patient service along with the ambience. All hospitals units have upgraded to LED lightings from conventional lighting systems. As part of our water conservation efforts we have upgraded and refurbished the STP & RO systems across the group. All efforts have been taken in order to maintain the equipment in optimum working condition to increase the life span and to decrease the energy consumption without compromising the safety and comfort of patients and customers.
B. TECHNOLOGY ABSORPTION:	
1. The Efforts made towards technology absorption	The company does not have in-house Research & Development department. However, the company continuously makes efforts towards sourcing medical & other equipment from vendors who adopt the latest state of art technology in their products/services. This endeavor ensures that the company always
2. The Benefits derived like product improvement, cost reduction, product development or import substitution	

3. Details of technology imported during the past 3 years	benefits in terms of cost reduction and improving efficiencies. Further no technology was imported by the Company during the year under review.
4. The expenditure incurred on Research and Development	
C. FOREIGN EXCHANGE EARNINGS AND OUT GO	
Foreign Exchange earned in terms of actual inflows	INR 61,07,468/-
Foreign Exchange outgo in terms of actual outflows	INR 1,05,19,183/-

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. The Board places on record its deep appreciation to all employees for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain an industry leader.

For and on behalf of the Board

Mr. Massimiliano Colella
Director
DIN: 08729468

Date: 23.08.2023
Place: Dubai, UAE

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303

Date: 23.08.2023
Place: Hyderabad, India

ANNEXURE I

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details					
1.	Name of the subsidiary	Ganga Care Hospital Limited	Ramkrishna Care Medical Sciences Private Limited	Galaxy Care Multispeciality Hospital Private Limited*	Quality Care Jharsuguda Private Limited	Convenient Hospitals Limited	United CIIGMA Institute of Medical Sciences Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)
4.	Share capital	118.63	14.98	0.21	0.10	94.49	513.67
5.	Reserves & surplus	357.04	954.16	173.27	(0.11)	739.72	1,419.74
6.	Total assets	660.57	1,854.74	293.81	0.04	1,190.97	3,065.43
7.	Total Liabilities	660.57	1,854.74	293.81	0.04	1,190.97	3,065.43
8.	Investments	5.98	-	-	-	231.10	486.26
9.	Turnover	382.79	2,501.15	381.13	0	1,413.08	1,237.04
10.	Profit before taxation	41.58	357.55	(2.36)	0	154.95	90.23

11.	Provision for taxation	12.73	90.33	(0.69)	0	50.75	18.23
12.	Profit after taxation	28.85	267.22	(1.67)	0	104.20	72.00
13.	Proposed Dividend	0	0	0	0	0	0
14.	% of shareholding	74.13	56.33	76	100	95	76

**Galaxy Care is no longer a subsidiary of the Company w.e.f. April 27, 2023.*

Sl. No.	Particulars	Details		
1.	**Name of the subsidiary**	**Heartcare Institute and Research Centre (Indore) Pvt. Ltd.**	**CIIGMA Institute of Medical Sciences Private Limited**	**United CIIGMA Hospitals Healthcare Private Limited**
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023	01/04/2022 To 31/03/2023
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Mn)	INR (Mn)	INR (Mn)
4.	Share capital	125.10	10.00	133.60
5.	Reserves & surplus	259.32	2.83	(127.02)
6.	Total assets	959.89	52.88	552.79
7.	Total Liabilities	959.89	52.88	552.79
8.	Investments	0	0	0
9.	Turnover	388.13	63.92	70.56
10.	Profit before taxation	(3.29)	6.01	(42.08)
11.	Provision for taxation	0.19	9.90	1.37
12.	Profit after taxation	(3.48)	(3.89)	(43.45)
13.	Proposed Dividend	0	0	0
14.	% of shareholding	95	76	76

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

1. Names of subsidiaries which are yet to commence operations - Quality Care Jharsuguda Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year – **None**. During the current year FY 2023-24, the Company has disinvested its 76% stake in Galaxy Care Multispeciality Hospital Private Limited and it is no longer a subsidiary of the Company w.e.f. April 27, 2023.

Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	Quality Care Health Services India Private Limited
1. Latest audited Balance Sheet Date	31-March-2023
2. Shares of Associate/Joint Ventures held by the company on the year end	5000
Amount of Investment in Associates/Joint Venture	5,000
Extend of Holding%	50%
3. Description of how there is significant influence	Control over composition of Board
4. Reason why the associate/joint venture is not consolidated	Operations of the company not yet started
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable
6. Profit/Loss for the year	Not Applicable
i. Considered in Consolidation	
ii. Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations.- Quality Care Health Services India Private Limited
2. Names of associates or joint ventures which have been liquidated or sold during the year.- None

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified

For and on behalf of the Board

Mr. Massimiliano Colella
Director
DIN: 08729468

Date: 23.08.2023
Place: Dubai, UAE

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303

Date: 23.08.2023
Place: Hyderabad, India

ANNEXURE II

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

There are no contracts or arrangements or transactions which were not on arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	Description	Details of the Contracts	
i	Name(s) of the related party and nature of relationships	Ganga Care Hospital Limited - Subsidiary Company	Ramkrishna Care Medical Sciences Private Limited - Subsidiary Company
ii	Nature of contracts/arrangements/transactions	Sale of Goods	Sale of Goods & Purchase of Goods
iii	Duration of the contracts / arrangements/transactions	One-time transaction	On-going transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale of Equipment's	a) Sale of Goods (drugs and consumables) & b) Purchase of goods (drugs and consumables)
v	Date(s) of approval by the Board, if any	None, Approved by audit committee on 27/06/2023	None, Approved by audit committee on 27/06/2023
vi	Amount paid as advances, if any	Nil	Nil

For and on behalf of the Board

Mr. Massimiliano Colella
Director
DIN: 08729468
Date: 23.08.2023
Place: Dubai, UAE

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303
Date: 23.08.2023
Place: Hyderabad, India

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIALYEAR 2022-23

1. **Brief outline on CSR Policy of the Company:** Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 read with relevant Rules.

The Company believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. The Company commits itself to contribute to the society in ways possible for the organization

AIMS & OBJECTIVES

- To develop a long-term vision and strategy for Company's CSR objectives (Long term and otherwise)
- Establish relevance of potential CSR activities to Company's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
- Company shall promote projects that are :

(a) Sustainable and create an impact both long term and otherwise;

(b) Have specific and measurable goals in alignment with Company's philosophy;

(c) Address the most deserving cause or beneficiaries.

- To establish process and mechanism for the implementation and monitoring of the CSR activities for Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kewal Kundanlal Handa	Chairman/Non-Executive Independent Director	1	1
2	Ms. Ekta Bahl	Member/Non-Executive Independent Director	1	1

3	Mr. Arunprakash Srinivasarao Korati	Member/Non-Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - https://www.carehospitals.com/policies

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – **Not applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any -

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set- off for the financial year, if any (in Rs.)
1	FY 2021-22	0.25	0.25
2			
3			
	TOTAL	0.25	0.25

6. Average net profit of the company as per section 135(5) – **Rs. 48,69,41,770/-**

7. (a) Two percent of average net profit of the company as per section 135(5) - **Rs. 97,38,835/-**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – **Nil**

   (c) Amount required to be set off for the financial year, if any – **Rs. 0.25/-**

   (d) Total CSR obligation for the financial year (7a+7b-7c) – **Rs. 97,38,834.75/-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 97,73,743/-	NA	NA	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Nil**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Telangana Sikh Society	Promoting education and skill development	Yes	Telangana	Hyderabad	5,00,000/-	No	Telangana Sikh Society	CSR00024103
2	International Society for Krishna Consciousness (ISKCON)	Eradicating hunger, poverty and malnutrition & Promoting education and skill development	Yes	Telangana	Medchal, Malkagiri	92,73,743/-	No	International Society for Krishna Consciousness (ISKCON)	CSR00005241

	TOTAL					97,73,743/-			

(d) Amount spent in Administrative Overheads- **Nil**

(e) Amount spent on Impact Assessment, if applicable – **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – **Rs. 97,73,743/-**

(g) Excess amount for set off, if any – **Rs.0.25/-**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 97,38,835/-
(ii)	Total amount spent for the Financial Year	Rs. 97,73,743/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 34,908/-
(iv)	Surplus arising out of the CSR projects or programmes or	Nil
(v)	Amount available for set off in succeeding financial years	Rs. 34,908.25/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **Nil**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)

Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - **NA**

    (asset-wise details).

    (a) Date of creation or acquisition of the capital asset(s).

    (b) Amount of CSR spent for creation or acquisition of capital asset.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – NA**

Mr. Jasdeep Singh **(Director & Group CEO)** **(DIN: 02705303)**	**Ekta Bahl** **(Chairman CSR Committee)** **(DIN: 01437166)**

Annexure IV
Secretarial Audit Report

rvr & associates
company secretaries

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

To,
The Members,
Quality Care India Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Quality Care India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2023** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Quality Care India Limited** and relied on the information, explanations provided by the management and its officers for the financial year ended on **31st March, 2023** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**.
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, and External Commercial Borrowings -.;
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (`SEBI Act') viz.:-
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable**

Door No. 1-10-18, Flat # G1-1st Floor, Lakshmi Sri Park View Apartments,
Near Ashok Nagar Circle, Ashok Nagar, Hyderabad - 500020 Telangana, India
+91 40-2761 2478 +91 98491 27199
rvrassociates@gmail.com www.csrvrassociates.com

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G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015; - **Not Applicable**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; – **Not Applicable**.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - **Not Applicable** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - **Not Applicable**

(vi) (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – **Not Applicable**.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with Stock Exchange - **Not Applicable**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors have taken place during the period under review.

a. Adequate notice was given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

b. During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meeting held during the period under review.

c. Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance of provisions of the applicable Acts, in our opinion, there are adequate systems and

RVR & ASSOCIATES COMPANY SECRETARIES HYDERABAD
G.V.S. Ravi Kumar
Associate partner
C.P. No: 11178

processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

d. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines;

A. Other major events:

1. The Company has Altered Clause V i.e., Capital Clause of Memorandum of Association (MOA) in accordance with the provisions of Companies Act, 2013.

2. The Company has Altered its Articles of Association (AOA) for insertion of Article 5A i.e Dematerialisation of Securities and replacement of existing of Article 14.1 i.e., Registers in accordance with the provisions of Companies Act, 2013.

3. The Company has issued 99,50,000 (Ninety-Nine Lakh Fifty Thousand) 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares in the EGM held on 30.05.22 out of which allotment of 75,45,290 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to Rs. 3,41,27,34,667/- (Rupees Three Hundred and Forty One Crore Twenty seven Lakh Thirty Four Thousand Six Hundred and Sixty Seven Only) was made to Touch Healthcare Private Limited on 24.06.2022.

4. The company has issued 79,54,710 (Seventy-Nine Thousand Fifty-Four Lakh Seven Hundred and Ten only) 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares in the EGM held on 08.07.22 out of which allotment of 70,27,190 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to 3,17,83,98,037/- (Rupees Three Hundred and Seventeen Crore Eighty Three Lakh Ninety Eight Thousand and Thirty Seven) was made to Touch Healthcare Private Limited on 25.07.2022.

5. The company has made changes in the terms and conditions of the Issue, offer and allotment of Compulsorily Convertible Preference shares in its Board meeting held on 16.06.2022.

6. The Company has rolled out Stock Appreciation Rights (SAR) Plan 2022 in its Board meeting held on 16.06.2022.

RVR & ASSOCIATES COMPANY SECRETARIES
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Associate partner
C.P. No: 17178
HYDERABAD

7. The Company was in default in filling up the vacancy created by resignation of Company Secretary on 06.01.2020. However, the Company has rectified the non-compliance by filing Compounding Application before Regional Director, South East Region, Hyderabad and received the compounding order on 11.05.2022.

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000



Date: 23.08.2023
Place: Hyderabad

G.V.S Ravi Kumar
Associate Partner
C P No: 17178
PR. No. 1242/2021
UDIN: F008529E000852152

Note: This report is to be read with our letter of even date which is annexed as **'Annexure'** and forms an integral part of this report.

rvr & associates
company secretaries

'Annexure'

To,
The Members,
Quality Care India Limited
Hyderabad

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment Laws and Data protection policy.
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.
9. All the documents, records and other information were verified and checked partly by physical inspection and partly by electronic means and as provided by the management.
10. We further report that during the audit report there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulation, guidelines, standards, etc.
11. We further report that, the Company has identified the following Industry specified laws which are applicable to them:
    (a) The Drug and Cosmetic Act, 1945 and Rules
    (b) The Drug and Magic Remedies Act, 1954
    (c) Narcotic Drugs and Psychotropic Substances Act, 1985
    (d) The Hazardous Waste (Management & Handling) Rules 1989 under the Environment Protection Act, 1986
    (e) The Pharmacy Act, 1948

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

Door No. 1-10-18, Flat # G1-1st Floor, Lakshmi Sri Park View Apartments,
Near Ashok Nagar Circle, Ashok Nagar, Hyderabad - 500020 Telangana, India
+91 40-2761 2478 +91 98491 27199
rvrassociates@gmail.com www.csrvrassociates.com

(f) Bio-Medical Waste (Management and Handling) Rules, 1998
(g) Food Safety and Standards Act, 2016 and rules

12. We further report that, the Company has identified the following general laws which are applicable to them:

I. The Minimum Wages Act,1948
II. The Payment of Wages Act, 1936
III. The Employees' Provident Funds & Misc. Provisions Act 1952 and E.P.F Scheme 1952
IV. The Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations 1950
V. The Payment of Gratuity Act 1972 and The A.P. Payment of Gratuity Rules, 1972
VI. The Contract Labour (Regulation and Abolition) Act, 1970
VII. The Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
VIII. The National Festival and Other Holidays Act, 1974
IX. The Maternity Benefit Act, 1961
X. The Payment of Bonus Act, 1965
XI. The Shops & Establishment Act, 1988
XII. The Labour Welfare Fund Act, 1987
XIII. The Equal Remuneration Act, 1976
XIV. The Child Labour(Regulation & Prohibition) Act, 1986
XV. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
XVI. The Workmen Compensation Act
XVII. The Employee Compensation Act, 1923
XVIII. The Motor Vehicle Act, 1988

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

Date: 23.08.2023
Place: Hyderabad

G.V.S Ravi Kumar
Associate Partner
C P No.: 17178
PR. No. 1242/2021
UDIN : F008529E000852152

Annexure V to Director's Report - 2023

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Corporate governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfil its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all the others.

Board of Directors Composition

The Company has an optimum combination of executive and non-executive directors. The Board comprises of One Executive Director, Two Non-Executive Independent director and Six Non-Executive Directors. The composition of the Board is as follows:

Name of the Director	Director Identification Number (DIN)	Category of Directorship	Whether attended the AGM on 28/09/2022
Mr. Arunprakash Srinivasarao Korati	00027783	Non-Executive Director	No
Mr. Kewal Kundanlal Handa	00056826	Independent Non-Executive Director	Yes
Mr. Vishal Bali	01457380	Non-Executive Director	No
Mr. Ankur Nand Thadani	03566737	Non-Executive Director	No
Mr. Mahadevan Narayanamoni	07128788	Non-Executive Director	No
Mr. Madan Rohinikrishnan	07426734	Non-Executive Director	No
Ms. Ekta Bahl	01437166	Independent Non-Executive Director	No
Mr. Massimiliano Collela	08729468	Non-Executive Director	No
Mr. Jasdeep Singh	02705303	Executive Director	No

Board Meetings

The Board Meetings are conducted in accordance with the provisions of the Companies Act 2013, the rules made thereunder and Secretarial Standard for Meeting of Board of Directors issued by the Institute of Company Secretaries of India. The attendances of the Directors in the said Board Meetings are as follows:

Attendance of Directors at the Board meetings held during the financial year 2022-23						
S. No.	**Director's name**	**21-04-2022**	**16-06-2022**	**07-07-2022**	**25-08-2022**	**07-12-2022**
1	Arunprakash Srinivasarao Korati	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)
2	Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
3	Vishal Bali	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES
4	Ankur Nand Thadani	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)
5	Mahadevan Narayanamoni	YES (VC)	YES	YES	YES (VC)	YES
6	Madan Rohini Krishnan	YES (VC)	YES (VC)	LOA	YES (VC)	LOA
7	Ekta Bahl	YES	YES (VC)	YES (VC)	YES (VC)	YES (VC)
8	Massimiliano Colella	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
9	Jasdeep Singh	YES	YES	YES	YES	YES

(VC=video conferencing; LOA – Leave of absence)

BOARD COMMITTEES

The Board has constituted the following committees:

1. AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted in line with the provisions of section 177 of the Companies Act 2013.

The terms of reference of the Committee are as follows and the Audit committee charter is annexed as Annexure -1:

a. To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.

b. To review and monitor auditor's independence and performance and effectiveness of the audit process.

c. To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.

d. To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

e. To approve transactions or any subsequent modification of transactions of the Company with related parties.

f. To scrutinize the loans and investments by the Company, if any.

g. To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.

h. To recommend the appointment, scope and terms of appointment of the valuers of the Company

i. To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.

j. To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.

k. To monitor end use of funds raised through Public offers and related matters.

l. To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

The Audit Committee charter of the company is enclosed as **Annexure AC 1.**

Present composition of the audit committee after recent re-constitution of the committee during the year under review:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 17.03.2022

There were no changes in composition of the Committee during the year under review and the attendance details are as follows:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the audit committee meetings held during the financial year 2022-23			
S. No.	Name of the member	25/08/2022	07/12/2022
1	Mr. Kewal Kundanlal Handa	YES (VC)	YES (VC)
2	Ms. Ekta Bahl	YES (VC)	YES
3	Mr. Mahadevan Narayanamoni	YES (VC)	YES

(VC = video conference)

2. OPERATING COMMITTEE:

The Operating Committee is constituted for the operational effectiveness of the Company. The following are the terms of reference of the committee:

I. To review the performance of the Company on a periodic basis;

II. To borrow monies in terms of Section 179 of the Companies Act, 2013 not exceeding Rs.5 crores (Rupees Five Crores only) outstanding at any point of time;

III. To authorize the executives to file legal cases in the ordinary course of business;

IV. To authorize the executives of the Company to represent and make application / representation before various statutory authorities like Central Government, State Government, Municipal and local bodies;

V. To operate any account (s) with such Bank or Banks as the Board may elect to sign, draw, accept, endorse or otherwise execute all cheques, promissory notes, drafts, hundis, orders, bills of exchange, bills of lading, Bank Guarantee and other negotiable instruments to make and give receipts, release and other discharges for monies payable to the Company and for the claims and demands of the Company to make contracts and to execute deeds in connection with the operations of the Company;

VI. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due and of claims or demands by or against the Company and to appoint solicitors, advocates, counsel and other legal advisors for such purpose or for any other purposes and settle and pay their remunerations;

VII. Such other terms of the reference as may be decided by the Board of Directors from time to time; and

VIII. Such other matters falling under the prevalent delegation of authority as approved by Board from time to time

The composition of the Operating Committee and the attendance details for the meetings held during the year are as follows:

Present composition of the Operating committee -

S.No	Name	Designation	Remarks
1	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Mr. Jasdeep Singh	Director & Group CEO	Appointed w.e.f. 19.10.2020
3	Mr. Massimiliano Colella	Non-Executive Director	Appointed w.e.f. 17.03.2022

There were no changes in the composition of the Committee during the year under review and the attendance details are as follows:

Name of the Director	Category of Directorship	Remarks
Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Jasdeep Singh	Director & Group CEO	Appointed w.e.f. 19.10.2020

Mr. Massimiliano Colella	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the Operating committee meetings held during the financial year 2022-23

Operating Committee	28-04-22	31-05-22	28-06-22	26-07-22	29-08-22	29-09-22	31-10-22	23-11-22	15-12-22	31-01-23	23-0 23
Mahadevan Narayanamoni	YES (VC)	YES	YES	YES	YES	YES	YES	LOA	YES	YES	YE
Jasdeep Singh	YES	YES	YES	YES	YES	YES	YES	YES	YES	YES	YE
Massimiliano Colella	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	LOA	YES (VC)	YE

(VC = video conference)

3. NOMINATION & REMUNERATION COMMITTEE:

The Company has a Nomination & Remuneration Committee.

The terms of reference of the committee are as follows:

The Committee shall:

i. Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

ii. Identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfill the role of director of the Company.

iii. specify the manner for effective evaluation of performance of Board, its committees and individual directors

The Nomination & Remuneration Committee Charter of the company is enclosed as **Annexure NRC 2**.

Present composition of the NRC committee is as follows:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Mr. Vishal Bali	Non-Executive Director	Appointed w.e.f. 21.06.2019
3	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
4	Mr. Arunprakash Srinivas Rao Korati	Non-Executive Director	Appointed w.e.f. 17.03.2022

There have been no changes in composition of the Committee during the year under review and the attendance details are as follows:

Name of the Director	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Vishal Bali	Non-Executive Director	Appointed w.e.f. 21.06.2019
Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
Mr. Arunprakash Srinivas Rao Korati	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the meetings of NRC held during the Financial year 2022-23		
S. No.	**Members**	**13/07/2022**
1	Mr. Kewal Kundanlal Handa	YES
2	Mr. Vishal Bali	YES (VC)
3	Ms. Ekta Bahl	YES (VC)
4	Mr. Arunprakash Srinivas Rao Korati	YES (VC)

(VC = video conference)

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has a Corporate Social Responsibility Committee pursuant to the provisions of section 135 of the Companies Act 2013. The Committee functions according to the Corporate Social Responsibility Policy of the Company which is available on the website of the Company.

Web address: https://www.carehospitals.com/policies

Present composition of the CSR committee is as follows:

Name of the Member	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Arunprakash Srinivasarao Korati	Non-Executive Director	Appointed w.e.f. 21.06.2019
Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 23.03.2020

There were no changes in composition of the Committee during the year under review and the attendance details are as follows:

Attendance of members at the CSR committee meeting held during the financial year 2022-23		
S. No.	**Members**	**30/03/2023**
1	Mr. Kewal Kundanlal Handa	YES (VC)
2	Ms. Ekta Bahl	YES
3	Mr. Arunprakash Srinivasarao Korati	YES (VC)

(VC = video conference)

INDEPENDENT DIRECTOR'S MEETING:

The details of the meeting of Independent Directors of the Company held during the year under review are:

Attendance of members at the Independent Directors meeting held during the financial year 2022-23		
S. No.	**Members**	**30/03/2023**
1	Mr. Kewal Kundanlal Handa	YES (VC)
2	Ms. Ekta Bahl	YES

(VC = video conference)

GENERAL BODY MEETINGS:

The details of previous three years Annual General Meetings are as follows:

Year	Date And Time	Whether Special resolutions passed
2021-22	28th September, 2022 @ 1:00 PM	No
2020-21	28th September, 2021 @ 2:30 PM	Yes
2019-20	24th September, 2020 @ 2:00 PM	No

The Annual General Meeting for FY 2019-20, FY 2020-21 and FY 2021-22 was held through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

POSTAL BALLOT:

There was no business required to be transacted through postal Ballot during the financial year 2022-23

Annual General Meeting:

AGM Date, time and venue : 26th September, 2023 at 12:30 Noon through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at Board Room, Corporate Office,

1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

Financial Calendar : 1st April to 31st March

International Securities Identification Number (ISIN) -

1) Equity Shares - INE108N01016
2) 0.001% Compulsorily Convertible Preference Shares – INE108N03012
3) 0.001% Compulsorily Convertible Preference Shares – INE108N03020

SHAREHOLDER INFORMATION

Address for Correspondence

All shareholders' correspondence should be forwarded to M/s. Venture Capital and Corporate Investments Private Limited, the Registrar and Transfer Agent of the Company or to the Compliance officer/Investor relation officer at the addresses mentioned below:

Registrar and Share Transfer Agent

Venture Capital and Corporate Investments Private Limited

12-10-167, Bharat Nagar,
Hyderabad-500 018
Tel: +91-40-23818475/76
Fax: +91-40-23868024
Email: info@vccipl.com

Compliance officer/Investor relation officer

Mrs. Gayathri Chandramoulieswaran
Company Secretary

Company Secretary Department
H.NO.8-2-120 / 86 / 10, 10A, 11, 11A, 11B, 11C, & 11D
1st Floor, GVK Kohinoor Building (New Star Maa Building)
Road No. 2, Banjara Hills,
Hyderabad - 500034
Opp. Park Hyatt hotel, near: L V Prasad Eye hospital
Phone: 040-68106565
Fax: 040-39116019
Email: cs.office@carehospitals.com

Change of address:

Members holding equity shares in physical form are requested to notify the change of address, if any, to the company's Registrar and Transfer agent, at the address mentioned above.

Share Transfer System:

All share transfers can be effected only in dematerialisation form. All shareholders are requested to immediately initiate the process for converting physically held shares into Dematerialisation form.

Investor Safeguards:

In order to serve you better and enable you to avoid risks while dealing in securities. You are requested to follow the general safeguards as detailed hereunder:

Update your address:

To receive all communication promptly, please update your address registered with the Company.

Consolidate your multiple folios:

Members are requested to consolidate their shareholding held under multiple folios to save them from the burden of receiving multiple communications.

Register Nomination:

To help your successors get the share transmitted in their favour, please register your nomination. Member(s) desirous of availing this facility may submit nomination in Form 2B (Enclosed) Member(s) holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

Prevention of Frauds:

We urge you to exercise due diligence and notify us of any change in address / stay in abroad or demise of any shareholder as soon as possible. Do not leave your demat account dormant for long. Periodic statement of holding should be obtained from the concerned DP and holding should be verified.

Confidentiality of Security Deposits:

Members are requested not to disclose their Folio No. DP ID / Client ID or to handover signed blank transfer deeds / delivery instruction slip to any unknown person.

Green Initiative:

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their email addresses and intimate changes in the email address from time to time.

For and on behalf of the Board

Mr. Massimiliano Colella	**Mr. Jasdeep Singh**
Director	**Director & Group CEO**
DIN: 08729468	**DIN: 02705303**
Date: 23.08.2023	**Date: 23.08.2023**
Place: Dubai, UAE	**Place: Hyderabad, India**

Annexure AC-1

QUALITY CARE INDIA LIMITED

CHARTER

AUDIT COMMITTEE OF BOARD OF DIRECTORS

I. Authority and Purpose

A. The Board of Directors ("**Board**") of Quality Care India Limited or its Subsidiaries or Associates Company (the "**Company**") constituted an Audit Committee ("**Committee**") to assist the Board in fulfilling its statutory and fiduciary responsibility:

- To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.
- To review and monitor auditor's independence and performance and effectiveness of the audit process.
- To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.
- To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- To approve transactions or any subsequent modification of transactions of the Company with related parties.
- To scrutinize the loans and investments by the Company, if any.
- To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.
- To recommend the appointment, scope and terms of appointment of the valuers of the Company
- To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.
- To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.
- To monitor end use of funds raised through Public offers and related matters.
- To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

As such, the Committee exercises the authorities and powers delegated to it and the powers imposed by law, regulations and/or regulatory authorities within the jurisdiction.

B. Members of the Committee should be conversant with the various responsibilities placed upon them by Section 177 of the Act and rules made there under and as amended from time to time. The relevant extracts of Section 177 of the Act are included in **Appendix 1.**

C. The Committee shall comply with the various provisions, regulations or guidelines as may be applicable and amended from time to time. Further, the Committee shall review and update this Charter once in the financial year, to give effect to such amendments and recommend the revised Charter to the Board for its approval.

D. This amended Charter shall substitute and supersede all previous Charters of the Committee.

II. Constitution of the Committee

A. *Size of the Committee*: The Committee shall consist of at least three (3) members ("**Members**") and shall only comprise Directors from the Board. At all times, majority shall be of the Independent Directors.

B. *Appointment and removal of Members*: The Members will be appointed by the Board and will continue until their successors are duly appointed by the Board. The majority of members of the Audit Committee including its Chairperson shall be persons with ability to read and understand financial statements.

In the event of any amendment to the Companies Act and rules made there under, the composition of the Committee will be amended accordingly to ensure compliance with the amendments.

C. *Election of a Chairperson*: The Members shall elect a Chairperson of the Committee ("**Chairperson**") from among themselves from time to time, by a majority vote. The Board shall formally appoint the Chairperson of the Committee.

D. *Appointment of a Committee Secretary*: The Company Secretary shall act as the Secretary of the Committee ("**Committee Secretary**") but shall not be a Member. The Committee Secretary shall be responsible to provide support to the Committee members in his/her role and to ensure proper execution of the required processes.

E. *Invitees to the Committee*: Subject to the approval by the Chairperson, the Committee may invite members of the management as it considers necessary to be present at the Meetings of the Committee but such executives shall have no voting rights.

F. *Key Managerial Personnel*: The Key Managerial Personnel shall have a right to be heard at the Meetings but shall have no voting rights, when the Committee considers the auditor's report.

G. *Qualification of the Members and the Chairperson*: All Members shall be financially literate and at least one Member shall have accounting or related financial management expertise. The Chairperson shall be an independent non-executive director of the Board and shall be a person with a strong financial analysis background.

H. *Independence*: The Committee should be constituted to ensure its independence and objectivity.

III. Role of the Committee

A. The responsibilities of the Committee is to carry out the purpose laid down in Section I of this Charter. These responsibilities should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional or different policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.

B. To act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.

C. The Committee shall also have such further powers as may be delegated to it by the Board from time to time, in relation to the purpose of the Committee as outlined in Section I of this Charter.

D. The responsibilities of the Committee, as prescribed under the Act and rules made there under, and other delegations as prescribed by the Board of Directors.

IV. Powers of the Committee

A. The recommendations of the Committee, on any matter relating to financial management, including the audit report, shall be reported to the Board.

B. In performance of its responsibilities and obligations described in Section I and Section III, the powers of the Committee shall include the following:

i. The right to ask a member of the management of the Company who is responsible for an area commented upon on reports presented to the Committee, to be present when the Committee reviews such report.

ii. Investigate any matter in relation to its roles and responsibilities, to items specified in Section 177(4) or referred to it by the Board.

iii. Seek information from any employee of the Company.

iv. Have full access to information contained in the records of the Company and obtain outside legal or other professional advice if necessary.

v. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and about their review of the financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

vi. Have oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.

C. The Committee shall accord omnibus approval to the related party transactions, which are in ordinary course of business and are at arm's length basis, as detail in the Related Party Policy of the Company.

V. Proceedings of the Committee Meetings

A. *Frequency of Meetings*: The Committee shall meet at least two times every year. The Committee may meet as often as it deems necessary or appropriate in its judgment, in person or audio visual, and at such times and places as the Committee determines.

B. *Quorum*: The quorum for a Meeting shall be either two (2) Members or one third (1/3rd) of the Members whichever is greater. The quorum shall comprise of at least two (2) Members, with one (1) Member representing the JV Partner, present in person or through video conferencing or by other audio visual means.

C. *Notice:* All notices to be issued by the Committee will be in accordance with the Act.

D. *Voting*: Each Member shall have one (1) vote and all matters submitted to the Committee for approval shall require approval of a majority of the Members present and voting. Non-Members shall have no voting rights.

E. *Non-Members*: Subject to the approval by the Chairperson, the Committee may invite non-Members to the Meetings to attend and to participate at the Meetings, but such non-Members shall have no voting rights.

F. *Invitees*: The Company's Chief Executive Officer, Chief Financial Officer and shall be permanent invitees to the Meetings of the Committee but shall have no voting rights. Any of the key managerial

personnel of the Company shall have a right to be heard in the meetings of the Audit Committee but shall not have the right to vote.

G. *Statutory Auditors*: The statutory auditors of the Company shall attend and participate in the Committee Meetings convened for the purpose of approving annual (audited) financial statements, but shall have no voting rights. The statutory auditors shall have access to the Board through the Committee.

H. *Executive Session*: The Committee has the right to hold private sessions with the management, the Directors or the external and internal auditors, as required by applicable law, regulation, and in such other circumstances as the Committee may deem appropriate.

I. *Circulation of agenda, supporting papers and resolutions*: The agenda papers along with requisite supporting documents and resolution shall be sent to all Members at least seven (7) days before the Meetings. A resolution proposed to be passed by circulation should be sent, together with necessary papers, to all the Members.

J. *Minutes*: In accordance with the Board protocols, the minutes of the Committee Meetings shall be completed within fifteen (15) days of such Meeting and shall be circulated to all Members and other relevant personnel as deemed necessary by the Committee.

K. *Necessary support*: The Company's Secretary shall provide the necessary support and assistance for conducting the Committee Meetings.

L. *Reporting to the Board*: The Chairperson shall present to the Board an update on the Committee Meetings.

M. *Annual General Meeting*: The Chairperson of the Committee shall attend the Annual General Meetings of the Company to provide any clarifications on audit-related matters.

VI. Disclosure

A. The Committee will disclose in the Company's Director Report whether or not, with respect to the concerned fiscal year:

i. The management has reviewed the audited financial statements with the Committee, including a discussion of the appropriateness of the accounting principles as applied and significant judgments affecting the Company's financial statements.

ii. The independent auditors have discussed with the Committee their judgment of the appropriateness of those principles as applied and judgments referred to the above, under the circumstances.

iii. The Members have discussed among themselves without the management or the independent auditors being present, the information disclosed to the Committee.

iv. There are any material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Director's report.

v. The internal financial controls are adequate.

B. To the extent required by the law, the Committee shall ensure that the following items are disclosed in the annual report:

i. Number of Meetings held in a financial year.

ii. The composition of the mandated committees, setting out the name, qualification, field of specialization, status of directorship held.

iii. Number of Meetings attended by the Directors and Members.

iv. Details of the remuneration paid, if any, to Independent Directors.

v. Where the Board has not accepted any recommendation of the Audit Committee, the same shall be disclosed in the annual report along with the reasons thereof.

Appendix 1: Extracts from Companies Act 2013

177. Audit Committee

1. The Board of Directors of every listed Company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee.
2. The Audit Committee shall consist of a minimum of three Directors with Independent Directors forming a majority: Provided that majority of Members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.
3. Every Audit Committee of a Company existing immediately before the commencement of this Act shall, within one year of such commencement, be reconstituted in accordance with sub-section (*2*).
4. Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, *inter alia,* include, —
   i. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
   ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
   iii. examination of the financial statement and the auditors' report thereon;
   iv. approval or any subsequent modification of transactions of the Company with related parties;
   v. scrutiny of inter-corporate loans and investments;
   vi. valuation of undertakings or assets of the Company, wherever it is necessary;
   vii. evaluation of internal financial controls and risk management systems;
   viii. monitoring the end use of funds raised through public offers and related matters.
5. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
6. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (*4*) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
7. The auditors of a Company and the key managerial personnel shall have a right to be heard in the Meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
8. The Board's report under sub-section (*3*) of section 134 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefore.
9. Every listed Company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed.
10. The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Provided that the details of establishment of such mechanism shall be disclosed by the Company on its website, if any, and in the Board's report.

Annexure NRC-2

QUALITY CARE INDIA LIMITED
Nomination & Remuneration Committee Charter

Quality Care India Limited

("the Company")

NOMINATION & REMUNERATION COMMITTEE CHARTER

("the Committee")

TERMS OF REFERENCE

1. CONSTITUTION

The Committee is constituted as a Nomination and Remuneration Committee of the board in terms of the section 178 and other applicable provisions, if any, of the Companies Act, 2013, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the relevant articles of the Articles of Association of the Company.

2. PURPOSE

The purpose of the Committee is to provide an independent and objective body that will:

(a) Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

(b) identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfil the role of director of the Company.

(c) specify the manner for effective evaluation of performance of Board, its committees and individual directors

3. MEMBERSHIP/QUORUM

3.1 The Committee shall be constituted by the board from among the non-executive directors, provided it shall consist of three or more non-executive director out of whom at least half of the members of Independent Directors. The members as a whole must have sufficient qualifications and experience to fulfil their duties. The Chairperson of the Company (whether executive or non-executive may be the member of the Committee. However, he shall not be Chairperson for this committee.

3.2 Notwithstanding the above, the board shall have the power at any time to reconstitute the Committee including removing any members from the Committee and to fill any vacancies so created

3.3 The board shall, from time to time, review and revise the composition of the Committee, taking into account the need for an adequate combination of skills and knowledge.

3.4 Provision shall be made for an induction programme and suitable training for all members of the committee.

3.5 The company secretary or a person approved by the Chairman shall act as secretary to the Committee.

4. MEETINGS

4.1 Attendance

- A quorum of the meeting of the Committee shall be higher of two (2) Members or one-third (1/3) of the Members of the Committee.
- The chief executive officer, the chief financial officer, chief operating officer, chief medical officer and head of human resources or other members of senior management as may be required shall be in attendance at meetings of the Committee (as invitees) and shall have unrestricted access to the chairperson or any other member of the Committee as is required in relation to any matter falling within the remit of the Committee. Other board members may also attend at the invitation of the Committee. Such Invitees shall have no voting rights.
- In the absence of the chairman of the Committee and/or an appointed deputy, the remaining members present shall elect among themselves a Chairman of the meeting subject to the other clauses of this terms of reference
- Suitably qualified persons may be co-opted onto the Committee when necessary to render such specialist services as may be necessary to assist the Committee in its deliberations on any matter but shall have no voting rights.
- No invited attendee shall have a vote at the meetings of the Committee.

4.2 Frequency of meetings

- Meetings of the Committee shall be held as frequently as the Committee, in consultation with the company secretary, considers appropriate, but it shall normally meet not less than twice (2) a year. Sufficient time should be allowed to enable the Committee to undertake a full discussion as may be required and a sufficient interval should be allowed between Committee meetings and board meetings to allow for the Committee to undertake such work as is necessary in preparation for each board meeting. Further meetings may be called by the board or any member thereof, including all members of the Committee.

5. PROCEEDINGS

5.1 The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

5.2 A detailed agenda, together with supporting documentation, must be circulated, at least seven days (7) prior to each meeting to the members of the board and other invitees and the committee shall observe applicable Secretarial Standards i.e. SS-1 in relation to all its meetings.

5.3 The secretary of the Committee shall take minutes of all meetings, which minutes shall be circulated as follows:

- Within 10 business days of the meeting generally, but not later than 15 days - to the executive and chairperson of the Committee;
- once approved by the Committee - to the subsequent meeting of the board of directors of the company.

The minutes shall record the issues, the salient features pertaining to the issues and the decisions of the Committee.

5.4 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

5.5 The chairperson of the Committee shall report on the Committee's proceedings and findings to the next meeting of the board.

6. REMUNERATION

6.1 Non-executive members of the Committee shall be paid a sitting fee and other remuneration as may be permitted under the provisions of the Companies Act, 2013 and rules made thereunder including remuneration with respect to the committee meetings attended by them.

6.2 The above fees shall be subject to review by the board from time to time.

7. RESPONSIBILITIES

7.1 Human Resources related matters

The duties of the Committee shall be to work on behalf of the board and be responsible to it for recommendations in respect of human resources matters:

- Laying down criteria for appointments of Directors, MD/CEO/ED/WTD/KMP and Senior Management and recommend to the Board their appointment and removal as per requirements of the Companies Act 2013
- Evaluating performances of the Directors and other personnel as per requirements of the Companies Act 2013
- Formulate criteria for determining qualifications, positive attributes, independence etc of the Directors and other personnel.
- Recommend to the Board a policy/ Terms of Reference, relating to remuneration packages and any other compensation payment for the Directors, MD/CEO/ED/WTD/KMP/SM I and other employees
- ensure alignment of the remuneration and human resources strategies and policies with the Group's business strategy and the desired culture;
- determine the Group's general policy on executive and senior management remuneration;
- consider and recommend for approval by the board the remuneration of the chief executive, executive directors, KMP and Senior Management;
- consider and recommend for approval by the board the setting of KPA's for performance bonus purposes for executive directors and the ratification thereof of other senior employees;
- consider and recommend to the board the achievements of the above KPA's and the approval of payment of performance bonuses of senior management;
- determine any grants to executive directors and other senior employees made pursuant to the Group's management share option scheme;

- regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
- consider the appropriateness of early vesting of share-based schemes at the end of employment;
- ensure the adequacy of retirement and health care funding for executives and senior management;
- ensure adequate succession plans for the executive and senior management; and
- ensure compliance to all statutory and best practice requirements regarding labour and industrial relations management.

Note: Job grades provided for reference:

CEO:	Grade F2
Executive Directors:	Grade F1 (COO, CFO & CMO)
Senior Management:	Grade E1 (All Group Managers)

7.2 **Board and nomination related matters**

. This is not allowed under section 178

The Committee shall have the following responsibilities:

- make recommendations to the board on the appointment of the chief executive officer, new executives and non-executive directors, including making recommendations on the composition of the board generally and the balance between executive and non-executive directors appointed to the board;
- regularly review the board structure, size and composition and make recommendations to the board with regards to any adjustments that are deemed necessary;
- identify and nominate candidates for the approval of the board to fill board vacancies as and when they arise, as well as put in place plans for succession for the board, in particular for the chief executive and CFO;
- recommend directors that are retiring by rotation, for re-election;
- consider recommendations by management in relation to non-executive director remuneration for final recommendation by the board to shareholders;
- oversee the development of a formal induction programme for directors;
- ensure that inexperienced directors are developed through a mentorship programme;
- oversee the development and implementation of continuing professional development programmes for directors;
- ensure that directors receive regular briefings on changes to in risks, laws and the environment in which the company operates; and
- consider the performance of the directors and take steps necessary to remove directors who do not make an appropriate contribution.

8. GOVERNANCE

8.1 The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the group and all employees are directed to co-operate with any request made by the Committee. Such requests will be channelled through the Company's chief executive officer.

8.2 The Committee is authorised by the board to, at the company's expense, obtain outside legal, accounting or other independent professional advice as it considers necessary to carry out its duties and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

8.3 The Committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

9. DISCLOSURE

The Committee shall ensure that the following is disclosed in the annual report to the extent required by law:

- Number of meetings held in a financial year
- The composition of the Committee, setting out the name, status of directorship held.
- Number of meetings attended by the directors and Members
- Details of the remuneration paid, if any, to Independent directors

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Quality Care India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Quality Care India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, the Standalone Statement of Profit and Loss (including Other Comprehensive income), the Standalone Statement of Changes in Equity, the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

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

Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN:012754N/N500016 Hyderabad

INDEPENDENT AUDITOR'S REPORT

To the Members of Quality Care India Limited
Report on Audit of the Standalone Financial Statements

6. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

7. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

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

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

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

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

9. 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.

10. 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.



INDEPENDENT AUDITOR'S REPORT

To the Members of Quality Care India Limited
Report on Audit of the Standalone Financial Statements

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

(c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 4.37(a) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2023.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2023.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.45(vii)(a) to the standalone financial statements);



(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.45(vii)(b) to the standalone financial statements); and

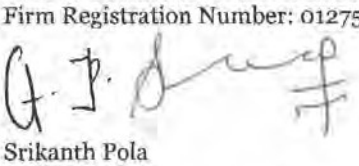
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Company, is applicable to the Company only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXU3401

Place: Hyderabad
Date: August 23, 2023

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of Quality Care India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.



Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXU3401

Place: Hyderabad
Date: August 23, 2023

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements as of and for the year ended March 31, 2023

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (Rs. in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Land, Plot no. 3 measuring 4.18 acres situated in Chinagadili village, Visakhapatnam	105.55	Andhra Pradesh Industrial Infrastructure Corporation Limited	No	From 2009	Refer note 4.44 to the standalone financial statements

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed revised quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 4.45(ii) to the standalone financial statements).

iii. (a) The Company has made investments in two companies aggregating to Rs. 7,386.18 million and has not granted secured/ unsecured loans/advances in nature of loans, nor stood guarantee, nor provided security. Also refer Note 4.4(a) to the standalone financial statements.



Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

The Company has not granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of duty of customs, duty of excise, value added tax, cess, sales tax, goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2023 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Total amount of dispute (Rs. in millions)	Amount paid under protest (Rs. in million) *	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	22.92	-	AY 2013-14	ITAT, Hyderabad
	Income Tax	0.51	-	AY 2017-18	Assessing officer Income Taxes, Hyderabad
	Income Tax	4.36	-	AY 2018-19	CIT(A), Hyderabad
	Income Tax	4.34	-	AY 2017-18	CIT(A), Hyderabad
Andhra Pradesh Luxury Tax Act, 1987	Luxury Tax	16.86	8.35	FY 2004-05 and FY 2005-06	High Court, Telangana
	Luxury Tax	21.78	21.78	FY 2006-07 to FY 2013-14	Appellate Tribunal, Hyderabad
	Luxury Tax	78.58	19.64	FY 2014-15 and FY 2015-16	High Court, Telangana



Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023

Name of the statute	Nature of dues	Total amount of dispute (Rs. in millions)	Amount paid under protest (Rs. in million) *	Period to which the amount relates	Forum where the dispute is pending
The Finance Act, 1994	Service Tax	4.57	1.47	July 2010 to April 2011	CESTAT, Visakhapatnam
	Service Tax	8.10	-	FY 2014-15 to June 2017	Additional commissioner of customs, Central Excise & Service tax, Hyderabad
	Service Tax	27.47	1.25	FY October 2012 to March 2017	
	Service Tax	28.01	-	FY 2009-10 to 2013-14	CESTAT, Hyderabad
Minimum wages Act, 1948	Minimum wages	3.19	0.53	FY 2001-02	High Court, Telangana
Expenditure Tax Act, 1987	Expenditure tax	7.83	3.57	FY 1990-91 to 1993-94	CBDT, Hyderabad
Employees State Insurance Act, 1948	Employees State Insurance	1.26	0.42	FY 1990-91 to 1996-97	High Court, Telangana
Employee's Provident Funds and Miscellaneous Provisions Act, 1952	Employee's Provident Fund	8.77	3.51	October 2008-August 2009	High Court, Telangana
Total		**238.55**	**60.52**		

* Out of the total amount paid under protest, Rs. 1.86 million was charged to the standalone statement of Profit and Loss.

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 4.47(ii) to the standalone financial statements).

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, the Company has not raised funds on short term basis.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made a private placement of compulsory convertible preference shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2023

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 4.46 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. As at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXU3401

Place: Hyderabad
Date: August 23, 2023

Quality Care India Limited
Standalone Balance Sheet
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1 (a)	4,505.55	4,253.80
(b) Right-of-use assets	4.1 (b)	1,248.18	1,030.80
(c) Capital work-in-progress	4.2	1,255.92	587.08
(d) Goodwill	4.3	283.85	266.71
(e) Other intangible assets	4.3	66.24	73.24
(f) Investments	4.4 (a)	7,727.23	442.31
(g) Financial assets			
(i) Other financial assets	4.5 (a)	185.82	163.70
(h) Deferred tax assets (net)	4.6	421.35	839.62
(i) Non-current tax assets (net)	4.7	439.61	616.96
(j) Other non-current assets	4.8 (a)	332.83	169.47
Total non-current assets (A)		**16,466.58**	**8,443.69**
B. Current assets			
(a) Inventories	4.9	165.22	117.96
(b) Financial assets			
(i) Investments	4.4 (b)	424.89	1,023.65
(ii) Trade receivables	4.10	1,272.00	883.81
(iii) Cash and cash equivalents	4.11 (a)	329.32	223.99
(iv) Bank balances other than (iii) above	4.11 (b)	30.90	238.53
(v) Loans	4.12	0.61	0.18
(vi) Other financial assets	4.5 (b)	122.47	182.22
(c) Other current assets	4.8 (b)	66.53	71.98
Assets classified as held for sale	4.49	101.26	-
Total current assets (B)		**2,513.20**	**2,742.32**
Total assets (A+B)		**18,979.78**	**11,186.01**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	414.97	414.97
(b) Other equity			
(i) Reserves and surplus	4.13 (b)	6,915.53	6,112.10
Total equity (A)		**7,330.50**	**6,527.07**
Liabilities			
B. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	1,881.31	1,557.73
(ii) Lease liabilities	4.38	1,284.36	1,013.48
(iii) Other financial liabilities	4.18 (a)	6,298.81	
(b) Employee benefit obligations	4.15	122.69	119.53
Total non-current liabilities (B)		**9,587.17**	**2,690.74**
C. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	300.00	292.25
(ii) Lease liabilities	4.38	195.51	227.51
(iii) Trade payables	4.17		
(a) total outstanding dues of micro and small enterprises		57.11	21.67
(b) total outstanding dues other than (iii) (a) above		1,016.19	1,135.05
(iv) Other financial liabilities	4.18 (b)	353.29	138.73
(b) Employee benefit obligations	4.16	73.96	74.27
(c) Other current liabilities	4.19	66.05	78.72
Total current liabilities (C)		**2,062.11**	**1,968.20**
Total liabilities (B+C)		**11,649.28**	**4,658.94**
Total equity and liabilities (A+B+C)		**18,979.78**	**11,186.01**

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1982PLC014228

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 23 August 2023

Jasvee[illegible] Singh
Director and Chief Executive Officer
DIN: [illegible]5303
Place : Hyderabad

[illegible]kas R[illegible]gi
Chief Financial Officer
Place : Hyderabad

Date: 23 August 2023

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 23 August 2023

Quality Care India Limited
Standalone Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2023	31 March 2022
I Revenue from operations	4.20	10,401.38	10,223.07
II Other income	4.21	99.91	59.64
III Total income (I+II)		**10,501.29**	**10,282.71**
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		2,355.75	2,366.96
(ii) Changes in inventories of medical consumables and pharmacy items	4.22	(43.23)	(0.38)
(iii) Employee benefits expense	4.23	1,498.49	1,576.98
(iv) Other expenses	4.24	4,504.06	4,126.27
Total expenses (IV)		**8,315.07**	**8,069.83**
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		**2,186.22**	**2,212.88**
(i) Finance costs	4.25	695.66	336.02
(ii) Depreciation and amortisation expense	4.26	651.15	715.03
VI Profit before tax		**839.41**	**1,161.83**
VII Income Tax expense/(credit):			
(i) Current tax expense	4.27	121.50	245.00
(ii) MAT Credit	4.27	(74.62)	-
(iii) Income tax relating to earlier periods	4.27	157.63	22.15
(iv) Deferred tax expense	4.27	261.77	(160.57)
Total tax expense		**466.28**	**106.58**
VIII Profit for the year (VI-VII)		**373.13**	**1,055.25**
IX Other comprehensive income:			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of post-employment benefit obligations		(6.06)	(4.44)
(ii) Income tax relating to these items		2.12	1.52
Other Comprehensive income for the year, net of tax (IX)		**(3.94)**	**(2.92)**
X Total comprehensive income for the year (VIII+IX)		**369.19**	**1,052.33**
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2022 : ₹10))			
Basic Earnings per equity share (in ₹)	4.28	8.99	25.43
Diluted Earnings per equity share (in ₹)		8.99	25.43

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Vikas Kastogi
Chief Financial Officer
Place : Hyderabad

Date: 23 August 2023

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 23 August 2023

Quality Care India Limited
Standalone Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	**839.41**	**1,161.83**
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(11.28)	(26.95)
Depreciation and amortisation expense	651.15	715.03
Expected credit loss	14.15	50.87
Property, plant and equipment written off	-	5.29
(Profit)/Loss on sale of Property, plant and equipment	(0.80)	2.48
Lease remeasurement Gain	(5.49)	-
Share based compensation expense	-	(14.58)
Income/liabilities written back from operating activities	(0.10)	-
Interest income	(34.89)	(23.59)
Finance costs	695.66	300.60
Change in operating assets and liabilities:	**2,147.81**	**2,170.98**
(Increase) in inventories	(49.92)	(3.41)
(Increase) in trade receivables	(402.34)	(76.47)
(Increase)/decrease in loans	(0.43)	11.43
Decrease in other assets	5.45	38.05
(Increase)/decrease in other financial assets	28.84	(91.32)
Increase/(decrease) in trade payables	(83.42)	148.80
Increase/(decrease) in provisions	(3.21)	13.90
(Decrease) in other financial liabilities	(7.62)	(42.31)
Increase/(decrease) in other liabilities	(12.67)	0.70
Cash generated from operations	**1,622.49**	**2,170.35**
Income tax paid, net	(101.78)	(309.55)
Net cash inflow from operating activities (A)	**1,520.71**	**1,860.80**
Cash flow from investing activities		
Payments for property, plant and equipment	(1,240.27)	(595.59)
Proceeds from sale of Property, plant and equipment	11.73	50.97
Purchase of mutual funds	(1,292.98)	(1,349.93)
Sale of mutual funds	1,903.01	353.23
Interest received on fixed deposits	8.34	20.70
Interest received on income tax refund	20.43	-
Payment for acquisition of subsidiaries	(7,376.18)	-
Investment in fixed deposits	(2.00)	(267.20)
Proceeds from maturity of fixed deposits	224.54	491.59
Net cash outflow from investing activities (B)	**(7,743.38)**	**(1,296.23)**

Price Waterhouse Chartered Accountants LLP LLPIN AAC-5001 FRN.012754N/N500016 Hyderabad

QUALITY CARE INDIA LIMITED Hyderabad

Quality Care India Limited
Standalone Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from financing activities		
Proceeds from borrowings	623.58	85.53
Repayments of borrowings	(292.25)	(286.29)
Proceeds from issue of preference shares	6,591.14	-
Interest paid	(169.97)	(169.02)
Payment of lease liabilities	(424.50)	(402.99)
Net cash inflow/(outflow) from financing activities (C)	**6,328.00**	**(772.77)**
Net increase/(decrease) in cash and cash equivalents(A + B + C)	**105.33**	**(208.20)**
Cash and cash equivalents at the beginning of the year	223.99	432.19
Cash and cash equivalents at the end of the year (note 1)	**329.32**	**223.99**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Note 1:		
Cash and cash equivalents as per above comprise of the following		
- Included in cash and cash equivalents (refer note 4.11(a))		
Cash on hand	5.51	6.64
Balances with banks in current accounts	323.81	217.35
Balances as per Statement of Cash Flows	**329.32**	**223.99**

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 23 August 2023

Quality Care India Limited
Standalone Statement of changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Share Capital

Equity share capital

Particulars	Notes	Number of shares	Amount
Balance at 1 April 2021		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2022		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2023		**41,496,894**	**414.97**

B. Other equity

Particulars	Attributable to owners of Quality Care India Limited						Total
	Reserves and surplus						
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Equity component of CCPS	Retained earnings	
Balance at 1 April 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	-	**591.22**	**5,074.35**
Profit for the year	-	-	-	-	-	1,055.25	**1,055.25**
Other comprehensive income, net of tax	-	-	-	-	-	(2.92)	**(2.92)**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	-	(14.58)
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	-	**1,643.55**	**6,112.10**
Profit for the year	-	-	-	-	-	373.13	**373.13**
Other comprehensive income, net of tax	-	-	-	-	-	(3.94)	**(3.94)**
Equity component of compulsory convertible preference shares (CCPS)	-	-	-	-	667.48	-	**667.48**
Deferred tax on equity component of CCPS	-	-	-	-	(233.24)	-	**(233.24)**
Balance as at 31 March 2023	**4,457.24**	**11.31**	-	-	**434.24**	**2,012.74**	**6,915.53**

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date : 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Date 23 August 2023

Vikas Rastogi
Chief Financial Officer
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place : Hyderabad

Date 23 August 2023

Quality Care India Limited
Notes to the standalone financial statements
(All amounts in ₹ millions, except share data and where otherwise stated)

1. Corporate information

The standalone financial statements of "Quality Care India Limited" ("the Company" or "QCIL") are for the year ended 31 March 2023. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

Incorporated in 1992, Quality Care India Limited is primarily engaged in providing healthcare and related services. The Company has a network of multi-speciality hospitals across various cities in India.

The Holding Company of QCIL is Touch Healthcare Private Limited and the Ultimate Holding Company upto 21 June 2019 was Abraaj Growth Markets Health Fund General Partner Limited, United Arab Emirates ("UAE"). With effect from 21 June 2019, the Ultimate Holding Company of QCIL has changed to Evercare Health Fund, L.P, Cayman Islands.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors on 23 August, 2023.

2. Basis of preparation of Financial Statements

a) Statement of Compliance

The standalone financial statements of the Company have been prepared and presented in accordance with all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Details of accounting policies are included in Note 3.

b) New and amended standards adopted

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.





c) Basis for Measurement

The standalone financial statements have been prepared on a going concern basis under historical cost, except for the following:

(i) certain financial assets and financial liabilities are measured either at fair value or at amortised cost depending on the classification;

(ii) Liabilities for cash-settled share-based payment arrangements; and

(iii) employee defined benefit liability are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

d) Functional and presentation currency

The standalone financial statements are presented in ₹ and all values are rounded to the nearest millions, except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

e) Current and non-current classification

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

An asset is treated as current when it is:

(i) Expected to be realised or intended to be sold or consumed in normal operating cycle

(ii) Held primarily for the purpose of trading

(iii) Expected to be realised within twelve months after the reporting period, or

(iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

(i) It is expected to be settled in normal operating cycle

(ii) It is held primarily for the purpose of trading

(iii) It is due to be settled within twelve months after the reporting period, or

(iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

3A. Significant accounting policies

a. Foreign currencies

The Company's financial statements are presented in Indian Rupees, which is also its functional currency.





b. Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

(i) In the principal market for the asset or liability, or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents.





For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

(i) the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;

(ii) the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(iii) the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Goods and services tax is not received by the Company on its own account. Rather, it is tax collected by the Company on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from health care services and related activities

Income from healthcare services is recognised as revenue when the related services are rendered unless significant future uncertainties exists. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions, if any, given to the patients and disallowances including claims.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services. The revenue in respect of such arrangements is recognized as and when services are performed.





Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of pharmacy

Revenue from sale of pharmacy is recognised when control is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the Statement of profit and loss.

Dividend Income

Dividend income is recognized when the Company's right to receive dividend is established.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept as uncertain tax treatment. The Company measures its tax balances either based at the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN:012754N/N500016
Hyderabad

QUALITY CARE INDIA LIMITED
Hyderabad

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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





e. Property, plant and equipment ("PPE")

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Transition to Ind AS

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

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Asset class	Useful life (years)
Buildings	60
Plant and Machinery used in medical and surgical	13
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computer equipment (end user devices)	3

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

f. Goodwill and other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.





Other intangible assets are amortised on straight line basis over the estimated useful economic life. The estimated useful life of other intangible assets is mentioned below:

Asset class	Useful life (years)
Software	3 to 5

Gains or losses arising from de-recognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the Statement of profit and loss ("SPL") when the assets are derecognised.

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over and is subsequently measured at cost less accumulated impairment losses, if any.

g. Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.





To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture

i. Inventories

Inventory of medical supplies, drugs and other consumables are valued at lower of cost or net realizable value. Cost of medical supplies, drugs and other consumables is determined on the basis of Weighted Average Method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories include purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing the inventories to their present location and condition.





j. Impairment of non-financial assets

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

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

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of profit and loss.

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

k. Provision and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.





Contingencies

Contingent liabilities is identified and disclosed with respect to following:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

l. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the Statement of profit and loss ("SPL") for the year in which the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Gratuity: The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising mainly of actuarial gains and losses, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Leave Encashment: Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits".

m. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

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

De-recognition

A financial asset is primarily derecognised when:

(i) The rights to receive cash flows from the asset have expired, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables, unbilled receivables and bank balances.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to the lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for these assets, the Company has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.





Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in Statement of Profit and Loss ("SPL"). The Balance Sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement

Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of profit and loss ("SPL") when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the Statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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De-recognition

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

Offsetting of financial instruments

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

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

For the purpose of Cash flow statement, cash and cash equivalents consist of cash on hand and balances with banks in current accounts, balances in cash credit accounts and short-term deposits with maturity of three months.

p. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. Investments in subsidiaries and joint venture

The Company has elected to recognise its investments in equity instruments in subsidiaries and joint venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'

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r. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards/warrants granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards/ warrants. The amount recognised as expense is based on the estimate of the number of awards/ warrants for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards/warrants that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards/warrants with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

s. Measurement of profit/Earnings before interest, tax, depreciation and amortisation (EBITDA)

As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.

In its measurement of EBITDA, the Company includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

t. Business combination

The acquisition method of accounting is used to account for all business combinations.
The consideration transferred for the acquisition comprises the
i) fair values of the assets transferred
ii) liabilities incurred to the former owners of the acquired business
iii) equity interests issued by the Company
iv) fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

3B. Key accounting estimates and judgements

a. Defined benefit plans and other long-term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable and amortisable assets

The Company reviews the estimated useful lives and residual value of Property, plant and equipment and intangible assets at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have an impact on the future years.

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c. Impairment of Goodwill

Goodwill with indefinite life is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

The goodwill impairment test is performed at the level of the cash-generating unit which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount.

d. Expected Credit Loss

The impairment provision for trade receivables and unbilled receivables is based on assumptions about risk of default and expected loss rates. The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

e. Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the Management which may have an effect on the operations of the Company should the same be decided against the Company.

The Management has assessed that no further provision/adjustment is required to be made in these Standalone Financial Statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels/ professional advisors.

f. Fair valuation of assets and liabilities acquired in business combination

The Company allocates the purchase price of the acquired entities to the tangible, intangible and other assets acquired and liabilities assumed based on their estimated fair values. The Company engages third-party external appraisal firms to assist in determining the fair values of the acquired assets and liabilities wherever needed. Such valuation requires the Company to make significant estimate and assumptions, especially with respect to identification and valuation of intangible assets and fair value of property, plant and equipment.





4.1 (a) Property, plant and equipment

Particulars	Leasehold land	Freehold land (Refer (ii) below)	Buildings	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount										
Opening gross carrying amount as at 1 April 2021	**9.49**	**368.38**	**2,256.00**	**357.74**	**2,468.78**	**97.04**	**89.57**	**108.87**	**25.04**	**5,780.91**
Additions	-	-	41.90	77.75	226.33	6.19	13.63	20.72	-	386.52
Disposals	-	-	-	(0.36)	(52.40)	(0.62)	(2.27)	(0.90)	(2.19)	(58.74)
Closing gross carrying amount as at 31 March 2022	**9.49**	**368.38**	**2,297.90**	**435.13**	**2,642.71**	**102.61**	**100.93**	**128.69**	**22.85**	**6,108.69**
Additions	-	1.77	50.76	1.61	335.05	1.83	7.50	21.73	-	**420.25**
Additions on account of business combination	-	-	-	36.74	132.67	7.86	1.45	0.09	0.10	**178.91**
Disposals	-	-	-	(0.29)	(43.64)	(0.39)	(0.64)	(0.02)	(12.09)	**(57.07)**
Closing gross carrying amount as at 31 March 2023	**9.49**	**370.15**	**2,348.66**	**473.19**	**3,066.79**	**111.91**	**109.24**	**150.49**	**10.86**	**6,650.78**
Accumulated Depreciation										
Opening accumulated depreciation as at 1 April 2021	**0.94**	-	**201.04**	**177.49**	**1,006.43**	**57.95**	**62.14**	**60.17**	**11.20**	**1,577.36**
Depreciation charge during the year	0.10	-	46.26	47.64	192.42	8.32	7.82	18.10	3.03	323.69
On disposals	-	-	-	(0.22)	(40.32)	(0.56)	(2.10)	(0.90)	(2.06)	(46.16)
Closing accumulated depreciation as at 31 March 2022	**1.04**	-	**247.30**	**224.91**	**1,158.53**	**65.71**	**67.86**	**77.37**	**12.17**	**1,854.89**
Depreciation charge during the year	0.09	-	47.35	39.93	207.74	9.27	7.89	21.85	2.36	**336.48**
On disposals	-	-	-	(0.21)	(36.14)	(0.37)	(0.49)	(0.02)	(8.91)	**(46.14)**
Closing accumulated depreciation as at 31 March 2023	**1.13**	-	**294.65**	**264.63**	**1,330.13**	**74.61**	**75.26**	**99.20**	**5.62**	**2,145.23**
Net carrying amount as at 31 March 2022	**8.45**	**368.38**	**2,050.60**	**210.22**	**1,484.18**	**36.90**	**33.07**	**51.32**	**10.68**	**4,253.80**
Net carrying amount as at 31 March 2023	**8.36**	**370.15**	**2,054.01**	**208.56**	**1,736.66**	**37.30**	**33.98**	**51.29**	**5.24**	**4,505.55**

(i) Refer note 4.14 for charge details on Property, plant and equipment.
(ii) The title deeds of land aggregating to 105.55 (31 March 2022 : 105.55) are pending transfer to the Company's name. Refer note 4.44 for further details.

4.1 (b) Right-of-use assets

Particulars	Category of Right-of-use assets			Total
	Buildings	Plant and machinery	Vehicles	
Balance as at 01 April 2021	**1,179.83**	**172.70**	**1.01**	**1,353.54**
Additions	65.88	-	-	65.88
Deletions	(59.91)	(0.81)	-	(60.72)
Other adjustments	(4.68)	-	-	(4.68)
Depreciation charge for the year	(228.53)	(93.68)	(1.01)	(323.22)
Balance as at 31 March 2022	**952.59**	**78.21**	-	**1,030.80**
Additions	**568.76**	-	-	568.76
Deletions	**(36.29)**	**(18.07)**	-	(54.36)
Depreciation charge for the year	**(245.73)**	**(51.29)**	-	(297.02)
Balance as at 31 March 2023	**1,239.33**	**8.85**	-	**1,248.18**

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4.2 Capital work-in-progress

4.2 (a) Aging of CWIP:

Particulars	Amounts in capital work-in-progress for									
	As on 31 March 2023					As on 31 March 2022				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	691.74	86.58	23.74	453.86	1,255.92	106.37	26.85	453.86	-	587.08
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**691.74**	**86.58**	**23.74**	**453.86**	**1,255.92**	**106.37**	**26.85**	**453.86**	**-**	**587.08**

4.2 (b) Completion schedule for Capital work in progress whose completion is overdue is as below. There are no Capital work in progress which has exceeded its cost compared to its original plan:

Particulars	To be completed in					To be completed in				
	As on 31 March 2023					As on 31 March 2022				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress					-					
Vizag Health City Project	1,093.45		-		1,093.45	564.17	-	-	-	564.17
Total	-	-	-	-	**1,093.45**	**564.17**	**-**	-	-	**564.17**

4.3 Goodwill and Other intangible assets

Particulars	Goodwill	Software	Total
Gross carrying amount			
Opening gross carrying amount as at 1 April 2021	**266.71**	**213.39**	**480.10**
Additions	-	60.45	60.45
Closing gross carrying amount as at 31 March 2022	**266.71**	**273.84**	**540.55**
Additions	-	9.36	**9.36**
Additions on account of business combination	17.14	1.29	**18.43**
Deletions during the year	-	-	-
Closing gross carrying amount as at 31 March 2023	**283.85**	**284.49**	**568.34**
Accumulated amortisation			
Closing accumulated amortisation as at 1 April 2021	-	**132.48**	**132.48**
Amortisation charge for the year	-	68.12	68.12
Impairment charge	-	-	-
Closing accumulated amortisation as at 31 March 2022	-	**200.60**	**200.60**
Amortisation charge for the year	-	17.65	17.65
Impairment charge	-	-	-
Closing accumulated amortisation as at 31 March 2023	-	**218.25**	**218.25**
Closing net carrying amount as at 31 March 2022	**266.71**	**73.24**	**339.95**
Closing net carrying amount as at 31 March 2023	**283.85**	**66.24**	**350.09**

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment by allocating the value of goodwill to a Cash Generating Unit (CGU). The Company has identified each hospital unit as CGU for this purpose. The Company has allocated the goodwill to Banjara Hills hospital unit and Malakpet hospital unit, which benefits from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Value in use i.e. the enterprise value of each CGU is aggregate of cash flow projections, for five years as approved by Senior Management and beyond five years extrapolated using a long-term growth rate of 5%. Cash flow projections are discounted by a pre-tax discount rate, being the Weighted Average Cost of Capital (WACC), which ranges from 15.40% to 15.70%.

The Management believes that any reasonably possible change in the above key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

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4.4 Investments

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Investment in equity instruments (fully paid up)		
Unquoted		
Investment in subsidiaries - at cost		
844,016 (31 March 2022: 844,016) equity shares in Ramkrishna Care Medical Sciences Private Limited	252.96	252.96
10,000 (31 March 2022: 10,000) equity shares in Quality Care Jharsuguda Private Limited	0.10	0.10
8,794,000 (31 March 2022: 8,794,000) equity shares in Ganga Care Hospital Limited	87.94	87.94
15,810 (31 March 2022: 15,810) equity shares in Galaxy Care Multispecialty Hospital Private Limited	-	101.26
8,976,529 (31 March 2022: NIL) equity shares in Convenient Hospitals Limited	3,791.93	-
39,040,870 (31 March 2022: NIL) equity shares in United CIIGMA Institute of Medical Sciences Private Limited	3,594.25	-
Total	**7,727.18**	**442.26**
Unquoted		
Investment in Joint venture - at cost		
5,000 (31 March 2022: 5,000) equity shares in Quality Care Health Services India Private Limited	0.05	0.05
	0.05	**0.05**
Aggregate amount of unquoted investments (A)	**7,727.23**	**442.31**
(b) Current		
Investment in mutual funds measured at FVTPL		
Quoted		
23,774 (31 March 2022 : NIL) units Nippon India Ultra Short Duration Fund	81.95	-
121 (31 March 2022 : NIL) units Nippon India Overnight Fund (Growth)	0.01	-
3,139,486 (31 March 2022 : NIL) units UTI Dynamic Bond Fund	82.09	-
742,067 (31 March 2022 : NIL) units SBI Savings Fund - Regular Plan Growth	26.28	-
144,392 (31 March 2022 : NIL) units ICICI Prudential Mutual Fund	46.37	-
38,847 (31 March 2022 : NIL) units HDFC Money Market Fund	188.19	-
NIL (31 March 2022 : 2,333,335) units L & T Mutual Fund	-	50.00
NIL (31 March 2022 : 40,568) units UTI Money Market Mutual Fund - Growth	-	100.10
NIL (31 March 2022 : 263,003) units Nippon India Money Market Mutual Fund - Growth	-	873.55
Total	**424.89**	**1,023.65**
Aggregate amount of quoted investments and market value thereof (B)	**424.89**	**1,023.65**
Aggregate amount of quoted & unquoted investments (A) + (B)	**8,152.12**	**1,465.96**

4.5 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non current		
Unsecured, considered good		
Security deposits	157.63	117.75
Fixed deposits with banks with more than 12 months maturity	27.08	41.99
Interest accrued on fixed deposits with banks	1.11	3.96
Total	**185.82**	**163.70**
(b) Current		
Unsecured, considered good		
Security deposits	12.93	51.13
Interest accrued on fixed deposits with banks	1.28	3.78
Unbilled receivables	97.10	100.67
Others	11.16	26.64
Total	**122.47**	**182.22**

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4.6 Deferred tax assets (net)

The following is the analysis of deferred tax assets, net recognised in the Statement of Profit and Loss and other comprehensive income

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2022	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	Recognised in Other Equity	As at 31 March 2023
Property, plant and equipment ("PPE")	(766.49)	33.40	-	-	(733.09)
Borrowings measured at amortised cost	(9.51)	3.28	-	-	(6.23)
Provision for doubtful trade receivables	174.00	(94.15)	-	-	79.85
Provision for bad and doubtful loans	23.00	-	-	-	23.00
Provision for employee benefits	95.65	(14.50)	2.12	-	83.27
Loss from specified business*	1,150.74	(340.36)	-	-	810.38
Indexation benefit of land	78.78	7.28	-	-	86.06
Expenses allowable on deduction of TDS	20.00	4.66	-	-	24.66
MAT credit	-	74.62	-	-	74.62
Right-of-use assets	(360.20)	(75.95)	-	-	(436.15)
Provision for lease liabilities	433.65	83.47	-	-	517.12
On equity component of CCPS	-	-	-	(233.24)	(233.24)
On interest expense of CCPS	-	131.10	-	-	131.10
Total	**839.62**	**(187.15)**	**2.12**	**(233.24)**	**421.35**

(ii) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	Recognised in Other Equity	As at 31 March 2022
Property, plant and equipment ("PPE")	(1,036.39)	269.90	-	-	(766.49)
Borrowings measured at amortised cost	(12.55)	3.04	-	-	(9.51)
Provision for doubtful trade receivables	158.25	15.75	-	-	174.00
Provision for bad and doubtful loans	23.00	-	-	-	23.00
Provision for employee benefits	74.96	19.17	1.52	-	95.65
Loss from specified business*	1,408.24	(257.50)	-	-	1,150.74
Indexation benefit of land	-	78.78	-	-	78.78
Expenses allowable on deduction of TDS	-	20.00	-	-	20.00
Right-of-use assets	(478.20)	118.00	-	-	(360.20)
Provision for lease liabilities	540.22	(106.57)	-	-	433.65
Total (A+B)	**677.53**	**160.57**	**1.52**	**-**	**839.62**

***Note:**

The Company has recognised deferred tax asset on carried forward business loss of earlier years from specified business, as defined under Section 35AD of the Income Tax Act, 1961. There is no time limit for carrying forward aforesaid business losses as per the provisions of Income Tax Act, 1961. The Company has earned profits on specified business in the current year and previous year. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the Company. These losses can be carried forward for an indefinite period as per the provisions of Income Tax Act, 1961.

4.7 Non- current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provision for taxation)	439.61	616.96
Total ,	**439.61**	**616.96**





4.8 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Unsecured, considered good		
Statutory dues paid under protest	58.66	58.66
Capital advances	267.13	103.77
Others	7.04	7.04
Total	**332.83**	**169.47**
(b) Current		
Unsecured, considered good		
Prepaid expenses	35.59	29.63
Advances to vendors	28.94	39.68
Others	2.00	2.67
Total	**66.53**	**71.98**

4.9 Inventories*

Particulars	As at 31 March 2023	As at 31 March 2022
Medical consumables and pharmacy items	150.11	106.88
Other consumables	15.11	11.08
Total	**165.22**	**117.96**

* Refer note 4.14 for details of inventories pledged/hypothecated as security, if any.

4.10 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good - unsecured	1,369.10	984.48
Trade receivables which have significant increase in credit risk	238.70	372.71
Total	**1,607.80**	**1,357.19**
Less: Expected credit loss*	(238.70)	(372.71)
Total trade receivables including unbilled revenue	**1,369.10**	**984.48**
Trade receivables	1,272.00	883.81
Unbilled revenue recognised in other financial assets (refer note 4.5 (b))	97.10	100.67

*The movement in the expected credit loss on trade receivables for the year ended 31 March 2023 and 31 March 2022 is as follows:

	For the year ended	
	As at 31 March 2023	As at 31 March 2022
Opening balance at beginning of the year	372.71	452.88
Provision made during the year (refer note 4.24)	14.15	50.87
Bad debts written off during the year	(148.16)	(131.04)
Closing balance at end of the year	**238.70**	**372.71**

Ageing of trade receivables and unbilled as at 31 March 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	97.10	538.78	518.42	168.90	45.90	-	-	1,369.10
-which have significant increase in credit risk	2.85	23.44	67.72	85.40	35.13	24.16	-	238.70
-Expected credit loss	(2.85)	(23.44)	(67.72)	(85.40)	(35.13)	(24.16)	-	(238.70)
Total	**97.10**	**538.78**	**518.42**	**168.90**	**45.90**	-	-	**1,369.10**

Ageing of trade receivables and unbilled as at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	100.67	327.23	483.70	72.88	-	-	-	984.48
-which have significant increase in credit risk	-	61.91	109.03	45.26	69.30	53.65	33.56	372.71
-Expected credit loss	-	(61.91)	(109.03)	(45.26)	(69.30)	(53.65)	(33.56)	(372.71)
Total	**100.67**	**327.23**	**483.70**	**72.88**	-	-	-	**984.48**

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Expected credit loss rates considered	3%	4%	12%	34%	43%	100%	100%	15%

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4.11 Cash and bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
a) Cash and cash equivalents		
Balances with banks		
-in current accounts	323.81	217.35
Cash on hand	5.51	6.64
	329.32	**223.99**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months	16.81	224.44
Earmarked balances with bank in current account*	14.09	14.09
	30.90	**238.53**
Total	**360.22**	**462.52**

*Balances are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017. (Also refer note 4.18 (b))

4.12 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Non-Current		
Unsecured, significant increase in credit risk		
Loans to related parties	65.83	65.83
	65.83	**65.83**
Less: Loss allowance	(65.83)	(65.83)
Total	-	-
Current		
Unsecured, considered good		
Advances to employees	0.61	0.18
Total	**0.61**	**0.18**

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4.13 (a) Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised Share capital		
79,500,000 (31 March 2022: 79,500,000) Equity shares of ₹10 each	795.00	795.00
15,500,000 (31 March 2022: Nil) Preference shares of ₹10 each	155.00	-
Total authorised share capital	**950.00**	**795.00**
Issued, subscribed and fully paid up equity shares		
41,496,894 (31 March 2022: 41,496,894) Equity shares of ₹10 each	414.97	414.97
Total issued, subscribed and fully paid-up equity shares	**414.97**	**414.97**

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	41,496,894	414.97	41,496,894	414.97
Issued during the year	-	-	-	-
Balance at the end of the year	**41,496,894**	**414.97**	**41,496,894**	**414.97**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	Nature of Shares	As at 31 March 2023		As at 31 March 2022	
		Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	Equity	39,782,603	397.83	39,782,603	397.83





(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the last Balance Sheet date.

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last Balance Sheet date.

(vii) Equity shares reserved under the Employee Stock Option Plan and Share warrant plan: Refer note 4.39 & 4.40.

(viii) Details of equity shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%	-
Total	**39,782,603**	**95.87%**	**39,782,603**	**95.87%**	-

4.13 (b) Other equity

Particulars	Reserves and surplus						Total
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Equity component of CCPS	Retained earnings	
Balance at 1 April 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	-	**591.22**	**5,074.35**
Profit for the year	-	-	-	-	-	1,055.25	**1,055.25**
Other comprehensive income, net of tax	-	-	-	-	-	(2.92)	**(2.92)**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	-	(14.58)
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	-	**1,643.55**	**6,112.10**
Profit for the year	-	-	-	-	-	**373.13**	**373.13**
Other comprehensive income, net of tax	-	-	-	-	-	(3.94)	(3.94)
Equity component of compulsory convertible preference shares (CCPS) (refer note 4.18 (a))	-	-	-	-	667.48	-	667.48
Deferred tax on equity component of CCPS	-	-	-	-	(233.24)	-	(233.24)
Balance at 31 March 2023	**4,457.24**	**11.31**	-	-	**434.24**	**2,012.74**	**6,915.53**

Nature and purpose of reserves

Securities premium
Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").

Capital reserve
Capital reserves comprises of:
(i) 4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the States of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2016.

(ii) 7.06 represents forfeited money received against share warrants in the earlier years.

Share options outstanding account
The fair value of the equity settled share based payment options is recognised to share options outstanding account over the vesting period of such options. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such options.

Share warrants reserve
The fair value of the equity warrants is recognised to share warrants reserve over the vesting period of such warrants. The Company transfers the proportionate amounts, outstanding in this reserve, in relation to warrants exercised to securities premium on the date of exercise of such warrants.

Equity component of compulsory convertible preference shares
Refer note 4.18 (a) for the nature and purpose.

4.14 Long-term borrowings

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans from banks				
- HSBC - Term loan (refer note i)	709.11	-	85.53	-
- Axis Bank - Term loan I (refer note ii)	206.96	52.17	259.13	52.17
- Axis Bank - Term loan II (refer note iii)	393.40	99.18	492.58	99.18
Term loans from banks (A)	**1,309.47**	**151.35**	**837.24**	**151.35**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited (refer note iv)	571.84	148.65	720.49	140.90
Term loans from financial institutions (B)	**571.84**	**148.65**	**720.49**	**140.90**
Total (A+B)	**1,881.31**	**300.00**	**1,557.73**	**292.25**

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	1,849.98	2,050.74
Proceeds from long-term borrowings	623.58	85.53
Repayments of long-term borrowings	(292.25)	(286.29)
Closing balance at end of the year	**2,181.31**	**1,849.98**

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	-	-
Interest expenses	138.10	169.02
Interest paid	(138.10)	(169.02)
Closing balance at end of the year	-	-

i HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future asset. Second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities.
The loan is repayable in 8 years carries an interest rate of repo rate + 3% p.a (31 March 2023: 6.15% p.a. for 85.50 loan, 7.65% p.a. for 73.30 loan, 8.45% p.a. for 500.00 loan, 7.97% p.a. for 50.31 loan) (31 March 2022: 7.00% p.a.) payable at monthly intervals and moratorium period of 2 years.

ii Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current assets of the Company. The said loan is repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2023: 9.50% p.a.) (31 March 2022: 7.00% p.a.) payable at monthly intervals.

iii Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2023: 9.50% p.a.) (31 March 2022: 7.00% p.a.) payable at monthly intervals.

iv NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company excluding MRI machine exclusively charged to Siemens Financial Services Private Limited. Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (As on 31 March 2023: 7.30% per annum) (As on 31 March 2022: 9.30% per annum).

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4.15 Employee benefit obligations - Non-current

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity	98.54	91.86
Compensated absences	24.15	27.67
Total	**122.69**	**119.53**

4.16 Employee benefit obligations - current

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
Gratuity	54.76	54.25
Compensated absences	19.20	20.02
Total	**73.96**	**74.27**

4.17 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payable : Micro and small enterprises; (refer note 4.31)	57.11	21.67
Trade payable : others	1,001.28	1,113.76
Trade payable to related parties; (refer note 4.33)	14.91	21.29
	1,073.30	**1,156.72**

Ageing of trade payables as on 31 March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	57.11	-	-	-	-	57.11
Others including related parties	314.06	563.41	101.68	25.23	6.93	4.88	1,016.19
Total	**314.06**	**620.52**	**101.68**	**25.23**	**6.93**	**4.88**	**1,073.30**

Ageing of trade payables as on 31 March 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	19.01	2.48	0.17	-	0.01	21.67
Others including related parties	226.50	773.82	100.27	17.44	4.95	12.07	1,135.05
Total	**226.50**	**792.83**	**102.75**	**17.61**	**4.95**	**12.08**	**1,156.72**

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4.18 (a) Other financial liabilities- Non current

Particulars	As at 31 March 2023	As at 31 March 2022
Compulsory convertible preference shares	6,298.81	-
Total	**6,298.81**	-

The Company has issued 14,572,480 Compulsorily Convertible Preference Shares (coupon rate of 0.001%) of ₹ 10 each/- @ ₹ 452.30 including a premium of ₹ 442.30 per Compulsorily Convertible Preference Share to Touch Healthcare Private Limited, Mauritius, Holding Company. The Compulsorily Convertible Preference shares have been classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS). The Board of directors of the company has resolved to convert Compulsory Convertible Preference Shares into equity shares anytime before September 2023 at prevailing market rate as on conversion date. Accordingly, Compulsory Convertible Preference Shares have been measured at fair value for a period of 14 months from allottment date at incremental borrowing rate.

Reconciliation of Compulsory convertible preference shares:

Particulars	Amount
Face value of Compulsory convertible preference shares (CCPS)	6,591.13
Less: Amount recognised in other equity	667.48
Add: Interest expense during the year	375.16
Amount presented in Other financial liabilities- Non current	**6,298.81**

(i) Reconciliation of the preference shares outstanding at the beginning of the year and end of the reporting period

Compulsory convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	-	-	-	-
Issued during the year	14,572,480	6,591.13	-	-
Balance at the end of the year	**14,572,480**	**6,591.13**	-	-

(ii) Compulsory convertible preference shares held by the Holding Company

Particulars	Nature of Shares	As at 31 March 2023		As at 31 March 2022	
		Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	Compulsory convertible preference shares	14,572,480	6,591.13	-	-

(iii) Particulars of shareholders holding more than 5% Compulsory convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	14,572,480	100.00%	-	

(iv) Details of preference shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	14,572,480	100.00%	-	-	100%
Total	**39,782,603**	**100.00%**	-	-	**100%**

4.18 (b) Other financial liabilities- current

Particulars	As at 31 March 2023	As at 31 March 2022
Capital creditors	32.74	20.56
Employee benefit payables	51.90	96.65
Retention money and deposits	41.80	6.38
Purchase consideration payable**	210.00	-
Other payables*	16.85	15.14
Total	**353.29**	**138.73**

*Other payables includes ₹14.09 (31 March 2022: ₹14.09) payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017.

** Balance purchase consideration payable to shareholders of United Cligma Institute of Medical Sciences Private Limited, subsidiary which was engaged in healthcare services business with respect to the acquisition of 76.06% equity stake on 25 July 2022.

4.19 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Statutory dues	66.05	73.74
Unearned revenue (refer note 4.43)	-	4.98
	66.05	**78.72**





4.20 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from healthcare services	9,865.60	9,648.39
Revenue from outpatient pharmacy	497.75	537.49
Other operating income	38.03	37.19
Total	**10,401.38**	**10,223.07**

4.21 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Interest income		
on financial assets (bank deposits) measured at amortised cost	2.99	13.78
on income tax refund	20.43	-
on financial assets carried at amortised cost	11.47	9.81
(b) Other non-operating income		
Net gain arising on mutual funds designated at FVTPL	41.62	26.95
Lease remeasurement Gain/Loss	5.49	2.06
Profit on Sale of Asset	0.80	-
Miscellaneous income	17.01	7.04
(c) Income/liabilities written back from operating activities	0.10	-
Total	**99.91**	**59.64**

4.22 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	106.88	106.50
Inventory at the end of the year	150.11	106.88
Total	**(43.23)**	**(0.38)**

4.23 Employee benefits expense*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,365.34	1,352.79
Share based compensation expense	-	68.32
Contribution to provident and other funds	88.43	87.34
Gratuity and compensated absences	23.33	45.05
Staff welfare expenses	21.39	23.48
Total	**1,498.49**	1,576.98

*Net of amount capitalised (refer note 4.29)

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4.24 Other expenses*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	237.25	210.86
Rent	24.29	12.68
Repairs and Maintenance		
- Buildings	30.96	39.26
- Plant and machinery and others	276.23	298.35
Hospital maintenance	73.07	75.71
Housekeeping charges	256.54	259.09
Security charges	93.48	94.86
Insurance	8.33	8.09
Water charges	25.91	22.53
Books and periodicals	10.41	5.59
Rates and taxes, excluding taxes on income	125.05	111.29
Travelling and conveyance	35.00	38.65
Communication expense	27.54	30.59
Marketing and business promotion expense	237.16	214.60
Expected credit loss	14.15	50.87
Printing and stationery	38.54	32.02
Payments to the auditor	6.05	5.50
Legal and professional charges	76.81	75.02
Catering charges, net	130.94	111.57
Diagnostics expenses	35.48	55.14
Contribution towards Corporate social responsibility	9.77	0.52
Professional charges to doctors	2,719.46	2,353.69
Property, plant and equipment written-off	-	5.29
Loss on sale of Property, plant and equipment net	-	2.48
Bank charges	3.31	5.80
Miscellaneous expenditure	8.33	6.22
Total	**4,504.06**	**4,126.27**

*Net of amount capitalised (refer note 4.29)

Note (a): Details of payments to auditors

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For statutory audit	6.05	5.50
	6.05	**5.50**

Note (b): Details of Corporate social responsibility

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to Telangana Sikh Society - Eradicating Hunger by donation of food	0.50	0.52
Contribution to ISKCON for eradicating hunger, proverty & malnutition and promoting education & skill development	9.27	-
Total	**9.77**	**0.52**

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1 April 2022	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2023
Nil	Nil	9.77	9.77	Nil

Balance as at 1 April 2021	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2022
Nil	Nil	0.52	0.52	Nil

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4.25 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on borrowings*	138.10	169.02
Interest on lease liabilities (refer note 4.38)	150.53	131.58
Interest on compulsory convertible preference shares	375.16	-
Others	31.87	35.42
Total	**695.66**	**336.02**

*Net of amount capitalised (refer note 4.29)

4.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	336.48	323.69
Amortisation on other intangible assets	17.65	68.12
Depreciation on right-of-use assets	297.02	323.22
Total	**651.15**	**715.03**

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4.27 Income tax expense/ (credit)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	121.50	245.00
MAT Credit	(74.62)	-
Income tax relating to earlier periods	157.63	22.15
Deferred tax expense/(credit)	261.77	(160.57)
	466.28	**106.58**

Reconciliation of tax expense/ (credit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	839.41	1,161.83
Tax at the Indian tax rate 34.944% (31 March 2022: 34.944%)	293.32	405.99
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of income not subject to tax under the Income Tax Act, 1961	(4.01)	(3.43)
Previously unrecognised tax losses from specified business, as defined under Section 35AD of the Income Tax Act, 1961, now recognised (net of deferred tax liability)	-	(257.45)
Indexation benefit on land	(7.28)	(78.78)
Income tax pertaining to earlier years	157.63	22.15
Other adjustments	26.62	18.10
Tax expense	**466.28**	**106.58**

4.28 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year	373.13	1,055.25
Number of equity shares outstanding at the beginning of the year	41,496,894	41,496,894
Total number of equity shares outstanding at the end of the year	**41,496,894**	**41,496,894**
Weighted average number of equity shares considered in computation of Basic EPES	41,496,894	41,496,894
Basic Earnings per equity share in ₹ (absolute number)	**8.99**	**25.43**
Diluted Earnings per equity share in ₹ (absolute number)	**8.99**	**25.43**

Note:
Outstanding employee stock options and warrants have been settled during the year ended 31 March 2022.
Basic EPES and Diluted EPES are same as the potential equity shares are anti-dilutive in nature.

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4.29 Incidental expenditure during the construction period

During the year ended 31 March 2023, the Company has capitalised the following amounts to the Capital work in progress (CWIP). Consequently, amounts disclosed under the respective notes are after adjusting amounts capitalised by the Company.

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance (A)	**192.02**	**187.18**
Employee benefits expense (refer note 4.23) (B)	0.82	0.26
Other expenses (refer note 4.24) (C)	6.80	4.34
Finance cost (refer note 4.25) (D)	44.77	0.24
Total (E=A+B+C+D)	**244.41**	**192.02**

4.30 Segment Information

Based on the "management approach" as defined in Ind AS 108, operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Company has only one reportable segment namely 'Medical and Health care services'.

Geographical information

The Company primarly operates within India.

Major customers

The Company has no single customer who has contributed more than 10% of the Company's total revenue during the year ended 31 March 2023 and 31 March 2022.

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

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	57.11	21.67
(ii)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
(iii)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v)	Interest paid, other than under Section 16 of MSMED Act,to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(vii)	Interest accrued and remaining unpaid at the end of each accounting year	-	-
(viii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

Notes:

(a) Explanation- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of "the MSMED Act, 2006."

(b) This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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4.32 Employee benefits

Defined benefit plan

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit in accordance with Payment of Gratuity Act, 1972. The plan is managed by Life Insurance Corporation of India. The Company accrues gratuity as per the provisions of the Payment of Gratuity Act,1972 as applicable as at the Balance Sheet date.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the reporting dates:

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation	160.06	153.09
Fair value of plan assets	6.76	6.98
Net defined benefit liability	**153.30**	**146.11**
Non-current	98.54	91.86
Current	54.76	54.25

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation at the beginning of the year	153.09	143.05
Benefit payments from plan assets	(27.12)	(21.24)
Current service cost	19.29	18.59
Interest expense	10.24	9.15
Actuarial losses/(gains)		
- changes in financial assumptions	(0.54)	(1.38)
- experience adjustments	5.10	4.92
Defined benefit obligation at the closing of the year	**160.06**	**153.09**

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at the beginning of the year	6.98	4.81
Contributions	27.86	23.89
Benefits paid	(27.12)	(21.24)
Interest income	0.54	0.42
Actuarial (losses)/gains	(1.50)	(0.90)
Plan assets at the closing of the year	**6.76**	**6.98**
iii) Net defined benefit liability	**153.30**	**146.11**

C Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	19.29	18.59
Interest on net defined liability / (asset)	9.70	8.73
Total cost, included in 'employee benefits expense'	**28.99**	**27.32**

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4.32 Employee benefits (continued)

D Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial gain/(loss) on defined benefit obligation	(4.56)	(3.54)
Actuarial gain/(loss) on plan assets	(1.50)	(0.90)
Total cost recognised in the other comprehensive income	**(6.06)**	**(4.44)**

E Actuarial assumptions

The following are the principal actuarial assumptions:

Particulars	As at 31 March 2023	As at 31 March 2022
Attrition rate	40.00%	40.00%
Discount rate	7.50%	7.34%
Salary escalation rate	5.00%	5.00%
Retirement age	58 years	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

F Maturity profile of defined benefit obligation is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 Year	54.81	54.25
2 to 5 years	106.20	99.11
6 to 10 years	28.04	26.36
	189.05	**179.72**

G Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2023 (%)	As at 31 March 2022 (%)
Discount rate (+ 1% movement)	(3.28)	(2.00)
Discount rate (- 1% movement)	3.46	2.10
Salary escalation (+ 1% movement)	4.05	2.50
Salary escalation (- 1% movement)	(3.91)	(2.40)

H The Company expects to contribute ₹ 54.76 as its contribution to gratuity within one year from the year ended 31 March 2023.

I Defined contribution plan

The Company's contribution towards its provident fund is a defined contribution retirement plan for qualifying employees. The contributions are made to registered provident fund administered by the Government. Details for the expenditure recognised in the Statement of Profit and Loss is as below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount recognised in the Statement of Profit and Loss towards Provident fund	81.91	79.01

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4.33 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Subsidiaries	Ganga Care Hospital Limited
	Ramkrishna Care Medical Sciences Private Limited
	Galaxy Care Multispecialty Hospital Private Limited
	Convenient Hospitals Limited
	Heart Care Institute and Research Centre (Indore) Pvt Ltd
	United Cigma Institute of Medical Sciences Private Limited
	Cigma Institute of Medical Sciences Private Limited
	United Cigma Hospitals Healthcare Private Limited
	Quality Care Jharsuguda Private Limited
Key Management Personnel (KMP)	Jasdeep Singh, Chief Executive Officer
	Sandeep Kumar, Chief Financial Officer (upto 24 May 2021)
	Vikas Rastogi, Chief Financial Officer (w.e.f. 24 May 2021)
	Gayathri Chandramoulieswaran, Company Secretary
Holding Company and Ultimate Holding Company	Touch Healthcare Private Limited, Mauritius, Holding Company
	TPG Capital, L.P, Ultimate Holding Company
Entities in which Director is interested	AKNA Medical Private Limited Indian Medtronic Private Limited Asia Healthcare Holding Advisory LLP
Sister entity of ultimate holding company	Evercare Group Management Ltd
Joint venture	Quality Care Health Services India Private Limited

(b) Transactions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Transactions during the year		
1. Galaxy Care Multispeciality Hospital Private Limited		
Purchase of drugs and consumables (COVID Vaccine)	-	3.90
Sale of drugs and consumables (COVID Vaccine)	-	0.80
2. Ganga Care Hospital Limited		
Sale of Property, plant and equipment	1.74	-
Repayment of loan	-	55.37
3. Ramkrishna Care Medical Sciences Private Limited		
Purchase of drugs and consumables	0.66	-
Sale of Goods	0.04	-
Purchase of Property, plant and equipment	-	0.06
4. AKNA Medical Private Limited		
Purchase of drugs and consumables	0.26	4.07
5. Indian Medtronic Private Limited		
Purchase of drugs and consumables	41.38	43.38
Advance for purchase of Robo equipment	5.00	-
6. Asia Healthcare Holding Advisory LLP		
Professional and business services	11.98	3.87
7. Vikas Rastogi		
Remuneration *	11.14	7.64
8. Jasdeep Singh		
Remuneration *	27.75	42.94
9. Sandeep Kumar		
Remuneration *		6.52
10. Gayathri Chandramoulieswaran		
Remuneration *	1.51	0.97
11. Evercare Group Management Ltd		
Revenue from professional services	2.15	17.50
12. Touch Healthcare Private Limited		
Issue of Compulsory Convertible Preference Shares	6,591.13	-

(c) Balances outstanding from/ to the related parties

Particulars	As at 31 March 2023	As at 31 March 2022
Balances outstanding from/ to the related parties		
1. Ganga Care Hospital Limited		
Trade Receivable	1.74	-
2. Galaxy Care Multispecialty Hospital Private Limited		
Trade payable	1.58	1.58
3. Quality Care Health Services India Private Limited		
Loans receivable**	65.83	65.83
4. Ramkrishna Care Medical Sciences Private Limited		
Trade Payable	0.62	-
5. AKNA Medical Private Limited		
Trade payable	-	0.14
6. Indian Medtronic Private Limited		
Trade payable	12.72	19.57
Advance for purchase of Robo equipment	5.00	-
7. Evercare Group Management Ltd		
Trade Receivable	-	3.56

* Does not include those benefits which are computed for the Company as a whole.
** Loans have been provisioned entirely in the books (refer note 4.12).

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4.34 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2023		As at 31 March 2022	
	FVTPL*	Amortised cost	FVTPL*	Amortised cost
Financial assets				
Investments	424.89	-	1,023.65	-
Trade receivables	-	1,272.00	-	883.81
Cash and cash equivalents	-	329.32	-	223.99
Other bank balances	-	30.90	-	238.53
Loans	-	0.61	-	0.18
Other financial assets	-	308.29	-	345.92
Total financial assets	**424.89**	**1,941.12**	**1,023.65**	**1,692.43**

	As at 31 March 2023		As at 31 March 2022	
	FVTPL*	Amortised cost	FVTPL*	Amortised cost
Financial liabilities				
Borrowings	-	2,181.31	-	1,849.98
Trade payables	-	1,073.30	-	1,156.72
Lease liabilities	-	1,479.87	-	1,240.99
Other financial liabilities	-	6,652.10	-	138.73
Total financial liabilities	**-**	**11,386.58**	**-**	**4,386.42**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss**

Fair value measurement

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Valuation technique and key input	Fair value hierarchy	Fair value as at (in ₹)	
			31 March 2023	31 March 2022
Financial assets				
Investment in mutual funds	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. (quoted prices in active market)	Level 1	424.89	1,023.65

There was no transfer between Level 1, Level 2 and Level 3 in the period.

The fair value hierarchy of financial assets and financial liabilities of the Company, except for 'investment in mutual funds' is level 3.

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4.35 Financial instruments risk management

Financial Risk Management Framework

The Company's Board of Directors have an overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Company derives directly from its operations. The Company also holds FVTPL investments.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investments, balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of the credit risk.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2023. Credit risk on cash and cash equivalents, including fixed deposits is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Financial assets that are past due but not impaired :

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due. Management monitors the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at each hospital level in accordance with practice set by the company.

As at 31 March 2023	Up to 1 year	More than 1 year	Total
Borrowings	300.00	1,881.31	**2,181.31**
Trade payables	1,073.30	-	**1,073.30**
Lease liabilities	195.51	1,284.36	**1,479.87**
Other financial liabilities	353.29	-	**353.29**
Total	**1,922.10**	**3,165.67**	**5,087.77**

As at 31 March 2022	Up to 1 year	More than 1 year	Total
Borrowings	292.25	1,557.73	**1,849.98**
Trade payables	1,156.72	-	**1,156.72**
Lease liabilities	227.51	1,013.48	**1,240.99**
Other financial liabilities	138.73	-	**138.73**
Total	**1,815.21**	**2,571.21**	**4,386.42**

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rates of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

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i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument shall fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fixed rate instruments		
Financial assets	43.89	266.43
Variable rate instruments		
Financial liabilities	2,181.31	1,849.98

The Company's investments are in deposits with reputed banks and therefore do not expose the Company to significant interest rates risk.

Sensitivity analysis

For the years ended 31 March 2023 and 31 March 2022, every 50 basis point decrease in the floating interest rate component applicable to the Company's borrowings would have increased the profit before tax approximately by 10.91 and 10.25 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

The carrying amount of the Company's foreign currency denominated monetary items is nil as at 31 March 2023 and 31 March 2022

4.36 Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payments to the shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Company's policy is to keep the gearing ratio below 30%. The Company includes within net debt, borrowings (long and short term), less cash and cash equivalents and investments in mutual funds.

	As at	
	31 March 2023	**31 March 2022**
Borrowings (refer note 4.14)	2,181.31	1,849.98
Less: Cash and cash equivalents (refer note 4.11(a))	(329.32)	(223.99)
Less: Cash and cash equivalents (refer note 4.11(b))	(30.90)	(238.53)
Less: Investment in mutual funds (refer note 4.4(b))	(424.89)	(1,023.65)
Net debt (A)	**1,396.20**	**363.81**
Total equity (B)	7,330.50	6,527.07
Net debt and total equity (A) + (B)	8,726.70	6,890.88
Gearing ratio (%)	**16.00%**	**5.28%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. There has been no breaches in the financial covenants of any borrowings during the year ended 31 March 2023 and 31 March 2022.

No changes were made in the objectives, policies or processes for managing the capital during the years ended 31 March 2023 and 31 March 2022

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4.37 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Company not acknowledged as debts		
- Disputed disallowances, deemed dividend under Section 2(22)(e), disputed income and deemed income under Section 56(2)(viib) of the Income Tax Act, 1961	32.13	27.78
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	-	3.56
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	68.15
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	8.77	8.77
- Disputed tax levied on specific building of the Company under the Expenditure Tax Act, 1987	7.83	7.83
Patient legal claims pending with various Consumer Disputes Redressal Commission	101.31	203.08
Other legal claims pending under the various Statutory Acts	302.29	99.68

(b) Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	220.69	431.17

4.38 Leases

The Company has taken hospital buildings, plant and machinery and vehicles on lease having a term ranging from 1 year to 15 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Company obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain lease of building with lease terms of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases.

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,240.99	1,541.84
Additions during the year	568.76	65.88
Deletions during the year	(59.85)	(67.83)
Finance cost accrued during the year	150.53	131.58
Other adjustments	3.94	(27.49)
Payment of lease liabilities	(424.50)	(402.99)
Lease liabilities as at the end of the year	**1,479.87**	**1,240.99**
Current lease liabilities	195.51	227.51
Non-current lease liabilities	1,284.36	1,013.48

The effective interest rate for lease liabilities is 9.55% with maturity between 2020-2034.

Following amounts have been recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on Right-of-use assets	297.02	323.22
Interest on lease liabilities	150.53	131.58
Total amount recognised in the Statement of profit and loss	**447.55**	**454.80**

Details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	328.25	335.06
One to five years	1,051.28	1,006.39
More than five years	721.52	371.71
Total	**2,101.05**	**1,713.16**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹24.29 for the year ended 31 March 2023 (31 March 2022: ₹12.68).

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4.39 Employee Stock Option Plan

Pursuant to a special resolution passed by the members in their meeting held on 27 July 2013, the Company instituted an Employee Stock Option Plan (the ESOP Scheme 2013). The said scheme has been formulated in consultation with the Board of Directors of the Company, and accordingly the Company had reserved 1,150,000 equity shares of ₹10 each. The options granted under the said scheme shall vest within a span of four years in the ratio of 10%, 20%, 30% and 40 % each year from the date of grant. These options can be exercised upon satisfaction of conditions attached to such issue and shall be equity settled.

In addition to above, pursuant to the resolution passed in the Compensation Committee in the meetings held on various dates during the year ended 31 March 2016, the Company had granted 134,000 stock options to medical professionals.

Further, pursuant to a special resolution passed by the members in their meeting held on 20 February 2016, the Company instituted an Employee Stock Option Scheme 2016. The Company has reserved 1,000,000 equity shares of ₹10 each. No options were granted under the scheme.

Further, pursuant to special resolution passed by the members in their meeting held on 25 March, 2022, the company approved the payment of an ex-gratia amount as per ESOP (Employee Stock Option) to each of the vested option-holders of 'EMPLOYEE STOCK OPTION SCHEME - 2013' as per the details mentioned below:

No. of Vested ESOPS	Exercise Price	Fair Market Value	Ex-gratia amount paid as per ESOP
303,880	₹ 212/-	₹ 452.30/-	₹ 240.30/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	199,200	212
Forfeited during the year	-	-	-	-
Cancelled/Exercised during the year	-	-	199,200	212
Outstanding at the end of the year	-	-	-	-
Vested and exercisable at the end of the year	-	-	-	-

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4.40 Share warrants

On 30 April 2013, 20 February 2016, and 30 September 2016 the Company established share warrant plans that entitle the warrant holders an option to convert the warrants into equity shares of the Company at the relevant exercise price. The key terms and conditions related to the grants under these plans are as follows; all warrants are to be settled by the delivery of equity shares.

Further, pursuant to special resolution passed by the members in their meeting held on 25 March, 2022, the company approved the payment of consideration to each of the vested eligible share warrants further allotted under the 'SHARE WARRANTS 2016 SCHEME' as per the details mentioned below:

No. of Vested warrants	Exercise Price	Fair Market Value	Ex-gratia amount paid as per Warrant
436,000	₹ 430.40/-	₹ 452.30/-	₹ 21.90/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of warrants	Weighted average exercise price (₹)	Number of warrants	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	712,330	430.40
Cancelled during the year	-	-	276,330	430.40
Exercised during the year	-	-	436,000	430.40
Outstanding at the end of the year	-	-	-	-
Vested and exercisable at the end of the year	-	-	-	-

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4.41 Transfer pricing

The Company has entered into commercial transactions with its associated enterprises which are subject to assessment and test of transactions being carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Company has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length. Therefore, the legislation shall not have any impact on the standalone financial statements.

4.42 Disclosure of interest in subsidiaries and joint venture:

Particulars	Nature of relationship	Country of incorporation	Ownership interest in the Company (%)	
			As at 31 March 2023	As at 31 March 2022
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%
Galaxy Care Multispecialty Hospital Private Limited	Subsidiary	India	76.00%	76.00%
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%
Convenient Hospitals Limited	Subsidiary	India	95.00%	-
United CIIGMA Institute of Medical Sciences Private Limited	Subsidiary	India	76.00%	-
Quality Care Health Services India Private Limited	Joint venture	India	50.00%	50.00%

4.43 Unearned revenue

The following table discloses the movement in the unearned revenue during the year ended 31 March 2023 and 31 March 2022:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Balance at the beginning of the year	4.98	33.42
Revenue recognised during the year	4.98	33.42
Invoiced during the year	-	4.98
Balance at the end of the year	-	**4.98**

4.44 In 2009, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") to acquire a land parcel and development of a Health City along with allied infrastructure ("Project") in Visakhapatnam, Andhra Pradesh. Pursuant to the terms of the said agreement, the APIIC has allotted 4.18 acres of land to the Company upon payment of 105.55 and included in Property, plant and equipment [refer note 4.1 (a)] subjected to conditional registration of land in favor of the Company upon completion of the Project by 30 June 2020. The company has received extension of timeline from APIIC till December, 2023. Further the company has incurred sum aggregating 1,093.45 (31 March 2022: 564.17) towards land development and civil construction there on which are included in capital work-in-progress (refer note 4.2). Based on internal evaluation, the management of the Company is confident of completing the project within stipulated timelines.

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4.45 Regulatory information

(i) Details of benami property held
No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets
The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly revised returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter
The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

(a) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(b) The Company has received funds from Touch Healthcare Private Limited, Holding company with the understanding that the company shall further invest the funds in equity shares for the acquisition of 95% stake in Convenient Hospitals Limited and 76% stake in United Ciigma Institute of Medical Sciences Private Limited. The Company has has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The details of date and amount of funds received from funding party during the year ended 31 March 2023 are as follows:

Name of the funding party	Registered address of the funding party	Relationship with the funding party	Date of funds received	Amount of funds received
Touch Healthcare Private Limited,	33 Edith Cavell Street, 11324,	Holding Company	28-Jun-23	3,412.73
			25-Jul-23	3,178.40

The details of date and amount of funds further invested by the Company to ultimate beneficiaries during the year ended 31 March 2023 are as follows:

Name of the ultimate beneficiaries	Registered address of the ultimate beneficiaries	Relationship with the ultimate beneficiaries	Date of investment	Amount of investment from funds received from Holding Company
Convenient Hospitals Limited	Near LIG Square, A.B.Road, Indore, Madhya Pradesh - 452008, India.	Subsidiary Company	29-Jun-23	3,412.73
United Ciigma Institute of Medical Sciences Private Limited	Plot No. 6 & 7, Survey No. 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra - 431005, India.	Subsidiary Company	26-Jul-23	3,178.40

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment, intangible asset and investment property
The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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Notes to the standalone financial statements
(All amounts in ₹ millions, except share data and where otherwise stated)

4.46 Financial ratios

Particulars	Current year 2022-23	Current year ratio	Previous year 2021-22	Previous year ratio	Variance %	Reasons (if variance is more than 25%)
Current ratio						
Numerator - Current assets	2,513.20	1.22	2,742.32	1.39	-13%	None
Denominator - Current liabilities	2,062.11		1,968.20			
Debt-equity ratio						
Numerator - Total debt	2,181.31	0.30	1,849.98	0.28	5%	None
Denominator - Total Shareholders Equity	7,330.50		6,527.07			
Debt service coverage ratio						
Numerator - PAT + Depreciation and amortisations expense+ Interest + Loss on property, plant and equipment + Provision for doubtful balances	1,734.09	1.96	2,164.94	2.80	-30%	The change in ratio when compared to previous year is mainly on account of decrease in profit after tax during the current year
Denominator - Interest & lease payments + principal repayments	886.72		772.77			
Return on equity ratio (in %)						
Numerator - Profit after tax	373.13	5.39%	1,055.25	17.56%	-69%	The change in ratio when compared to previous year is mainly on account of decrease in profit after tax during the current year
Denominator - Average shareholders equity	6,928.79		6,008.20			
Inventory turnover ratio (in times)						
Numerator - Cost of goods sold	2,312.52	16.33	2,366.58	20.36	-20%	None
Denominator - Average Inventory	141.59		116.26			
Trade receivables turnover ratio (in times)						
Numerator - Net credit sales	5,796.84	5.38	4,151.79	4.77	13%	None
Denominator - Average trade receivables	1,077.91		871.01			
Trade payables turnover ratio (in times)						
Numerator - Net credit purchases	6,824.25	6.35	6,425.47	5.98	6%	None
Denominator - Average trade payables	1,074.88		1,074.88			
Net capital turnover ratio (in times)						
Numerator - Revenue from operations	10,401.38	16.98	10,223.07	22.82	-26%	The change in ratio when compared to previous year is mainly on account of increase in average working capital in current year.
Denominator - Average working capital	612.61		447.89			
Net profit ratio (in %)						
Numerator - Profit for the year	373.13	3.59%	1,055.25	10.32%	-65%	The change in ratio when compared to previous year is mainly on account of decrease in profit after tax during the current year
Denominator - Revenue from operations	10,401.38		10,223.07			
Return on capital employed (in %)						
Numerator - Earnings before interest and taxes	1,535.07	16.76%	1,497.85	18.64%	-10%	None
Denominator - Capital employed= Tangible net worth + Total debt + Deferred tax liability	9,161.72		8,037.10			
Return on investment (in %)						
Numerator - Earnings before interest and taxes	1,535.07	10.18%	1,497.85	13.81%	-26%	The change in ratio when compared to previous year is mainly on account of investment in subsidiaries by issue of preference shares, hence increase in total assets leading to change in ratio
Denominator - Average total assets	15,082.90		10,845.51			

4.47 Other regulatory information

(i) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4.1 (a) to the financial statements, are held in the name of the company except for land aggregating to ₹105.55. (Refer note 4.44 for further details).

(ii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(iii) The company has not given loans/advances in the nature of loans to directors, promoters, KMPs or any other related parties which are repayable on demand or without specifying terms & conditions of repayment.

(iv) Registration of charges or satisfaction with Registrar of Companies which are yet to be registered with the Registrar of Companies beyond the statutory period;

Charge holder name	Charge ID	Date of creation	Amount in INR	Reason for delay
ICICI Bank Limited	10568516	02-Aug-14	1,100.00	This charge belongs to old acquired company which was merged into QCIL's Index of charges on merger, the satisfaction could not be filed as the acquired company was no longer in existence. The company is in the process of getting the same removed
Andhra Bank	10160606	11-May-09	45.00	
ICICI Bank Limited	90136844	08-Dec-01	180.00	Satisfaction of charge was done manually and the same was not reflected on conversion to electronic system on MCA portal. The company is in the process of getting the same removed
IDBI	90137502	19-May-93	49.50	
New Bank Of India	90137145	20-Feb-88	4.00	
IDIBI	90137107	15-May-87	10.00	
IFCI Bank Ltd	90137002	23-Jan-83	95.00	

4.48 Business combinations

On 14 April 2022, the Company has acquired Thumbay Hospital New Life, Hyderabad engaged in healthcare services business on a slump sale basis. This acquisition is expected to further strengthen the Company's presence in Hyderabad market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to Thumbay hospital unit.

The assets and liabilities acquired:

Particulars	Thumbay Hospital New Life
Property, plant and equipment	180.20
Inventory	2.66
Net identifiable assets acquired	**182.86**
Purchase consideration paid in cash	**200.00**
Goodwill recognised (refer note 4.3)	**17.14**

Also refer note 4.1(a) for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is no gain/loss atrributable on fair value. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and loss from the date of acquisition is ₹126.82 and ₹144.33, respectively. If the acquisitions had occurred on 1 April 2022, the amount of revenue and loss would have been ₹ 126.87 million and ₹144.27, respectively.

4.49 Subsequent events

Quality Care India Limited ("QCIL") has divested its entire equity investment held in Galaxy Care Multispecialty Hospital Private Limited ("Galaxy") (15,810 equity shares) on fully diluted basis in the following manner:

1) Galaxy has bought back 5,201 number of equity shares on 17 April 2023 for a consideration of 41.92 .

2) QCIL has transferred 10,609 number of equity Shares to the promoters of the Galaxy i.e., Dr. Shailesh Padmakar Puntambekar and Dr. Seema Shailesh Puntambekar for a consideration of 58.08.

Accordingly, as at 31 March 2023, investment held in Galaxy Care Multispecialty Hospital Private Limited ("Galaxy") has been disclosed as 'Assets classified as held for sale'.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Vikas Rastogi
Chief Financial Officer
Place: Hyderabad

Date: 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02205303
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 23 August 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Quality Care India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Quality Care India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and joint venture (refer Note 2(f) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income) , the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2023, consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 12 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, Gate No 2, 1st Floor, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT
To the Members of Quality Care India Limited
Report on the Consolidated Financial Statements

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows, and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and of its joint venture or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of the Group and of its joint venture.

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



INDEPENDENT AUDITOR'S REPORT
To the Members of Quality Care India Limited
Report on the Consolidated Financial Statements

- 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 ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

11. 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.

Other Matters

12. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 0.04 million and net assets of Rs. (0.01) million as at March 31, 2023, total revenue of Rs. Nil, total comprehensive income (comprising of loss and other comprehensive income) of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of loss and other comprehensive income) of Rs. (0.01) million as considered in the consolidated financial statements, in respect of joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary and joint venture, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.



INDEPENDENT AUDITOR'S REPORT
To the Members of Quality Care India Limited
Report on the Consolidated Financial Statements

14. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except that the backup of books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies and joint venture incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above.

(g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and of its joint venture and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture– Refer Note 4.36(a) to the consolidated financial statements.

ii. The Group and its joint venture were not required to recognise a provision as at March 31, 2023 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group and joint venture did not have any derivative contracts as at March 31, 2023.

iii. During the year ended March 31, 2023, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint venture incorporated in India.

iv. (a) The respective Managements of the Holding Company and its subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries/ joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries/ joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 4.44(vii)(A) to the consolidated financial statements);

(b) The respective Managements of the Holding Company and its subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries/ joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries/ joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 4.44(vii)(B) to the consolidated financial statements);

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiary companies and joint venture, has not declared or paid any dividend during the year.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 (as amended), which provides for books of account to have the feature of audit trail, edit log and related matters in the accounting software used by the Group and joint venture, is applicable to the Group and joint venture only with effect from financial year beginning April 1, 2023, the reporting under clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), is currently not applicable.

15. The Group and joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXV5932

Place: Hyderabad
Date: August 23, 2023

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the consolidated financial statements for the year ended March 31, 2023

Report on the Internal Financial Controls with reference to consolidated financial statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we were engaged to audit the internal financial controls with reference to consolidated financial statements of Quality Care India Limited ("the Holding Company") as of March 31, 2023 in conjunction with our audit of the consolidated financial statements of the Quality Care India Limited and its subsidiary companies and joint venture (" the Group") for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Group's internal financial controls with reference to consolidated financial statements based on our audit conducted in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI.

4. Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls system with reference to consolidated financial statements of the Group.

Meaning of Internal Financial Controls with reference to consolidated financial statements

5. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Group are being made only in accordance with authorisations of management and respective directors of the Companies in the Group and joint venture; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group's assets that could have a material effect on the consolidated financial statements.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the consolidated financial statements for the year ended March 31, 2023

Basis for Disclaimer of Opinion

6. As explained in Note 4.48 of the consolidated financial statements, the audit reports dated August 21, 2023 for the following subsidiaries of the Holding Company: United Ciigma Institute of Medical Sciences Private Limited, Ciigma Institute of Medical Sciences Private Limited, United Ciigma Hospitals Healthcare Private Limited, Convenient Hospitals Limited and Heart Care Institute And Research Centre (Indore) Pvt Ltd for the year ended March 31, 2023, contained a disclaimer of opinion on the system of internal financial controls with reference to financial statements, which has been assessed as having a material and pervasive impact on the system of internal financial controls with reference to consolidated financial statements of the Group.

Disclaimer of Opinion

7. The audit reports on the system of internal financial controls with reference to financial statements for the following subsidiaries of the Holding Company: United Ciigma Institute of Medical Sciences Private Limited, Ciigma Institute of Medical Sciences Private Limited, United Ciigma Hospitals Healthcare Private Limited, Convenient Hospitals Limited and Heart Care Institute And Research Centre (Indore) Pvt Ltd for the year ended March 31, 2023 contained a disclaimer of opinion as detailed in Note 4.48 of the consolidated financial statements and, consequently, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion on whether the Group had adequate internal financial controls with reference to consolidated financial statements and whether such internal financial controls were operating effectively as at March 31, 2023 based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

8. We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group for the year ended March 31, 2023, and the disclaimer does not affect our opinion on the consolidated financial statements of the Group.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXV5932

Place: Hyderabad
Date: August 23, 2023

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company (Holding Company/ Subsidiary/ Joint Venture)	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Quality Care India Limited	U85110TG 1992PLC0 14728	Holding Company	August 21, 2023	(i)(c) - The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4.1 to the standalone financial statements, are held in the name of the Company, except for the following: (Refer note 1 below) (vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
2.	Galaxy Care Multispeciality Hospital Private Limited	U85110PN 2005PTC0 20122	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
3.	Ganga Care Hospital Limited	U85110M H2005PL C150811	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax and provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023

					services tax and other material statutory dues, as applicable, with the appropriate authorities.
4.	Ramkrishna Care Medical Sciences Private Limited	U85110CT1998PTCo13035	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of goods and services tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
5.	Quality Care Jharsuguda Private Limited	U85300TG2016PTC112746	Subsidiary Company	August 21, 2023	(xvii) - The Company has incurred cash losses in the current and in the immediately preceding financial year.
6.	Quality Care Health Services India Private Limited	U85100TG2008PTCo58264	Joint Venture	August 21, 2023	(xvii) - The Company has incurred cash losses in the current and in the immediately preceding financial year.
7.	Convenient Hospitals Limited	U85110MP1993PLC007654	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax, goods and service tax, provident fund and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
8.	Heart Care Institute And Research Centre (Indore) Pvt Ltd	U85110MP1999PTC013924	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax, goods and service tax, provident fund and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
9.	United Ciigma Institute of Medical Sciences Private Limited	U74120MH2011PTC213136	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, Income tax and goods and service tax, though there has been a slight delay in a few cases, and is regular in



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023

					depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
10.	United Ciigma Hospitals Healthcare Private Limited	U85110M H2016PT C279990	Subsidiary Company	August 21, 2023	(vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax and goods and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
11.	Ciigma Institute of Medical Sciences Private Limited	U85110M H2007PT C172787	Subsidiary Company	August 21, 2023	(i)(c) - The title deeds of all the immovable properties as disclosed in Note 4.1 to the financial statements, are held in the name of the Company, except for the following: (Refer note 2 below). (vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of Income tax, Goods and service tax and provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. (xvii) - The Company has incurred cash losses of Rs. 4.41 million in the financial year and had not incurred cash losses in the immediately preceding financial year.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2023

Note 1:

Description of property	Gross carrying value (Rs. in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Land, Plot no. 3 measuring 4.18 acres situated in Chinagadili village, Visakhapatnam	105.55	Andhra Pradesh Industrial Infrastructure Corporation Limited	No	From 2009	Refer note 4.1 to the standalone financial statements and refer note 4.1(b) to the consolidated financial statements.

Note 2:

Description of property	Gross carrying value (Rs. in million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Building located in Aurangabad	21.20	Unmesh Vidyadhar Takalkar	Promoter and director of the Company	2007	Refer note 4.1 to the financial statements* * Included in note 4.1(c) to the consolidated financial statements.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 23220916BGXUXV5932

Place: Hyderabad
Date: August 23, 2023

Quality Care India Limited
Consolidated Balance Sheet
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1	8,584.17	5,275.02
(b) Right-of-use assets	4.2	1,915.38	1,389.48
(c) Capital work-in-progress	4.3	1,257.10	623.74
(d) Goodwill	4.4	6,042.19	330.51
(e) Other intangible assets	4.4	719.81	78.16
(f) Investments	4.5 (a)	0.02	0.02
(g) Financial assets			
(i) Other financial assets	4.6 (a)	667.39	188.49
(h) Deferred tax assets (net)	4.7 (a)	744.02	904.98
(i) Non-current tax assets (net)	4.7 (b)	571.24	688.35
(j) Other non-current assets	4.8 (a)	528.67	178.28
Total non-current assets (A)		**21,030.19**	**9,657.01**
B. Current assets			
(a) Inventories	4.9	266.73	152.53
(b) Financial assets			
(i) Investments	4.5 (b)	430.87	1,029.35
(ii) Trade receivables	4.10	1,796.41	1,172.61
(iii) Cash and cash equivalents	4.11 (a)	522.93	315.51
(iv) Bank balances other than (iii) above	4.11 (b)	576.46	778.74
(v) Loans	4.12	2.43	0.41
(vi) Other financial assets	4.6 (b)	200.88	224.68
(c) Other current assets	4.8 (b)	91.23	85.80
(d) Assets held for sale	4.49	293.81	-
Total current assets (B)		**4,181.75**	**3,759.63**
Total assets (A+B)		**25,211.94**	**13,416.64**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	414.97	414.97
(b) Other equity			
(i) Reserves and surplus	4.13 (b)	7,824.40	6,536.87
Equity attributable to the owners of the Company		**8,239.37**	**6,951.84**
(c) Non-controlling interest		1,988.26	520.88
Total equity (A)		**10,227.63**	**7,472.72**
Liabilities			
B. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	2,979.96	1,859.10
(ii) Lease liabilities	4.37	1,984.24	1,381.98
(iii) Other financial liabilities	4.17 (a)	6,310.61	11.00
(b) Employee benefit obligations	4.15 (a)	176.18	153.95
(c) Deferred tax liabilities (net)	4.7 (a)	152.26	-
Total non-current liabilities (B)		**11,603.25**	**3,406.03**
C. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	513.61	426.37
(ii) Lease liabilities	4.37	260.17	282.88
(iii) Trade payables			
(a) total outstanding dues of micro and small enterprises	4.16 (a)	86.60	30.54
(b) total outstanding dues other than (iii) (a) above	4.16 (b)	1,654.86	1,406.34
(iv) Other financial liabilities	4.17 (b)	476.17	159.12
(b) Employee benefit obligations	4.15 (b)	122.00	96.57
(c) Other current liabilities	4.18	147.32	136.07
(d) Liabilities directly associated with assets held for sale	4.49	120.33	-
Total current liabilities (C)		**3,381.06**	**2,537.89**
Total liabilities (B+C)		**14,984.31**	**5,943.92**
Total equity and liabilities (A+B+C)		**25,211.94**	**13,416.64**

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468

Place : Dubai, UAE
Date: 23 August 2023

Gayathri Chandramouliswaran
Company Secretary
Membership No.: 41863

Place: Hyderabad
Date: 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303

Place : Hyderabad
Date: 23 August 2023

Vikas Bhatugi
Chief Financial Officer

Place: Hyderabad
Date: 23 August 2023

Quality Care India Limited
Consolidated Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
I Revenue from operations	4.19	16,043.95	13,181.61
II Other income	4.20	191.99	98.56
III Total income (I+II)		**16,235.94**	**13,280.17**
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		3,580.83	3,075.44
(ii) Changes in inventories of medical consumables and pharmacy items	4.21	(73.58)	(9.41)
(iii) Employee benefits expense	4.22	2,244.89	1,982.45
(iv) Other expenses	4.23	7,114.27	5,515.93
Total expenses (IV)		**12,866.41**	**10,564.41**
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		**3,369.53**	**2,715.76**
(i) Finance costs	4.24	886.27	421.02
(ii) Depreciation and amortisation expense	4.25	988.05	905.27
VI Profit before exceptional items, share of loss of a joint venture and tax		**1,495.21**	**1,389.47**
Exceptional items	4.47	**41.41**	-
VII Profit before share of loss of a joint venture		**1,453.80**	**1,389.47**
(i) Share of loss of a joint venture		0.00	0.01
VIII Profit before tax		**1,453.80**	**1,389.46**
IX Income Tax expense/(credit):			
(i) Current tax expense	4.26	**278.19**	302.84
(ii) MAT Credit	4.26	**(74.62)**	-
(iii) Income tax relating to earlier periods	4.26	**166.37**	21.51
(iv) Deferred tax expense	4.26	**100.66**	(163.80)
Total tax expense		**470.60**	**160.55**
X Profit for the year (VIII-IX)		**983.20**	**1,228.91**
XI Other comprehensive income:			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Gain/(loss) on remeasurement of post-employment benefit obligations		3.09	(7.08)
(ii) Income tax relating to these items		(0.19)	2.19
Other Comprehensive income for the year, net of tax		**2.90**	**(4.89)**
XII Total comprehensive income for the year (X+XI)		**986.10**	**1,224.02**
XIII Profit for the year attributable to:			
Owners of the parent		850.54	1,157.87
Non-controlling interests		132.66	71.04
XIV Other comprehensive income attributable to:			
Owners of the parent		2.75	(4.17)
Non-controlling interest		0.15	(0.72)
XV Total comprehensive income attributable to:			
Owners of the parent		853.29	1,153.70
Non-controlling interests		132.81	70.32
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2022 : ₹10))			
Basic earnings per equity share (in ₹)	4.27	20.50	27.90
Diluted earnings per equity share (in ₹)		20.50	27.90

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1982PLC014728

Massimiliano Colella
Director
DIN: 08729468

Place : Dubai, UAE
Date: 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303

Place : Hyderabad
Date: 23 August 2023

Gayathri Chandramouleswaran
Company Secretary
Membership No.: 41863

Place: Hyderabad
Date: 23 August 2023

Vikas Rastogi
Chief Financial Officer

Place: Hyderabad
Date: 23 August 2023

Quality Care India Limited
Consolidated Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the period ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	**1,453.80**	**1,389.46**
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(45.60)	(27.17)
Share of loss of a joint venture	-	0.01
Depreciation and amortisation expense	988.05	905.67
Expected credit loss	57.41	105.78
Property, plant and equipment written off	6.44	5.29
Loss/(profit) on sale of property, plant and equipment	(13.82)	3.91
Loss on sale of equity shares and loss on sale of mutual funds	6.45	-
Share based compensation expense	-	(14.58)
Lease remeasurement Gain	(5.49)	-
Income/liabilities written back from operating activities	(0.75)	(4.13)
Inventory written off	41.41	-
Interest income	(82.61)	(46.30)
Finance costs	886.27	380.59
Change in operating assets and liabilities:	**3,291.56**	**2,698.53**
Increase in inventories	(73.58)	(9.41)
Increase in trade receivables	(348.25)	(150.32)
(Increase)/decrease in loans	(1.74)	12.05
Decrease in other assets	213.85	40.26
Increase in other financial assets	(17.17)	(29.66)
Increase in trade payables	626.97	170.28
Increase/(decrease) in provisions	(42.84)	22.48
Increase/(decrease) in other financial liabilities	21.20	(46.19)
Increase in other liabilities	310.39	0.20
Cash generated from operations	**3,980.39**	**2,708.22**
Income tax (paid)/refund, net	(268.92)	(367.86)
Net cash inflow from operating activities (A)	**3,711.47**	**2,340.36**
Cash flow from investing activities		
Payments for property, plant and equipment and intangible assets	(1,651.54)	(664.08)
Proceeds from sale of property, plant and equipment	173.73	51.42
Purchase of mutual funds	(637.55)	(1,349.93)
Sale of mutual funds	1,288.08	353.23
Payment for acquisition of subsidiaries	(7,376.18)	-
Interest received on fixed deposits	43.69	43.25
Interest received on income tax refund	27.45	-
Movement in other bank balances, net	(146.33)	28.57
Net cash outflow from investing activities (B)	**(8,278.65)**	**(1,537.54)**
Cash flow from financing activities		
Proceeds from borrowings	623.58	85.53
Repayments of borrowings	(1,499.00)	(417.94)
Proceeds from issue of preference shares	6,591.14	-
Interest paid	(289.36)	(208.58)
Dividend paid	-	(0.07)
Payment of lease liabilities	(629.15)	(492.69)
Net cash inflow (outflow) from financing activities (C)	**4,797.21**	**(1,033.75)**
Net increase/(decrease) in cash and cash equivalents(A + B + C)	**230.03**	**(230.93)**
Cash and cash equivalents at the beginning of the year	315.51	546.44
Cash and cash equivalents at the end of the year (note 1)	**545.54**	**315.51**

	For the period ended 31 March 2023	For the year ended 31 March 2022
Note 1:		
Cash and cash equivalents as per above comprise of the following		
- Included in cash and cash equivalents (refer note 4.11(a))		
Cash on hand	12.74	97.69
Balances with banks in current accounts	510.19	217.82
- Assets classified as held for sale	22.61	-
Balances as per Statement of Cash Flows	**545.54**	**315.51**

This is the Consolidated Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad, India
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: L85110TG2007PLC013728

Massimiliano Colella
Director
DIN: 08729468

Place : Dubai, UAE
Date: 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303

Place : Hyderabad
Date: 23 August 2023

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863

Place: Hyderabad
Date: 23 August 2023

Vikas [illegible]gi
Chief Financial Officer

Place: Hyderabad
Date: 23 August 2023

Quality Care India Limited
Consolidated Statement of changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Share capital

Equity share capital

Particulars	Notes	Number of shares	Amount
Balance at 1 April 2021		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2022		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2023		**41,496,894**	**414.97**

B. Other equity

Particulars	Attributable to owners of Quality Care India Limited						Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Reserves and surplus							
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Equity component of CCPS	Retained earnings		
Balance at 1 April 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	-	**914.62**	**5,397.75**	**450.56**
Profit for the year	-	-	-	-	-	1,157.87	**1,157.87**	**71.04**
Other comprehensive income, net of tax	-		-	-	-	(4.17)	**(4.17)**	**(0.72)**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	-	**(14.58)**	-
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	-	**2,068.32**	**6,536.87**	**520.88**
Profit for the year	-	-	-	-	-	850.54	**850.54**	**132.66**
Other comprehensive income, net of tax	-	-	-	-	-	2.75	**2.75**	**0.15**
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	**1,334.57**
Equity component of compulsory convertible preference shares (CCPS)	-	-	-	-	667.48	-	**667.48**	
Deferred tax on equity component of CCPS	-	-	-	-	(233.24)	-	**(233.24)**	-
Balance as at 31 March 2023	**4,457.24**	**11.31**	-	-	**434.24**	**2,921.61**	**7,824.40**	**1,988.26**

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014128

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE
Date : 23 August 2023

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad
Date : 23 August 2023

Vikas Kastogi
Chief Financial Officer
Place : Hyderabad
Date : 23 August 2023

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place : Hyderabad
Date : 23 August 2023

Place: Hyderabad, India
Date: 23 August 2023

Quality Care India Limited
Notes to the Consolidated Financial Statements
(All amounts in ₹ millions, except share data and where otherwise stated)

1. Corporate information

The consolidated financial statements of "Quality Care India Limited" ("the Company" or "QCIL" or "Parent Company" or "Parent") and its subsidiaries (collectively referred to as "Group") and a joint venture are for the year ended 31 March 2023. The Company is a public company domiciled in India and is incorporated under the erstwhile provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

The Group is primarily engaged in providing healthcare and related services. The Group has a network of multi-speciality hospitals across various cities in India.

The Holding Company of QCIL is Touch Healthcare Private Limited and the Ultimate Holding Company upto 21 June 2019 was Abraaj Growth Markets Health Fund General Partner Limited, United Arab Emirates ("UAE"). With effect from 21 June 2019, the Ultimate Holding Company of QCIL has changed to Evercare Health Fund, L.P, Cayman Island. The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on 23 August 2023.

2. Basis of preparation of Financial Statements

a) Statement of Compliance

The Consolidated Financial statements have been prepared and presented in accordance with all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. Details of accounting policies are included in Note 3.

b) New and amended standards adopted

The Ministry of Corporate Affairs had vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amended certain accounting standards, and are effective 1 April 2022. These amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New and amended standards issued but not effective

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023.

The Rules predominantly amend Ind AS 12, Income taxes, and Ind AS 1, Presentation of financial statements. The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments are not expected to have a material impact on the group in the current or future reporting periods and on foreseeable future transactions. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the group's accounting policy already complies with the now mandatory treatment.

c) Basis for measurement

The consolidated financial statements have been prepared on a going concern basis under historical cost, except for the following:
i) certain financial assets and liabilities are measured either at fair value or at amortised cost depending on the classification;
ii) Liabilities for cash-settled share-based payment arrangements; and
iii) employee defined benefit liability are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

d) Functional and presentation currency

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest millions, except when otherwise indicated.

e) Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN-012754N/N500015
Hyderabad

QUALITY CARE INDIA LIMITED
Hyderabad

f) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and a joint venture.

List of subsidiaries and joint venture included in the consolidated financial statement is as under:

Name of the entity	Relationship	Country of Incorporation	Proportion of Ownership Interest as at	
			31 March 2023 (%)	31 March 2022 (%)
Ganga Care Hospital Limited (GCHL)	Subsidiary	India	74.13	74.13
Ramkrishna Care Medical Sciences Private Limited (RCMSPL)	Subsidiary	India	56.33	56.33
Galaxy Care Multispecialty Hospital Private Limited (GCMHPL)	Subsidiary	India	76.00	76.00
Quality Care Jharsuguda Private Limited (QCJPL)	Subsidiary	India	100.00	100.00
Convenient Hospitals Limited (CHL)	Subsidiary	India	95.00	NIL
United Cigma Institute of Medical Sciences Private Limited (UCIMSPL)	Subsidiary	India	76.00	NIL
Quality Care Health Services India Private Limited (QCHSPL)	Joint Venture	India	50.00	50.00

(g) Business combinations

Business combinations are accounted for using the Acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. For the non-controlling interests in consolidated subsidiaries, the Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are at their acquisition date fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits, respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the Statement of profit and loss or Other Comprehensive Income ('OCI'), as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.





(h) Subsidiaries and joint venture

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights; and
- the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

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

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

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

(i) Consolidation procedure

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

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill or capital reserve.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra- group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in the Statement of profit and loss; and
- Reclassifies the parent's share of components previously recognised in OCI to the Statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.





A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint

Distributions received from a joint venture reduces the carrying amount of the investment. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of a joint venture exceeds its interest in that joint venture, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the joint venture. An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture and discontinues from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale.

The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed off the related assets or liabilities. When a Group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

(j) Current versus non-current classification
The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.
An asset is treated as current when it is:
- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.
The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

3A. Significant Accounting Policies

a. Foreign currencies
The functional currency of the Parent Company, its subsidiaries and joint venture is Indian rupee (INR). These financial statements are presented in Indian rupees, which is Parent Company's functional currency.

b. Fair value measurement
The Group measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Price Waterhouse Chartered Accountants LLP IN AAC-5001 FRN:012754N/N500016 Hyderabad

QUALITY CARE INDIA LIMITED Hyderabad

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:
- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Goods and services tax is not received by the Group on its own account. Rather, it is tax collected by the Group on behalf of the Government. Accordingly, it is excluded from revenue.

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Revenue from health care services and related activities

Income from healthcare services is recognised as revenue when the related services are rendered unless significant future uncertainties exists. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions, if any, given to the patients and disallowances including claims.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services. The revenue in respect of such arrangements is recognized as and when services are performed.

Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of pharmacy

Revenue from sale of pharmacy is recognised when control is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the Statement of profit and loss.

Dividend Income

Dividend income is recognized when the Group's right to receive dividend is established.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept as uncertain tax treatment. The Group measures its tax balances either based at the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.





Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

e. Property, plant and equipment ("PPE")

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation is provided on the basis of straight line method, except for RCMSPL where depreciation is provided on the basis of written down value method. Depreciation is provided using the useful lives and in the manner prescribed below:

Asset Class	Useful Life (Years)
Buildings	60
Plant and Machinery used in medical and surgical operations	13
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computer equipment (end user devices)	3

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Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

f. Goodwill and other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Other intangible assets are amortised on straight line basis over the estimated useful economic life. The estimated useful life of other intangible assets is mentioned below:

Asset	Useful Life (Years)
Software	3 to 5

Gains or losses arising from de-recognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the ("SPL") when the assets are derecognised.

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over and is subsequently measured at cost less accumulated impairment losses, if any.

g. Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Leases

The Group as a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.





Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:
- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

i. Inventories

Inventory of medical supplies, drugs and other consumables are valued at lower of cost or net realizable value. Cost of medical supplies, drugs and other consumables is determined on the basis of Weighted Average Method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories include purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing the inventories to their present location and condition.

j. Impairment of non-financial assets

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

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

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of profit and loss.

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

k. Provision and contingencies

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss ("SPL") net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities is identified and disclosed with respect to following:

(i) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(ii) a present obligation that arises from past events but is not recognised because:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable.

However, when realization of income is virtually certain, related asset is recognized.

l. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the Statement of profit and loss ("SPL") for the year in which the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

Gratuity: The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising mainly of actuarial gains and losses, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

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Leave Encashment: Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits".

m. Financial instruments

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

De-recognition

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables, unbilled receivables and bank balances.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For trade receivables or any another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to the lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for these assets, the Group has used a practical expedient method as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

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Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Statement of Profit and Loss ("SPL"). The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings.

Subsequent measurement

Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of profit and loss ("SPL") when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the Statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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





n. Earnings per equity share
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Cash flow statement
The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Group. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

For the purpose of Cash flow statement, cash and cash equivalents consist of cash on hand and balances with banks in current accounts, balances in cash credit accounts and short-term deposits with maturity of three months or less.

p. Cash and cash equivalents
Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. Measurement of profit/Earnings before interest, tax, depreciation and amortisation (EBITDA)
As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.

In its measurement of EBITDA, the Group includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

3B. Key accounting estimates and judgements
3.1 Critical accounting estimates
a. Defined benefit plans and other long-term benefit plan
The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long- term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable and amortisable assets
The Group reviews the estimated useful lives and residual value of Property, plant and equipment and intangible assets at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have an impact on the future years.

c. Impairment of Goodwill
Goodwill with indefinite life is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

The goodwill impairment test is performed at the level of the cash-generating unit which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount.





d. Expected Credit Loss

The impairment provision for trade receivables and unbilled receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Group's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

e. Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the Management which may have an effect on the operations of the Group should the same be decided against the Group.

The Management has assessed that no further provision / adjustment is required to be made in these Consolidated Financial Statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels / professional advisors.

f. Fair valuation of assets and liabilities acquired in business combination

The Group allocates the purchase price of the acquired entities to the tangible, intangible and other assets acquired and liabilities assumed based on their estimated fair values. The Group engages third-party external appraisal firms to assist in determining the fair values of the acquired assets and liabilities wherever needed. Such valuation requires the Group to make significant estimate and assumptions, especially with respect to identification and valuation of intangible assets and fair value of property, plant and equipment.

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4.1 Property, plant and equipment

Particulars	Leasehold land	Freehold land (Refer note b below)	Buildings (Refer note c below)	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount										
Opening gross carrying amount as at 1 April 2021	**114.41**	**368.38**	**2,775.48**	**702.92**	**3,064.06**	**153.93**	**119.85**	**133.33**	**31.60**	**7,463.96**
Additions	-	-	41.90	89.31	281.93	6.99	15.87	34.80	-	470.80
Disposals	-	-	-	(0.36)	(66.20)	(0.64)	(2.46)	(0.90)	(2.19)	(72.75)
Closing gross carrying amount as at 31 March 2022	**114.41**	**368.38**	**2,817.38**	**791.87**	**3,279.79**	**160.28**	**133.26**	**167.23**	**29.41**	**7,862.01**
Additions	-	1.93	311.68	1.81	411.02	-	8.82	-	0.24	**735.50**
Additions on account of business combination	-	1,530.90	340.60	36.74	1,061.37	390.58	9.35	23.39	10.80	**3,403.73**
Disposals	-	-	(19.66)	(0.29)	(88.99)	(55.76)	(4.43)	(10.25)	(18.72)	**(198.10)**
Assets held for sale	-	-	-	(152.53)	(66.26)	(5.49)	(14.80)	(2.48)	(0.03)	**(241.59)**
Closing gross carrying amount as at 31 March 2023	**114.41**	**1,901.21**	**3,450.00**	**677.60**	**4,596.93**	**489.61**	**132.20**	**177.89**	**21.70**	**11,561.55**
Accumulated depreciation										
Opening accumulated depreciation as at 1 April 2021	**0.94**	**-**	**281.84**	**338.10**	**1,306.48**	**93.42**	**84.98**	**76.91**	**14.89**	**2,197.56**
Depreciation charge during the year	0.10	-	67.62	77.71	247.23	13.40	10.65	24.47	3.99	445.17
On disposals	-	-	-	(0.22)	(50.11)	(0.16)	(2.29)	(0.90)	(2.06)	(55.74)
Closing accumulated depreciation as at 31 March 2022	**1.04**	**-**	**349.46**	**415.59**	**1,503.60**	**106.66**	**93.34**	**100.48**	**16.82**	**2,586.99**
Depreciation charge during the year	0.09	-	77.04	68.70	330.42	45.13	10.57	33.68	3.69	**569.32**
On disposals	-	-	5.55	(0.21)	(38.05)	12.24	(2.81)	0.16	(8.63)	**(31.75)**
Assets held for sale	-	-	-	(97.45)	(30.74)	(4.27)	(12.71)	(2.01)	-	**(147.18)**
Closing accumulated depreciation as at 31 March 2023	**1.13**	**-**	**432.05**	**386.63**	**1,765.23**	**159.76**	**88.39**	**132.31**	**11.88**	**2,977.38**
Net carrying amount as at 31 March 2022	**113.37**	**368.38**	**2,467.92**	**376.28**	**1,776.19**	**53.62**	**39.92**	**66.75**	**12.59**	**5,275.02**
Net carrying amount as at 31 March 2023	**113.28**	**1,901.21**	**3,017.95**	**290.97**	**2,831.70**	**329.85**	**43.81**	**45.58**	**9.82**	**8,584.17**

(a) Refer note 4.14 for charge details on Property, plant and equipment.

(b) The title deeds of land aggregating to ₹105.55 (31 March 2022 : ₹105.55) are pending transfer to the Quality Care India Limited name. Refer note 4.43 for further details.

(c) The title deeds of building aggregating to ₹ 21.22 is held in the name of the promoter. Transfer of title deed in the name of Cligma Institute of Medical Sciences Private Limited is in process.

4.2 Right-of-use assets

Particulars	Category of Right-of-use assets				Total
	Buildings	Plant and machinery	Vehicles	Furniture and fixtures	
Balance as at 01 April 2021	**1,536.34**	**196.91**	**1.01**	**18.45**	**1,752.71**
Additions	82.48	11.43	-	-	93.91
Deletions	(59.91)	(0.81)	-	-	(60.72)
Other adjustments	(4.68)	-	-	-	(4.68)
Depreciation charge for the year	(278.66)	(112.07)	(1.01)	-	(391.74)
Balance as at 31 March 2022	**1,275.57**	**95.46**	**-**	**18.45**	**1,389.48**
Additions	749.52	285.66	-	-	1,035.18
Deletions	(36.62)	(18.07)	-	-	(54.69)
Depreciation charge for the year	(307.28)	(88.15)	-	(2.80)	(398.23)
Assets held for sale	(56.36)	-	-	-	(56.36)
Balance as at 31 March 2023	**1,624.83**	**274.90**	**-**	**15.65**	**1,915.38**

4.3 Capital work-in-progress

4.3 (a) Ageing of CWIP:

Particulars	Amounts in capital work-in-progress for									
	As on 31 March 2023					As on 31 March 2022				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	692.35	87.15	23.74	453.86	1,257.10	109.51	47.98	466.25	-	623.74
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**692.35**	**87.15**	**23.74**	**453.86**	**1,257.10**	**109.51**	**47.98**	**466.25**	**-**	**623.74**

4.3 (b) Completion schedule for Capital work in progress whose completion is overdue is as below. There are no Capital work in progress which has exceeded its cost compared to its original plan:

Particulars	To be completed in					To be completed in				
	As on 31 March 2023					As on 31st March, 2022				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress					-					
Vizag Health City Project	1,093.45	-	-	-	1,093.45	564.17	-	-	-	564.17
Total	**1,093.45**	-	-	-	**1,093.45**	**564.17**	-	-	-	**564.17**

4.4 Goodwill and Other intangible assets

Particulars	Goodwill	Trademark	Software	Total
Gross carrying amount				
Opening gross carrying amount as at 1 April 2021	**330.51**	-	**214.64**	**545.15**
Additions	-	-	65.18	65.18
Closing gross carrying amount as at 31 March 2022	**330.51**	-	**279.82**	**610.33**
Additions	-	-	10.58	10.58
Additions on account of Business combination	5,711.68	649.75	1.82	6,363.25
Closing gross carrying amount as at 31 March 2023	**6,042.19**	**649.75**	**292.22**	**6,984.16**
Accumulated amortisation				
Closing accumulated amortisation as at 1 April 2021	-	-	**133.30**	**133.30**
Amortisation charge for the year	-	-	68.36	68.36
Closing accumulated amortisation as at 31 March 2022	-	-	**201.66**	**201.66**
Amortisation charge for the year	-	-	20.50	20.50
Closing accumulated amortisation as at 31 March 2023	-	-	**222.16**	**222.16**
Closing net carrying amount as at 31 March 2022	**330.51**	-	**78.16**	**408.67**
Closing net carrying amount as at 31 March 2023	**6,042.19**	**649.75**	**70.06**	**6,762.00**

Management reviews the carrying value of goodwill annually to determine whether there has been any impairment by allocating the value of goodwill to a Cash Generating Unit (CGU). The Group has identified each hospital unit as CGU for this purpose. The Group has allocated the goodwill as applicable to Banjara Hills hospital unit, Malakpet hospital unit, Convenient hospital unit and United Cigma hospital unit, which benefits from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Value in use i.e. the enterprise value of each CGU is aggregate of cash flow projections, for five years as approved by Senior Management and beyond five years extrapolated using a long-term growth rate of 5%. Cash flow projections are discounted by a pre-tax discount rate, being the Weighted Average Cost of Capital (WACC), which ranges from 15.40% to 15.70%.

The Management believes that any reasonably possible change in the above key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

4.5 Investments

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Unquoted		
Investment in Joint venture- accounted for using the equity method		
- 5,000 (31 March 2022: 5,000) equity shares in Quality Care Health Services India Private Limited	0.02	0.02
Aggregate amount of unquoted investments (A)	**0.02**	**0.02**
(b) Current		
Investment in mutual funds		
Quoted		
176,889 (31 March 2022: 176,889) units IDFC Ultra Short Term Fund-Growth-(Direct Plan)	5.92	5.64
1,390 (31 March 2022: 1,390) units in IDFC Super Saver Income Fund-Medium-Term Plan-Growth	0.06	0.06
Nil (31 March 2022: 23,33,355) units L&T Money Market Fund - Growth	-	50.00
Nil (31 March 2022: 40,568) units UTI Money Market Fund - Growth	-	100.10
Nil (31 March 2022: 263,003) units Nippon India Money Market Fund - Growth	-	873.55
23,774 (31 March 2022 : Nil) units Nippon India Ultra Short Duration Fund	81.95	
121 (31 March 2022 : Nil) units Nippon India Overnight Fund (Growth)	0.01	
3,139,486 (31 March 2022 : Nil) units UTI Dynamic Bond Fund	82.09	
742,067 (31 March 2022 . Nil) units SBI Savings Fund - Regular Plan Growth	26.28	
144,392 (31 March 2022 . Nil) units ICICIPrudential Mutual Fund	46.37	
38,847 (31 March 2022 : Nil) units HDFC Money Market Fund	188.19	
Total	**430.87**	**1,029.35**
Aggregate amount of quoted investments and market value thereof (B)	**430.87**	**1,029.35**
Aggregate amount of quoted & unquoted investments (A) + (B)	**430.89**	**1,029.37**

4.6 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Unsecured, considered good		
Security deposits	187.81	139.86
Fixed deposits with banks with more than 12 months maturity	467.51	42.39
Interest accrued on fixed deposits with banks	12.27	6.24
Total	**667.59**	**188.49**
(b) Current		
Unsecured, considered good		
Security deposits	15.85	51.58
Interest accrued on fixed deposits with banks	14.09	12.89
Unbilled receivables	148.01	133.57
Others	22.93	26.64
Total	**200.88**	**224.68**

4.7 (a) Deferred tax assets/(liabilities)

The following is the analysis of deferred tax assets, net recognised in the Statement of Profit and Loss and other comprehensive income

(i) Deferred tax assets in relation to:	As at 1 April 2022	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	Charged/(credited) to other comprehensive income	Recognised in Other Equity	Deferred tax related to Assets held for sale	As at 31 March 2023
Borrowings measured at amortised cost	(9.51)	-	(0.03)	-	-	-	(9.54)
Expected credit loss	209.30	79.04	(177.76)	-	-	(1.67)	108.91
Expenses allowable on deduction of TDS	21.25	-	13.30	-	-	(0.07)	34.48
Indexation benefit of land	87.25	-	7.66	-	-	-	94.91
Loss from specified business (Refer note below)	1,150.74	-	(340.37)	-	-	-	810.37
Loss from business (Refer note below)	-	-	47.82	-	-	-	47.82
MAT credit	-	33.49	74.62	-	-	-	108.11
On interest expense of CCPS	-	-	131.10	-	-	-	131.10
On equity component of CCPS	-	-	-	-	(233.24)	-	(233.24)
Others	(0.24)	-	-	-	-	-	(0.24)
Provision for bad and doubtful loans	23.00	-	-	-	-	-	23.00
Provision for employee benefits	111.84	0.42	(7.84)	(2.48)	-	(1.86)	100.07
Provision for lease liabilities	540.59	-	187.05	-	-	(17.85)	709.79
Property, plant and equipment	(778.52)	(16.94)	221.93	-	-	(3.35)	(576.88)
Right-of-use assets	(450.72)	-	(168.19)	-	-	14.27	(604.64)
Total	**904.98**	**96.00**	**(10.71)**	**(2.48)**	**(233.24)**	**(10.53)**	**744.02**

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(ii) Deferred tax liabilities in relation to:	As at 1 April 2022	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2023
Expected credit loss	-	(15.73)	8.93	-	(6.80)
Expenses allowable on deduction of TDS	-	-	(4.81)	-	(4.81)
Indexation benefit of land	-	(8.14)	(1.48)	-	(9.62)
MAT Credit	-	(0.51)	-	-	(0.51)
On equity component of loan taken from holding company	-	-	-	-	-
Property, plant and equipment	-	176.96	8.18	-	185.14
Provision for employee benefits	-	(12.98)	4.51	(2.67)	(11.14)
Total	-	**139.60**	**15.33**	(2.67)	**152.26**

(iii) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2022
Borrowings measured at amortised cost	(12.55)	3.04	-	(9.51)
Expected credit loss	179.72	29.58	-	209.30
Expenses allowable on deduction of TDS	-	21.25	-	21.25
Indexation benefit of land	-	87.25	-	87.25
Others	27.13	(27.37)	-	(0.24)
Loss from specified business (Refer note below)	1,408.24	(257.50)	-	1,150.74
Property, plant and equipment ("PPE")	(1,048.25)	269.73	-	(778.52)
Provision for bad and doubtful loans	23.00	-	-	23.00
Provision for employee benefits	88.17	21.48	2.19	111.84
Provision for lease liabilities	654.95	(114.36)	-	540.59
Right-of-use assets	(581.42)	130.70	-	(450.72)
Total	**738.99**	**163.80**	**2.19**	**904.98**

Note:
(i) The Group has recognised deferred tax asset on carried forward business loss of earlier years from specified business, as defined under Section 35AD of the Income Tax Act, 1961. There is no time limit for carrying forward aforesaid business losses as per the provisions of Income Tax Act, 1961. The Group has earned profits on specified business in the current year and previous year. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the Group. These losses can be carried forward for an indefinite period as per the provisions of Income Tax Act, 1961.
(ii) The Group has also recognised deferred tax asset on current year business loss. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the group.

(b) Non- current tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income tax (net of provision for taxation)	571.24	688.33
Total	**571.24**	**688.33**





4.8 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Unsecured, considered good		
Statutory dues paid under protest	58.66	60.22
Capital advances	450.58	107.55
Prepaid expenses	2.97	3.46
Others	16.46	7.05
Total	**528.67**	**178.28**
(b) Current		
Unsecured, considered good		
Prepaid expenses	46.34	35.15
Advances to vendors	41.23	47.85
Others	3.66	2.80
Total	**91.23**	**85.80**

4.9 Inventories*

Particulars	As at 31 March 2023	As at 31 March 2022
Medical consumables and pharmacy items	244.71	149.51
Other consumables	22.02	3.02
Total	**266.73**	**152.53**

*Refer note 4.14 for details of inventories pledged as security/hypothecated, if any.

4.10 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables considered good - unsecured	1,944.42	1,306.18
Trade receivables which have significant increase in credit risk	373.18	494.15
Total	**2,317.60**	**1,800.33**
Less: Expected credit loss*	(373.18)	(494.15)
Total trade receivables and unbilled revenue	**1,944.42**	**1,306.18**
Trade receivables	1,796.41	1,172.61
Unbilled revenue recognised in other financial assets (refer note 4.6 (b))	148.01	133.57

*The movement in the expected credit loss on trade receivables for the year ended 31 March 2023 and 31 March 2022 is as follows:

	For the year ended	
	31 March 2023	31 March 2022
Opening balance at beginning of the year	494.15	537.99
Provision made during the year (refer note 4.23)	57.41	105.78
Bad debts written off during the year	(503.23)	(149.62)
Liabilities directly associated with assets held for sale	(6.65)	
Additions on account of business combination	331.50	-
Closing balance at end of the year	**373.18**	**494.15**

Ageing of trade receivables and unbilled as at March 31 2023

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	148.01	688.74	789.90	269.77	48.00	-	-	1,944.42
-which have significant increase in credit risk	5.41	37.51	99.80	120.29	68.02	29.26	12.89	373.18
-Expected credit loss	(5.41)	(37.51)	(99.80)	(120.29)	(68.02)	(29.26)	(12.89)	(373.18)
Total	**148.01**	**688.74**	**789.90**	**269.77**	**48.00**	-	-	**1,944.42**

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Ageing of trade receivables and unbilled as at 31 March 2022

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	133.57	438.78	639.76	92.39	1.68	-	-	1,306.18
-which have significant increase in credit risk	-	74.00	130.51	66.37	92.46	65.84	64.97	494.15
-Expected credit loss	-	(74.00)	(130.51)	(66.37)	(92.46)	(65.84)	(64.97)	(494.15)
Total	**133.57**	**438.78**	**639.76**	**92.39**	**1.68**	**-**	**-**	**1,306.18**
Expected credit loss rate	4%	5%	11%	31%	59%	100%	100%	16%

4.11 **Cash and bank balances**

Particulars	As at 31 March 2023	As at 31 March 2022
a) Cash and cash equivalents		
Balances with banks		
-in current accounts	510.19	306.76
Cash on hand	12.74	8.75
	522.93	**315.51**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months	562.30	764.51
Earmarked balances with bank in current account (refer note below)	14.09	14.09
Unpaid dividend account	0.07	0.14
	576.46	**778.74**
Total	**1,099.39**	**1,094.25**

Note
Balances are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017.

4.12 **Loans**

Particulars	As at 31 March 2023	As at 31 March 2022
Non-Current		
Unsecured, significant increase in credit risk		
Loans to related parties	65.83	65.83
	65.83	**65.83**
Less: Loss allowance	(65.83)	(65.83)
Total	-	-
Current		
Unsecured, considered good		
Advances to employees	2.43	0.41
Total	**2.43**	**0.41**

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4.13 (a) Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised share capital		
79,500,000 (31 March 2022: 79,500,000) Equity shares of ₹10 each	795.00	795.00
15,500,000 (31 March 2022: 15,500,000) Preference shares of ₹10 each	155.00	-
Total authorised share capital	**950.00**	**795.00**
Issued, subscribed and fully paid up equity shares		
41,496,894 (31 March 2022: 41,496,894) Equity shares of ₹10 each	414.97	414.97
Total issued, subscribed and fully paid-up equity shares	**414.97**	**414.97**

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	41,496,894	414.97	41,496,894	414.97
Issued during the year	-	-	-	-
Balance at the end of the year	**41,496,894**	**414.97**	**41,496,894**	**414.97**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	39,782,603	397.83	39,782,603	397.83

(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the Balance Sheet date.

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last Balance Sheet date.

(vii) Equity shares reserved under the Employee Stock Option Plan and Share warrant plan: Refer note 4.39 & 4.40.

(viii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2023		31 March 2022		% Change during the year *
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%	-
Total	**39,782,603**	**95.87%**	**39,782,603**	**95.87%**	-

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.13 (b) Other equity

Particulars	Reserves and surplus						Total
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Equity component of CCPS	Retained earnings	
Balance at 1 April 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	-	**914.62**	**5,397.75**
Profit for the year	-	-	-	-		1,157.87	**1,157.87**
Other comprehensive income, net of tax	-	-	-	-		(4.17)	**(4.17)**
Stock option compensation for the year	-	-	(7.51)	(7.07)		-	**(14.58)**
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	-	**2,068.32**	**6,536.87**
Profit for the year	-	-	-	-	-	850.54	850.54
Other comprehensive income, net of tax	-	-	-	-	-	2.75	2.75
Equity component of compulsory convertible preference shares (CCPS) (refer note 4.17(a))	-	-	-	-	667.48	-	667 48
Deferred tax on equity component of CCPS	-		-	-	(233.24)	-	(233.24)
Balance at 31 March 2023	**4,457.24**	**11.31**	-	-	**434.24**	**2,921.61**	**7,824.40**

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").

Capital reserve

Capital reserves comprises of:

(i) ₹4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the States of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2016.

(ii) ₹7.06 represents forfeited money received against share warrants in the earlier years.

Share options outstanding account

The fair value of the equity settled share based payment options is recognised to share options outstanding account over the vesting period of such options. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such options.

Share warrants reserve

The fair value of the equity warrants is recognised to share warrants reserve over the vesting period of such warrants. The Company transfers the proportionate amounts, outstanding in this reserve, in relation to warrants exercised to securities premium on the date of exercise of such warrants.

Equity component of compulsory convertible preference shares

Refer note 4.17 (a) for the nature and purpose.

4.14 Long-term borrowings

	As at 31 March 2023		As at 31 March 2022	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans from banks				
- HDFC Bank term loan - I (refer note i)	186.70	117.21	300.09	121.34
- HDFC Bank term loan - II (refer note ii)	-	1.28	1.28	10.67
- HDFC Bank term loan - III (refer note iii)	-	-	-	2.11
- Axis Bank - Term loan I (refer note iv)	206.96	52.17	259.13	52.17
- Axis Bank - Term loan II (refer note v)	393.40	99.18	492.58	99.18
- HSBC - Term loan (refer note vi)	709.11	-	85.53	-
- IndusInd Bank- Term Loan - I (refer note vii)	463.18	45.09	-	-
- IndusInd Bank- Term Loan - III (refer note vii)	234.60	27.56	-	-
- The South Indian Bank Ltd.(refer note viii)	214.17	23.75	-	-
Liabilities associated with Assets held for sale	-	(1.28)	-	-
Term loans from banks (A)	**2,408.12**	**364.96**	**1,138.61**	**285.47**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited (refer note ix)	571.84	148.65	720.49	140.90
Term loans from financial institutions (B)	**571.84**	**148.65**	**720.49**	**140.90**
Total (A+B)	**2,979.96**	**513.61**	**1,859.10**	**426.37**

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued**

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	**2,282.72**	**2,615.13**
Additions on account of business combination	2,084.17	-
Proceeds from long-term borrowings	623.58	85.53
Repayments of long-term borrowings	(1,499.00)	(424.83)
Others	-	6.89
Closing balance at end of the year	**3,491.47**	**2,282.72**

**Borrowings include current and non-current portions of term loans from banks and financial institutions.

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance at beginning of the year	2.75	3.80
Interest expenses	244.74	207.59
Interest paid	(245.39)	(208.58)
Others	-	(0.06)
Closing balance at end of the year	**2.10**	**2.75**

i Ramkrishna Care Medical Sciences Private Limited

HDFC Term Loan - I and Cash Credit Facility - The term loan and cash credit facility is secured by
(i) equitable mortgage of hospital land and building;
(ii) first exclusive charge on the entire assets (fixed assets/ movable assets) created out of bank finance both present and future excluding medical equipment's specifically financed by another financier;
(iii) first and exclusive charge on all present and future current assets of the Company;
The loan is repayable in 29 months and carries interest at rate of MCLR (1 year) plus 0.50% p.a.

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ii Galaxy Care Multispecialty Hospital Private Limited

HDFC Bank term loan - II: The loan is secured by
-first charge on the unencumbered fixed assets of the Company;
-first charge on the current assets of the Company;
-personal guarantee of Dr. Shailesh P. Puntambekar and N. Krishna Reddy (earlier shareholder)
-comfort letter given by Quality Care India Limited to the extent of sanctioned limits;
As at 31 March 2023, the loan is repayable in 2 months with monthly equated instalments and carries an interest rate of bank base rate + 1.30 % spread.

iii Galaxy Care Multispecialty Hospital Private Limited

HDFC Bank term loan - III: The loan is secured by first charge on the medical equipment purchased out of the sanctioned facility. As at 31 March 2023, the loan is completely repaid.

iv Quality Care India Limited

Axis Bank - Term loan I - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current assets of the Company. The said loan is repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2023: 9.50% p.a.) (31 March 2022: 7.00% p.a.) payable at monthly intervals.

v Quality Care India Limitd

Axis Bank - Term loan II - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 6 years and 7 months and carries an interest rate of repo rate + 3% p.a. (31 March 2023: 9.50% p.a.) (31 March 2022: 7.00% p.a.) payable at monthly intervals.

vi Quality Care India Limited

HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future asset. Second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities.
The loan is repayable in 8 years carries an interest rate of repo rate + 3% p.a (31 March 2023: 6.15% p.a. for 85.50 loan, 7.65% p.a. for 73.30 loan, 8.45% p.a. for 500.00 loan, 7.97% p.a. for 50.31 loan) (31 March 2022: 7.00% p.a.) payable at monthly intervals and moratorium period of 2 years.

vii United Ciigma Institute of Medical Sciences Private Limited

IndusInd Bank- Term Loan - I & III: Secured by first & pari passu charge on immovable & movable Property, plant and equipment all present and future asset and also on all the current assets of the Company. The loan is repayable in 6 to 12 years carries an interest rate of 31 March 2023: 9.09% p.a. for loan I and 8.93% p.a. for loan III payable at monthly intervals.

viii United Ciigma Institute of Medical Sciences Private Limited

South Indian Bank Ltd - Secured by first & pari passu charge on immovable & movable Property, plant and equipment all present and future asset and also on all the current assets of the Company. The loan is repayable in 12 years carries an interest rate of 31 March 2023: 8.98% & 31 March 2022: 8.74% p.a. payable at monthly intervals.

ix Quality Care India Limited

NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company excluding MRI machine exclusively charged to Siemens Financial Services Private Limited. Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (As on 31 March 2023: 7.30% per annum) (As on 31 March 2022: 9.30% per annum).





4.15 Employee benefit obligations

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Provision for employee benefits		
Gratuity	136.91	119.01
Compensated absences	39.27	34.94
Total	**176.18**	**153.95**
(b) Current		
Provision for employee benefits		
Gratuity	89.69	71.01
Compensated absences	32.31	25.56
	122.00	**96.57**

4.16 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Trade payable : Micro and small enterprises; (refer note 4.30)	86.60	30.54
(b) Trade payable : others	1,641.68	1,406.34
Trade payable to related parties; (refer note 4.32)	13.18	-
	1,741.46	**1,436.88**

Ageing of trade payables as on 31 March 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	86.60	-	-	-	-	86.60
Others including related parties	513.04	841.39	236.14	37.69	8.50	18.10	1,654.86
Total	**513.04**	**927.99**	**236.14**	**37.69**	**8.50**	**18.10**	**1,741.46**

Ageing of trade payables as on 31 March 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	27.19	3.19	0.16	-	-	30.54
Others including related parties	282.74	941.26	131.99	20.32	6.95	23.08	1,406.34
Total	**282.74**	**968.45**	**135.18**	**20.48**	**6.95**	**23.08**	**1,436.88**

4.17 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Compulsory convertible preference shares*	6,298.81	-
Others	11.80	11.00
Total	**6,310.61**	**11.00**

The Company has issued 14,572,480 Compulsorily Convertible Preference Shares (coupon rate of 0.001%) of ₹ 10 each/- @ ₹ 452.30 including a premium of ₹ 442.30 per Compulsorily Convertible Preference Share to Touch Healthcare Private Limited, Mauritius, Holding Company. The Compulsorily Convertible Preference shares have been classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS). The Board of directors of the company has resolved to convert Compulsory Convertible Preference Shares into equity shares anytime before September 2023 at prevailing market rate as on conversion date. Accordingly, Compulsory Convertible Preference Shares have been measured at fair value for a period of 14 months from allotment date at incremental borrowing rate.

Reconciliation of Compulsory convertible preference shares:

Particulars	Amount
Face value of Compulsory convertible preference shares (CCPS)	6,591.13
Less: Amount recognised in other equity	667.48
Add: Interest expense during the year	375.16
Amount presented in Other financial liabilities- Non current	6,298.81

(i) Reconciliation of the preference shares outstanding at the beginning of the year and end of the reporting period

Compulsory convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	-	-	-	-
Issued during the year	14,572,480	6,591.13	-	-
Balance at the end of the year	**14,572,480**	**6,591.13**	-	-

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(ii) Compulsory convertible preference shares held by the Holding Company

Particulars	Nature of Shares	As at 31 March 2023		As at 31 March 2022	
		Number of shares	Amount	Number of shares	Amount
Touch Healthcare Private Limited, Mauritius	Compulsory convertible preference shares	14,572,480	6,591.13	-	-

(iii) Particulars of shareholders holding more than 5% Compulsory convertible preference shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	14,572,480	100.00%	-	-

(iv) Details of preference shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	14,572,480	100.00%	-	-	100%
Total	**39,782,603**	**100.00%**	-	**0.00%**	**100%**

Particulars	As at 31 March 2023	As at 31 March 2022
(b) Current		
Capital creditors	92.60	22.85
Employee benefit payables	94.18	110.32
Retention money and deposits	48.09	6.38
Purchase consideration payable**	210.00	-
Other payables*	31.30	19.57
Total	**476.17**	**159.12**

*Other payables includes ₹14.09 (31 March 2022: ₹14.09) payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017.

** Balance purchase consideration payable to shareholders of United Cigma Institute of Medical Sciences Private Limited, subsidiary which was engaged in healthcare services business with respect to the acquisition of 76.06% equity stake on 25 July 2022.

4.18 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Statutory dues payable	101.18	95.35
Unearned revenue (refer note 4.42)	46.02	40.54
Dividend payable to minority shareholders	0.07	0.14
Others	0.05	0.04
	147.32	**136.07**





4.19 Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from healthcare services	15,104.99	12,478.91
Revenue from outpatient pharmacy	899.79	665.51
Other operating income	39.17	37.19
Total	**16,043.95**	**13,181.61**

4.20 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Interest income		
On financial assets (bank deposits) measured at amortised cost	43.69	36.49
On income tax refund	27.45	0.20
On financial assets carried at amortised cost	11.47	9.81
(b) Other non-operating income		
Net gain arising on mutual funds designated at FVTPL	45.60	27.17
Lease remeasurement gain/loss	5.49	2.06
Profit on sale of fixed assets	16.61	-
Miscellaneous income	40.93	18.70
(c) Income/liabilities written back from operating activities	0.75	4.13
Total	**191.99**	**98.56**

4.21 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventory at the beginning of the year	152.53	143.12
Additions on account of business combination (Refer note 4.45)	85.75	-
Inventory at the end of the year	266.73	152.53
Inventory reclassfied to assets held for sale	3.72	-
Inventory written off	41.41	-
Total	**(73.58)**	**(9.41)**

4.22 Employee benefits expense*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	2,033.40	1,703.93
Share based compensation expense	-	68.32
Contribution to provident and other funds	135.33	112.81
Gratuity and compensated absences	46.19	56.79
Staff welfare expenses	29.97	40.60
Total	**2,244.89**	**1,982.45**

*Net of amount capitalised (refer note 4.28)

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4.23 Other expenses*

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power and fuel	348.99	268.25
Rent (refer note 4.37)	64.55	25.88
Repairs and maintenance		
- Buildings	43.27	45.62
- Plant and machinery and others	417.67	373.42
Hospital maintenance	256.65	105.09
Housekeeping charges	389.32	361.43
Security charges	127.90	124.85
Insurance	15.03	8.36
Water charges	28.50	23.56
Books and periodicals	10.50	5.59
Rates and taxes, excluding taxes on income	173.10	146.20
Travelling and conveyance	47.00	42.47
Communication expense	39.47	33.58
Marketing and business promotion expense	335.17	283.85
Expected credit loss	57.41	105.78
Printing and stationery	58.10	42.75
Payments to the auditor (refer note a)	9.90	7.00
Legal and professional charges	106.82	86.93
Catering charges, net	189.10	152.88
Diagnostics expenses	141.96	141.25
Contribution towards corporate social responsibility (refer note b)	17.48	2.03
Professional charges to doctors	4,201.15	3,098.91
Property, plant and equipment written-off	6.44	5.29
Loss on sale of property, plant and equipment net	2.79	3.91
Bank charges	6.26	9.61
Loss on sale of investment in equity shares	3.66	-
Loss on sale of mutual funds	2.79	-
Miscellaneous expenditure	13.29	11.44
Total	**7,114.27**	**5,515.93**

*Net of amount capitalised (refer note 4.28)

Note (a): Details of payments to auditors

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
For statutory audit	9.50	7.00
For other services	0.40	-
	9.90	**7.00**

Note (b): Details of corporate social responsibility

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contribution to Telangana Sikh Society - Eradicating Hunger by donation of food	0.50	0.52
Contribution Annamrira Foundation	-	1.00
Contribution to Friends of Tribal society	-	0.51
Contribution to Rashtrasanth Janardhan Swami Foundation- Promoting Health & Education	1.10	-
Contribution to CHL Charitable Trust towards - Promoting Health care & Education	1.44	-
Contribution to ISKCON for eradicating hunger, poverty & malnutrition and promoting education & skill development	14.44	-
Total	**17.48**	**2.03**

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Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1 April 2022	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2023
NIL	NIL	17.48	17.48	NIL

Balance as at 1 April 2021	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31 March 2022
NIL	NIL	2.03	2.03	NIL

4.24 Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on borrowings*	244.74	207.59
Interest on lease liabilities (refer note 4.37)	222.40	173.01
Interest on compulsory convertible preference shares	375.16	-
Others	43.97	40.42
Total	**886.27**	**421.02**

*Net of amount capitalised (refer note 4.28)

4.25 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	569.32	445.17
Amortisation on other intangible assets	20.50	68.36
Depreciation on right-of-use assets	398.23	391.74
Total	**988.05**	**905.27**

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4.26 Income tax expense/(credit)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	278.19	302.84
MAT credit	(74.62)	-
Income tax relating to earlier periods	166.37	21.51
Deferred tax expense/(credit)	100.66	(163.80)
	470.60	**160.55**

Reconciliation of tax expense/ (credit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	1,453.80	1,389.46
Tax at the Indian tax rate 34.944% (31 March 2022: 34.944%)	508.01	485.53
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of income not subject to tax under the Income Tax Act, 1961	(4.01)	(3.43)
Previously unrecognised tax losses from specified business, as defined under Section 35AD of the Income Tax Act, 1961, now recognised (net of deferred tax liability)	-	(257.45)
Deferred tax asset created on tax losses during the year	(21.98)	-
Indexation benefit on land	(7.28)	(78.78)
Income tax pertaining to earlier years	166.37	22.15
Effect of difference in applicable tax rates to subsidiary companies	-	(22.00)
Tax impact on fair value of property, plant and equipment	(178.50)	-
Other adjustments	7.99	14.53
Tax expense	**470.60**	**160.55**

4.27 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit for the year	850.54	1,157.87
Number of equity shares outstanding at the beginning of the year	41,496,894	41,496,894
Total number of equity shares outstanding at the end of the year	**41,496,894**	**41,496,894**
Weighted average number of equity shares considered in computation of Basic EPES	41,496,894	41,496,894
Basic earnings per equity share in ₹ (absolute number)	**20.50**	**27.90**
Diluted earnings per equity share in ₹ (absolute number)	**20.50**	**27.90**

Note:
Outstanding employee stock options and warrants has been settled during the year ended 31 March 2022.
Basic EPES and Diluted EPES are same as the potential equity shares are anti-dilutive in nature.

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4.28 Incidental expenditure during the construction period

During the year ended 31 March 2023, the group has capitalised the following amounts to the capital work in progress (CWIP). Consequently, amounts disclosed under the respective notes are after adjusting amounts capitalised by the group.

Particulars	As at 31 March 2023	As at 31 March 2022
Opening Balance (A)	**192.02**	**187.18**
Employee benefits expense (refer note 4.22) (B)	0.82	0.26
Other expenses (refer note 4.23) (C)	6.80	4.34
Finance cost (refer note 4.24) (D)	44.77	0.24
Total (E=A+B+C+D)	**244.41**	**192.02**

4.29 Segment Information

Based on the "management approach" as defined in Ind AS 108, operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Group has only one reportable segment namely 'Medical and Health care services'.

Geographical information

The Group primarly operates within India.

Major customers

The Group has no single customer who has contributed more than 10% of the Group's total revenue during the year ended 31 March 2023 and 31 March 2022.

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

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Group. Disclosures in respect of the amounts payable to such parties are given below:

	Particulars	As at 31 March 2023	As at 31 March 2022
(i)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	86.60	30.54
(ii)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end		
(iii)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(iv)	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(v)	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
(vi)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(vii)	Interest accrued and remaining unpaid at the end of each accounting year	-	-
(viii)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

Notes:

(a) Explanation- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of "the MSMED Act, 2006."

(b) This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

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4.31 Employee benefits

Defined benefit plan

The Group provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit in accordance with Payment of Gratuity Act, 1972. The plan is managed by Life Insurance Corporation of India. The Group accrues gratuity as per the provisions of the Payment of Gratuity Act,1972 as applicable as at the Balance Sheet date.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised as at the reporting dates:

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation	250.87	197.36
Fair value of plan assets	24.27	7.34
Net defined benefit liability	**226.60**	**190.02**
Non-current	136.91	119.01
Current	89.69	71.01

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation at the beginning of the year	197.36	180.12
Additional obligation pursuant to business combination	50.52	-
Benefit payments from plan assets	(33.06)	(24.23)
Benefit payments from employer	(0.77)	-
Current service cost	30.32	24.01
Interest expense	16.95	11.61
Actuarial losses/(gains)		
- changes in demographic assumptions	0.25	0.16
- changes in financial assumptions	(0.87)	(0.69)
- experience adjustments	(4.44)	6.38
Liabilities associated with assets held for sale	(5.39)	-
Defined benefit obligation at the closing of the year	**250.87**	**197.36**

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2023	As at 31 March 2022
Plan assets at the beginning of the year	7.34	5.68
Additional assets acquired pursuant to business combination	15.10	-
Contributions	35.37	26.64
Benefits paid	(33.04)	(24.23)
Interest income	1.73	0.48
Actuarial (losses)/gains	(1.97)	(1.23)
Assets held for sale	(0.26)	-
Plan assets at the closing of the year	**24.27**	**7.34**

C Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	30.32	24.01
Interest on net defined liability / (asset)	15.22	11.13
Total cost, included in 'employee benefits expense'	**45.54**	**35.14**

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4.31 Employee benefits (continued)

D Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial gain/(loss) on defined benefit obligation	5.06	(5.85)
Actuarial gain/(loss) on plan assets	(1.97)	(1.23)
Total cost recognised in the other comprehensive income	**3.09**	**(7.08)**

E Actuarial assumptions

The following are the principal actuarial assumptions:

Particulars	As at 31 March 2023	As at 31 March 2022
Attrition rate	40.00%	40.00%
Discount rate	7.50%	7.34%
Salary escalation rate	5.00%	5.00%
Retirement age	58 years	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

F Maturity profile of defined benefit obligation is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Within 1 Year	89.96	71.00
2 to 5 years	162.29	126.82
6 to 10 years	42.78	33.60
	295.03	**231.42**

G Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2023 (%)	As at 31 March 2022 (%)
Discount rate (+ 1% movement)	(5.04)	(8.00)
Discount rate (- 1% movement)	5.32	8.40
Salary escalation (+ 1% movement)	6.39	10.00
Salary escalation (- 1% movement)	(6.18)	(9.60)

H The Group expects to contribute ₹89.69 as its contribution to gratuity within one year from the year ended 31 March 2023.

I Defined contribution plan

The Group's contribution towards its provident fund is a defined contribution retirement plan for qualifying employees. The contributions are made to registered provident fund administered by the Government. Details for the expenditure recognised in the Statement of Profit and Loss is as below:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Amount recognised in the Statement of Profit and Loss towards Provident fund	135.33	112.81

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4.32 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Key Management Personnel (KMP)	Jasdeep Singh, Chief Executive Officer
	Sandeep Kumar, Chief Financial Officer (upto 24 May 2021)
	Vikas Rastogi, Chief Financial Officer (w.e.f. 24 May 2021)
	Gayathri Chandramoulieswaran, Company Secretary (w.e.f. 21 January 2021)
Key Management Personnel (KMP) of subsidiaries	Dr. Shailesh P. Puntambekar, Director
	Dr. Seema Shailesh Puntambekar, Director
	Dr. Sandeep Dave, Managing Director
	Dr. Varun C. Bhargava, Managing Director
	Rahul Agrawal, Company Secretary
	Dr. Unmesh Takalkar, Managing Director
	Vinay Gupta, Chief Financial Officer (w.e.f. 06 December 2022)
Relatives of Key Management Personnel (KMP) of subsidiaries	Dr. Manisha Takalkar
	Dr. Alka Bhargava
	Dr. Neha Bhargava
	Vijay Bhargava
Holding Company and Ultimate Holding Company	Touch Healthcare Private Limited, Mauritius, Holding Company
	Evercare Health Fund, L.P, Cayman Islands, Ultimate Holding Company
Entities in which Director is interested	AKNA Medical Private Limited
	Indian Medtronic Private Limited
	Asia Healthcare Holding Advisory LLP
Sister entity of ultimate holding company	Evercare Group Management Ltd
Joint venture	Quality Care Health Services India Private Limited

(b) Transactions

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Transactions during the year		
1 AKNA Medical Private Limited		
Purchase of drugs and consumables	0.26	4.07
2. Indian Medtronic Private Limited		
Purchase of drugs and consumables	41.38	43.38
Advance for purchase of Robo equipment	5.00	-
3. Asia Healthcare Holding Advisory LLP		
Professional and business services	11.98	3.87
4. Remuneration to Key managerial personnel		
Short-term and post employment benefits*	53.54	66.23
5. Professional fee		
Dr. Shailesh P. Puntambekar	60.45	60.39
Dr. Seema Shailesh Puntambekar	12.34	7.44
Dr. Sandeep Dave	23.01	18.49
Dr. Varun C. Bhargava	1.50	1.46
Dr. Alka Bhargava	0.90	0.67
Dr. Neha Bhargava	1.34	0.91
Dr. Manisha Takalkar	0.30	-
Dr. Unmesh Takalkar	39.60	-
6. Rent		
Dr. Seema Shailesh Puntambekar	0.06	0.12
Dr. Sandeep Dave	16.48	15.58
Vijay Bhargava	0.26	0.24
7. Purchase of land		
Dr. Unmesh Takalkar	487.51	-
8. Evercare Group Management Ltd		
Revenue from professional services	2.15	17.50
9. Touch Healthcare Private Limited		
Issue of Compulsory Convertible Preference Shares	6,591.13	-

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(c) Balances outstanding from/ to the related parties

Particulars	As at 31 March 2023	As at 31 March 2022
Balances outstanding from/ to the related parties		
1 Quality Care Health Services India Private Limited		
Loans receivable**	65 83	65.83
2 AKNA Medical Private Limited		
Trade payable	-	0.14
3 Indian Medtronic Private Limited		
Trade payable	13.18	19.57
Advance for purchase of Robo equipment	5.00	-
4 Professional fee payable		
Dr. Shailesh P. Puntambekar	5.02	5.94
Dr. Seema Shailesh Puntambekar	0.86	0.67
Dr. Sandeep Dave	2.73	1.69
Dr. Varun C. Bhargava	0.13	0 11
Dr. Neha Bhargava	0.28	0.10
Dr. Alka Bhargava	0.11	0.03
Dr. Manisha Takalkar	0.26	-
Dr. Unmesh Takalkar	1.88	-
5 Evercare Group Management Ltd		
Revenue from professional services	-	3.56

* Short-term and post employment benefits, disclosed above, does not include those benefits which are computed for the Group as a whole.

** The outstanding amount as at 31 March 2023 aggregating to ₹65.83 (31 March 2022: ₹65.83) is provided for in the books (refer note 4.12).





4.33 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2023		As at 31 March 2022	
	FVTPL*	Amortised cost	FVTPL	Amortised cost
Financial assets				
Investments	430.87	-	1,029.35	-
Trade receivables	-	1,796.41	-	1,172.61
Cash and cash equivalents	-	522.93	-	315.51
Other bank balances	-	576.46	-	778.74
Loans	-	2.43	-	0.41
Other financial assets	-	868.47	-	413.17
Total financial assets	**430.87**	**3,766.70**	**1,029.35**	**2,680.44**

	As at 31 March 2023		As at 31 March 2022	
	FVTPL	Amortised cost	FVTPL	Amortised cost
Financial liabilities				
Borrowings	-	3,493.57	-	2,282.72
Trade payables	-	1,741.46	-	1,436.88
Lease liabilities	-	2,244.41	-	1,664.86
Other financial liabilities	-	6,786.78	-	172.87
Total financial liabilities	-	**14,266.22**	-	**5,557.33**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss**

Fair value measurement

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Valuation technique and key input	Fair value hierarchy	Fair value as at (in ₹)	
			As at 31 March 2023	As at 31 March 2022
Financial assets				
Investment in mutual funds	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. (quoted prices in active market)	Level 1	430.87	1,029.35

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4.34 Financial instruments risk management

Financial Risk Management Framework

The Group's Board of Directors have an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Group derives directly from its operations. The Group also holds FVTPL investments.

The Group is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investments, balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of the credit risk.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2023. Credit risk on cash and cash equivalents, including fixed deposits is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Financial assets that are past due but not impaired : Refer note 4.10 - Trade Receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

B. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due. Management monitors the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at each hospital level in accordance with practice set by the Group.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	Up to 1 year	More than 1 year	Total
Borrowings	514.89	2,979.96	**3,494.85**
Trade payables	1,741.46	-	**1,741.46**
Lease liabilities	272.47	2,042.86	**2,315.33**
Other financial liabilities	487.97	-	**487.97**
Total	**3,016.79**	**5,022.82**	**8,039.61**

As at 31 March 2022	Up to 1 year	More than 1 year	Total
Borrowings	423.62	1,859.10	**2,282.72**
Trade payables	1,436.88	-	**1,436.88**
Lease liabilities	282.88	1,381.98	**1,664.86**
Other financial liabilities	161.87	11.00	**172.87**
Total	**2,305.25**	**3,252.08**	**5,557.33**

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4.34 Financial instruments risk management (continued)

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rates of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument shall fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Fixed rate instruments		
Financial assets	1,029.81	806.90
Variable rate instruments		
Financial liabilities	3,493.57	2,285.47

The Group's investments are in deposits with reputed banks and therefore do not expose the Group to significant interest rates risk.

Sensitivity analysis

For the years ended 31 March 2023 and 31 March 2022, every 50 basis point decrease in the floating interest rate component applicable to the Group's borrowings would have increased the profit before tax approximately by ₹24.02 and ₹9.91 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

The carrying amount of the Group's foreign currency denominated monetary items in ₹ as at 31 March 2022 and 31 March 2021: NIL

4.35 Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payments to the shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group's policy is to keep the gearing ratio below 30%. The Group includes within net debt, borrowings (long and short term), less cash and cash equivalents.

	As at	
	31 March 2023	**31 March 2022**
Borrowings (note 4.14 and 4.17)	3,493.57	2,282.72
Less: Cash and cash equivalents (note 4.11(a))	(522.93)	(315.51)
Less: Other bank balances (note 4.11(b))	(576.46)	(764.65)
Less: Investment in mutual funds (note 4.5(b))	(430.87)	(1,029.35)
Net debt (A)	**1,963.31**	**173.21**
Total equity (B)	10,227.63	7,472.72
Net debt and total equity (A) + (B)	12,190.94	7,645.93
Gearing ratio (%)	**16.10%**	**2.27%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. There has been no breaches in the financial covenants of any borrowings during the year ended 31 March 2023 and 31 March 2022.

No changes were made in the objectives, policies or processes for managing the capital during the years ended 31 March 2023 and 31 March 2022.

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4.36 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Claims against the Group not acknowledged as debts		
- Disputed cases under Income Tax Act, 1961	33.94	34.77
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	-	3.56
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	68.15
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	8.77	8.77
- Disputed tax levied on specific building of the Group under the Expenditure Tax Act, 1987	7.83	7.83
Patient legal claims pending with various Consumer Disputes Redressal Commission	229.86	307.50
Other legal claims pending under the various Statutory Acts	317.03	99.68

(b) Commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	277.39	435.28

4.37 Leases

The Group has taken hospital buildings, plant and machinery and vehicles on operating lease having a term ranging from 1 year to 15 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain lease of building with lease terms of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases.

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	1,664.86	1,985.96
Additions during the year	1,035.18	93.91
Deletions during the year	(59.85)	(67.83)
Finance cost accrued during the year	214.44	173.01
Other adjustments	18.93	(27.50)
Payment of lease liabilities	(629.15)	(492.69)
Lease liabilities as at the end of the year	**2,244.41**	**1,664.86**
Current lease liabilities	260.17	282.88
Non-current lease liabilities	1,984.24	1,381.98

The effective interest rate for lease liabilities is 9.55% with maturity between 2020-2034.

Following amounts have been recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on Right-of-use assets	398.23	391.74
Interest on lease liabilities	222.40	173.01
Total amount recognised in the Statement of profit and loss	**620.63**	**564.75**

Details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	482.46	426.55
One to five years	1,605.81	1,271.40
More than five years	1,384.00	755.83
Total	**3,472.27**	**2,453.78**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹64.55 for the year ended 31 March 2023 (31 March 2022: ₹25.88).

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4.38 Employee stock option plan

Pursuant to a special resolution passed by the members in their meeting held on 27 July 2013, the Company instituted an Employee Stock Option Plan (the ESOP Scheme 2013). The said scheme has been formulated in consultation with the Board of Directors of the Company, and accordingly the Company had reserved 1,150,000 equity shares of ₹10 each. The options granted under the said scheme shall vest within a span of four years in the ratio of 10%, 20%, 30% and 40 % each year from the date of grant. These options can be exercised upon satisfaction of conditions attached to such issue and shall be equity settled.

In addition to above, pursuant to the resolution passed in the Compensation Committee in the meetings held on various dates during the year ended 31 March 2016, the Company had granted 134,000 stock options to medical professionals.

Further, pursuant to a special resolution passed by the members in their meeting held on 20 February 2016, the Company instituted an Employee Stock Option Scheme 2016. The Company has reserved 1,000,000 equity shares of ₹10 each. No options were granted under the scheme.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the company approved the payment of an ex-gratia amount as per ESOP (Employee stock option) to each of the vested option-holders of 'EMPLOYEE STOCK OPTION SCHEME - 2013' as per the details mentioned below:

No. of Vested ESOPS	Exercise Price	Fair Market Value	Ex-gratia amount paid as per ESOP
303,880	₹ 212/-	₹ 452.30/-	₹ 240.30/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	199,200	212
Forfeited during the year		-	-	-
Cancelled/Exercised during the year	-	-	199,200	212
Outstanding at the end of the year	-	-	-	-
Vested and exercisable at the end of the year	-	-	-	-

4.39 Share warrants

On 30 April 2013, 20 February 2016, and 30 September 2016 the Company established share warrant plans that entitle the warrant holders an option to convert the warrants into equity shares of the Company at the relevant exercise price. The key terms and conditions related to the grants under these plans are as follows; all warrants are to be settled by the delivery of equity shares.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the company approved the payment of consideration to each of the vested eligible share warrants further allotted under the 'SHARE WARRANTS 2016 SCHEME' as per the details mentioned below:

No. of Vested warrants	Exercise Price	Fair Market Value	Ex-gratia amount paid as per Warrant
436,000	₹ 430.40/-	₹ 452.30/-	₹ 21.90/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of warrants	Weighted average exercise price (₹)	Number of warrants	Weighted average exercise price (₹)
Outstanding at the beginning of the year	-	-	712,330	430.40
Cancelled during the year	-	-	276,330	430.40
Exercised during the year	-	-	436,000	430.40
Outstanding at the end of the year	-	-	-	-
Vested and exercisable at the end of the year	-	-	-	-

4.40 Transfer pricing

The Group has entered into commercial transactions with its associated enterprises which are subject to assessment and test of transactions being carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Group has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length. Therefore, the legislation shall not have any impact on the consolidated financial statements.

4.41 Disclosure of Interest in subsidiaries and joint venture:

			Ownership interest in the Company (%)	
Particulars	**Nature of relationship**	**Country of incorporation**	**As at 31 March 2023**	**As at 31 March 2022**
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%
Galaxy Care Multispecialty Hospital Private Limited	Subsidiary	India	76.00%	76.00%
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%
Convenient Hospitals Limited	Subsidiary	India	95.00%	-
United CIIGMA Institute of Medical Sciences Private Limited	Subsidiary	India	76.00%	-
Quality Care Health Services India Private Limited	Joint venture	India	50.00%	50.00%

4.42 Unearned revenue

The following table discloses the movement in the unearned revenue during the year ended 31 March 2023 and 31 March 2022:

Particulars	**For the year ended 31 March 2023**	**For the year ended 31 March 2022**
Balance at the beginning of the year	40.54	86.38
Revenue recognised during the year	(40.54)	(86.38)
Invoiced during the year	46.02	40.54
Balance at the end of the year	**46.02**	**40.54**

4.43 In 2009, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") to acquire a land parcel and development of a Health City along with allied infrastructure ("Project") in Visakhapatnam, Andhra Pradesh. Pursuant to the terms of the said agreement, the APIIC has allotted 4.18 acres of land to the Company upon payment of INR 105.55 and included in Property, plant and equipment [refer note 4.1(b)] subjected to conditional registration of land in favor of the Company upon completion of the Project by 30 June 2020. The company has received extension of timeline from APIIC till December, 2023. Further the company has incurred sum aggregating Rs. 1093.45 (31 March 2022: Rs. 564.17) towards land development and civil construction there on which are included in capital work-in-progress (refer note 4.3). Based on internal evaluation, the management of the Company is confident of completing the project within stipulated timelines.





4.44 Additional regulatory information required by Schedule III

(i) Details of benami property held
No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets
The group has borrowings from banks and financial institutions on the basis of security of current assets. The revised quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter
The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies
The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies
The group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements
The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

(A) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(B) The Group has received funds from Touch Healthcare Private Limited, Holding company with the understanding that the Group shall further invest the funds in equity shares for the acquisition of 95% stake in Convenient Hospitals Limited and 76% stake in United Ciigma Institute of Medical Sciences Private Limited. The Group has has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

The details of date and amount of funds received from funding party during the year ended 31 March 2023 are as follows:

Name of the funding party	Registered address of the funding party	Relationship with the funding party	Date of funds received	Amount of funds received
Touch Healthcare Private Limited, Mauritius	33 Edith Cavell Street, 11324, Port-Louis, Mauritius	Holding Company	28-Jun-23	3,412.73
			25-Jul-23	3,178.40

The details of date and amount of funds further invested by the Group to ultimate beneficiaries during the year ended 31 March 2023 are as follows:

Name of the ultimate beneficiaries	Registered address of the ultimate beneficiaries	Relationship with the ultimate beneficiaries	Date of investment	Amount of investment from funds received from Holding Company
Convenient Hospitals Limited	Near LIG Square, A.B.Road, Indore, Madhya Pradesh - 452008, India.	Subsidiary Company	29-Jun-23	3,412.73
United Ciigma Institute of Medical Sciences Private Limited	Plot No. 6 & 7, Survey No. 10, Shahanoorwadi, Dargah Road, Aurangabad, Maharashtra - 431005, India.	Subsidiary Company	26-Jul-23	3,178.40

(viii) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency
The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment, intangible asset and investment property
The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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Hyderabad

QUALITY CARE INDIA LIMITED

4.45 Business combinations

a) On 14 April 2022, the Group has acquired Thumbay Hospital New Life, Hyderabad engaged in healthcare services business on a slump sale basis. This acquisition is expected to further strengthen the Group's presence in Hyderabad market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to Thumbay hospital unit.

The assets and liabilities acquired:

Particulars	Thumbay Hospital New Life
Property, plant and equipment	180.20
Inventory	2.66
Net identifiable assets acquired	**182.86**
Purchase consideration paid in cash	**200.00**
Goodwill recognised	**17.14**

Also refer note 4.1(a) for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is no gain/loss attributable on fair value. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and loss from the date of acquisition is ₹126.82 and ₹144.33, respectively. If the acquisitions had occurred on 1 April 2022, the amount of revenue and loss would have been ₹ 126.87 million and ₹144.27, respectively.

b) On 28 June 2022 the Group has acquired 95% equity stake in Convenient Hospitals Limited, Indore engaged in healthcare services business through acquisition of shares. This acquisition is expected to further strengthen the Group's presence in Indore market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to Convenient Hospital unit.

The assets and liabilities acquired:

Particulars	Convenient Hospitals Limited
Assets acquired	
Non current assets	
-Property, plant and equipment	1,590.21
-Intangible assets	0.53
-Trade mark	352.52
-Non current investments	0.37
-Other non current assets	8.36
- Deferred Tax assets	96.00
Current assets	
-Inventories	42.43
-Loans	227.85
-Trade receivables	114.88
-Cash and cash equivalents	338.80
-Other current assets	65.21
Total assets acquired (a)	**2,837.16**
Liabilities taken over	
Current liabilities	
-Short term borrowings	15.01
-Trade payables	119.25
-Other current liabilities	188.36
-Provisions	11.38
Payable towards acquisition of Pharmacy and Diagnostic Business	654.92
Total liabilities taken over (b)	**988.92**
Fair value of net assets acquired (c) = (a) - (b)	**1,848.24**
Non controlling interest (d) = (c) x (100% - 95%)	199.58
Total purchase consideration for 95% equity stake (e)	3,791.93
Goodwill recognised (f) = (d) + (e)- (c)	**2,143.27**

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Also refer note 4.1(a) for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of ₹1,147.65 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is ₹1,439.06 and ₹107.72, respectively. If the acquisitions had occurred on 1 April 2022, the amount of consolidated revenue and consolidated profit would have been ₹ 16,335.52 million and ₹983.42, respectively.

Fair value of trade receivables acquired is ₹114.88 as of acquisition date and as of 31 March 2023, the amounts are substantially collected.

The Non-controlling interest as at the acquisition date is ₹199.58 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Depreciated Replacement Cost Method under cost approach to arrive at fair value of the buildings.
Plant and machinery	Replacement Cost New, adjusted for depreciation and obsolescence under Cost Approach to arrive at the fair value of Plant and Machinery.
Trade mark	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Valued at Cost and book value of the assets as on 28 June 2022 has been adopted as Fair Value.

c) On 25 July 2022 the Group has acquired 76.06% equity stake in United Ciigma Institute of Medical Sciences Private Limited, Aurangabad engaged in healthcare services business through acquisition of shares. This acquisition is expected to further strengthen the Group's presence in Aurangabad market. Management expects certain synergies to be derived from this acquisition and accordingly, the goodwill recognised from this acquisition has been allocated to United Ciigma Hospital unit.

Particulars	United Ciigma Institute of Medical Sciences Private Limited
Assets acquired	
Non current assets	
-Property, plant and equipment	1,634.60
-Non current tax assets	67.97
-Trade mark	297.24
-Non current investments	6.91
-Other non current assets	55.84
Current assets	
-Inventories	40.66
-Loans	0.47
-Trade receivables	174.04
-Cash and cash equivalents	1,605.07
-Other current assets	98.44
Total assets acquired (a)	**3,981.24**
Liabilities taken over	
Non current liabilities	
-Long term borrowings	2,064.29
-Deferred tax liabilities (net)	139.60
Current liabilities	
-Short term borrowings	4.87
-Trade payables	225.89
-Other current liabilities	140.54
-Loan from related parties	228.04
Total liabilities taken over (b)	**2,803.23**
Fair value of net assets acquired (c) = (a) - (b)	**1,178.01**
Non controlling interest (d) = (c) x (100% - 76.06%)	1,135.03
Total purchase consideration for 76.06% equity stake (e)	3,594.25
Goodwill recognised (f) = (d) + (e)- (c)	**3,551.27**

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Also refer note 4.1(a) for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of ₹736.40 loss attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

Revenue from operations and profit from the date of acquisition is ₹937.74 and ₹16.50, respectively. If the acquisitions had occurred on 1 April 2022, the amount of consolidated revenue and consolidated profit would have been ₹ 16,475.34 million and ₹991.79, respectively.

Fair value of trade receivables acquired is ₹174.04 as of acquisition date and as of 31 March 2023, the amounts are substantially collected.

The Non-controlling interest as at the acquisition date is ₹1,135.03 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Depreciated Replacement Cost Method under cost approach to arrive at fair value of the buildings.
Plant and machinery	Replacement Cost New, adjusted for depreciation and obsolescence under Cost Approach to arrive at the fair value of Plant and Machinery.
Trade mark	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Valued at Cost and book value of the assets as on 28 June 2022 has been adopted as Fair Value.

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Hyderabad

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Hyderabad

4.46 Other regulatory information

(i) Title deeds of immovable properties not held in name of the group

The title deeds of all the immovable properties (other than properties where the group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4.1 to the financial statements, are held in the name of the group except for land and building aggregating to ₹126.77 (Refer note 4.1 and 4.43 for further details)

(ii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(iii) The group has not given loans/advances in the nature of loans to directors, promoters, KMPs or any other related parties which are repayable on demand or without specifying terms & conditions of repayment.

4.47 Exceptional item

Post the acquisition of United Ciigma Institute of Medical Sciences Private Limited and United Ciigma Hospitals Healthcare Private Limited by Quality Care India Limited on 25 July 2022, the management has determined, based on their physical verification of inventory representing medical consumables and pharmacy items, as not fit for consumption. Hence, the management has charged off the inventory amounting to 41.41 to the Statement of Profit and Loss as an exceptional item.

4.48 Internal financial controls over financial reporting (IFCFR)

Quality Care India Limited and its subsidiaries- Ganga Care Hospital Limited, Galaxy Care Multispecialty Hospital Private Limited and Ramkrishna Care Medical Sciences Private Limited have strong internal financial controls over financial reporting. The management has evaluated the design and operating effectiveness of these controls and noted no deficiencies.

However, in respect of the new subsidiaries- United Ciigma Institute of Medical Sciences Private Limited, Convenient Hospitals Limited, Heart Care Institute And Research Centre (Indore) Pvt Ltd, United Ciigma Hospitals Healthcare Private Limited and Ciigma Institute of Medical Sciences Private Limited acquired during the year, on account of practical impediments, alignment of the controls framework with the requirements was in progress as at year end. Accordingly, the auditors of these subsidiaries have issued a disclaimer of opinion in respect of IFCFR as at year end.

4.49 Subsequent events

Quality Care India Limited ("QCIL") has divested its entire equity investment held in Galaxy Care Multispecialty Hospital Private Limited ("Galaxy") (15,810 equity shares) on fully diluted basis in the following manner:

1) Galaxy has bought back 5,201 number of equity shares on 17 April 2023 for a consideration of 41.92 .

2) QCIL has transferred 10,609 number of equity Shares to the promoters of the Galaxy i.e., Dr. Shailesh Padmakar Puntambekar and Dr. Seema Shailesh Puntambekar for a consideration of 58.08.

Accordingly, as at 31 March 2023, total assets in Galaxy Care Multispecialty Hospital Private Limited ("Galaxy") has been disclosed as 'Assets classified as held for sale' and total liabilities in Galaxy Care Multispecialty Hospital Private Limited ("Galaxy") has been disclosed as 'Liabilities directly associated with assets held for sale'.

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QUALITY CARE INDIA LIMITED Hyderabad

4.50 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

Name of the entity	For the year ended and as at 31 March 2023				For the year ended and as at 31 March 2022			
	Net assets		Share in profit or loss		Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated net assets	Amount in millions	As a % of consolidated loss	Amount in millions
Parent company								
Quality Care India Limited	88.97%	7,330.50	43.87%	373.13	93.89%	6,527.07	91.14%	1,055.25
Subsidiaries								
Ganga Care Hospital Limited	5.77%	475.67	3.39%	28.85	6.43%	446.88	2.54%	29.44
Ramkrishna Care Medical Sciences Private Limited	11.76%	969.14	31.42%	267.23	10.11%	702.52	12.65%	146.45
Galaxy Care Multispecialty Hospital Private Limited	2.11%	173.48	-0.20%	(1.68)	2.52%	175.30	-0.19%	(2.23)
Quality Care Jharsuguda Private Limited	0.00%	(0.01)	0.00%	-	0.00%	0.01	0.00%	(0.01)
Convenient Hospitals Limited	10.12%	834.21	12.25%	104.20	-	-	-	-
Heart Care Institute And Research Centre (Indore) Pvt Ltd	4.67%	384.42	-0.41%	(3.48)	-	-	-	-
United Ciigma Institute of Medical Sciences Private Limited	23.47%	1,933.41	8.47%	72.00	-	-	-	-
United Ciigma Hospitals Healthcare Private Limited	3.23%	266.44	-5.11%	(43.46)	-	-	-	-
Ciigma Institute of Medical Sciences Private Limited	0.16%	12.83	-0.46%	(3.89)	-	-	-	-
Non-controlling interest	24.13%	1,988.26	15.60%	132.66	-7.49%	(520.88)	-6.14%	(71.04)
Total	**174.39%**	**14,368.35**	**108.82%**	**925.56**	**105.46%**	**7,330.90**	**100.00%**	**1,157.86**
Consolidation adjustments	**-74.39%**	**(6,128.98)**	**-8.82%**	**(75.02)**	-5.46%	(379.06)	0.00	0.01
Net amount attributable to equity holders of Parent	**100.00%**	**8,239.37**	**100.00%**	**850.54**	**100.00%**	**6,951.84**	**100.0%**	**1,157.87**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 23 August 2023

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468

Place: Dubai, UAE
Date: 23 August 2023

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863

Place: Hyderabad
Date: 23 August 2023

Jaydeep Singh
Director and Chief Executive Officer
DIN: 02705303

Place: Hyderabad
Date: 23 August 2023

Vikas Rastogi
Chief Financial Officer

Place: Hyderabad
Date: 23 August 2023

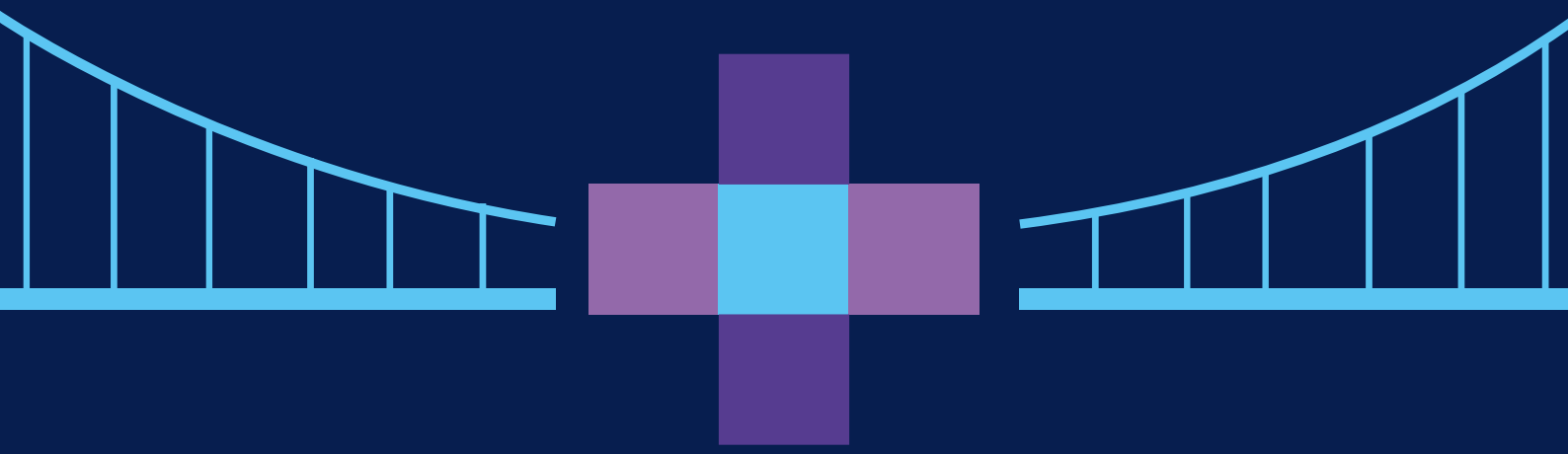


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2022

ANNUAL REPORT

Quality CARE India Limited

QUALITY CARE INDIA LIMITED

30th (THIRTIETH) ANNUAL REPORT 2021-22

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Jasdeep Singh – Director and Chief Executive Officer

Mr. Kewal Kundanlal Handa – Independent Non-Executive Director

Ms. Ekta Bahl – Independent Non-Executive Director

Mr. Arunprakash Srinivasarao Korati – Non-Executive Director

Mr. Vishal Bali – Non-Executive Director

Mr. Ankur Nand Thadani – Non-Executive Director

Mr. Mahadevan Narayanamoni – Non-Executive Director

Mr. Madan Rohinikrishnan – Non-Executive Director

Mr. Massimiliano Colella – Non-Executive Director

Mr. Vikas Rastogi - Chief Financial Officer

Mrs. Gayathri Chandramoulieswaran – Company Secretary

BOARD COMMITTEES

Audit Committee

Mr. Kewal Kundanlal Handa - Chairman
Ms. Ekta Bahl - Member
Mr. Mahadevan Narayanamoni - Member

Nomination and Remuneration Committee

Mr. Arunprakash Srinivasarao Korati - Chairman
Ms. Ekta Bahl - Member
Mr. Kewal Kundanlal Handa - Member
Mr. Vishal Bali - Member

Corporate Social Responsibility Committee

Mr. Kewal Kundanlal Handa - Chairman
Mr. Arunprakash Srinivasarao Korati - Member
Ms. Ekta Bahl - Member

Operating Committee

Mr. Mahadevan Narayanamoni - Chairman
Mr. Jasdeep Singh - Member
Mr. Massimiliano Colella - Member

REGISTERED OFFICE

6-3-248/2, Road No.1
Banjara Hills
Hyderabad – 500 034

CORPORATE OFFICE

CARE Corporate Office
1st Floor, Kohinoor building, Road No 2, Banjara Hills,
Hyderabad -500034 Telangana

STATUTORY AUDITORS

M/s. Price Waterhouse Chartered Accountants LLP
Unit -2B, 8th Floor, Octave Block, Block E1, Parcel-4,
Salarpuria Sattva Knowledge City,
Raidurg, Hyderabad – 500 081 Telangana

INTERNAL AUDITORS

Ernst & Young LLP
18, iLabs Centre, Madhapur,
Hyderabad – 500 081 Telangana

COST AUDITORS

M/s.Nageswara Rao & Co
Cost Accountants
H.No.30-1569/2, Plot No.35, Anantanagar Colony
Neredmet, Secunderabad.

SECRETARIAL AUDITORS

RVR & ASSOCIATES
Company Secretaries
D.No #1-10-18/G1, Lakshmi Sree Park View Apartments,
Opp. Municipal Park, Ashok Nagar,
Hyderabad- 500020, Telangana

BANKERS

Union Bank of India, Banjara Hills Branch, Hyderabad
NIIF Infrastructure Finance Limited
Axis Bank Limited, Corporate Banking branch, Hyderabad
The Hongkong and Shanghai Banking Corporation Limited, Hyderabad

QUALITY CARE INDIA LIMITED

Regd. Office: 6-3-248/2, Road No.1, Banjara Hills, Hyderabad-500 034;
CIN: U85110TG1992PLC014728; **Email**:Info@carehospitals.com,
Website: www.carehospitals.com; **contact no**.: 040-30418888, 040-68306565, 040-68106565

NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of the Company will be held on Wednesday, the 28th day of September, 2022 at 01.00 P.M through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad - 500034 Telangana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements I.e. Balance Sheet and the statement of Profit & Loss (including the Consolidated Financial Statements) and the Cash Flow Statement of the Company for the Financial Year ended 31st March 2022 and the reports of the Auditors and Board of Directors thereon.

2. To reappoint Mr. Vishal Bali (DIN: 01457380) as a director, who retires by rotation and being eligible, offers himself for re-appointment.

3. To reappoint Mr. Massimiliano Colella (DIN: 08729468) as a director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To Ratify the Remuneration Payable to Cost Auditors:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Cost Auditors, M/s. Nageswara Rao & Co, Cost Accountants having Firm Registration No: 000332 appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company for the Financial year ending 31 March 2023, who shall be paid a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) Per Annum plus applicable taxes and out of pocket expenses at actual.

RESOLVED FURTHER THAT Board of Directors, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard including but not limited to filing of requisite application/forms/ reports, etc. with the Ministry of Corporate Affairs or with such other authorities as may be required for the purpose of giving effect to this resolution."

For and on behalf of the Board
QUALITY CARE INDIA LIMITED

Quality Care India Limited Hyderabad

Place: Hyderabad, India
Date: 25.08.2022

Mr. Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at Annual General Meeting is annexed hereto.

2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide General circular No. 14/2020 dated 08.04.2020, 17/2020 dated 13.04.2020, 22/2020 dated 15.06.2020, 33/2020 dated 28.09.2020 and 39/2020 dated 31.12.2020 and 10/2021 dated 23.06.2021, read with circulars No. 21/2021 dated 8.12.2021 and General circular no. 2/2022 dated 05.05.2022 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars and relevant circulars and other applicable provisions, the AGM of the Company is being held through VC / OAVM.

3. The VC/OAVM facility for members to join the meeting, shall be kept open 30 minutes before the start of the AGM and shall be closed on expiry of 30 minutes after the conclusion of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

6. Members desiring to seek any information/clarifications on the annual accounts are requested to write to the Company at least seven (7) days before the Annual General Meeting to enable the management to keep the information ready.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its certified true copy of Board or governing body Resolution/Authorization/Power of Attorney etc., alongwith the specimen signature of the authorized representative who is authorized to attend the AGM on its behalf and to vote. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs.office@carehospitals.com

8. Members holding shares in physical/dematerialized mode, who have not registered/updated their email addresses with the Company are requested to register/update their email addresses by writing to the Company along with their details and folio number at cs.office@carehospitals.com

9. Members whose email ids are already registered with the Company or with Registrar and Share transfer agent will receive the Zoom Link (for video conferencing) for attending the Annual General Meeting which is also given below; Members are requested to attend the meeting through the given link and In case any member has not received the link via email then they are requested to send a mail from their E-mail account and write to cs.office@carehospitals.com.

Zoom Link :

***Topic**: QCIL Annual General Meeting 2022*
***Time**: Sep 28, 2022 01:00 PM India*

Join Zoom Meeting
https://us02web.zoom.us/j/85229940599?pwd=VEJGZkgzcjhDMGYyekphMnM4WTdxdz09

***Meeting ID**: 852 2994 0599*

***Passcode**: 025061*

Find your local number: https://us02web.zoom.us/u/kpvxso1Ef

Instructions:

a) Type the exact link given above in the web address bar and enter

Or

b) i) open Google Chrome/Mozilla Firefox/Internet Explorer

ii) Go to join.zoom.us and type

Meeting ID: 852 2994 0599

Passcode: 025061

iii) Click **Join**

In case of any technical difficulties write to - udaykumar.bellapu@carehospitals.com; or cs.office@carehospitals.com;

10. In keeping with Ministry of Corporate Affairs' Green initiative measures, the Company hereby requests members who have not registered their email addresses so far, to register their email addresses for receiving all communication including annual report, notices, circulars, etc. from the Company electronically by writing to cs.office@carehospitals.com.

11. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to cs.office@carehospitals.com

12. All shareholders attending the AGM will have the option to post their comments/queries through a dedicated chat box, which will be made available.

13. The Annual Report of the Company including the Notice convening the AGM circulated to the members of the Company will be available on the Company's website at https://www.carehospitals.com/annual-reports

14. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act 2013)

Item No 4

The Board has approved the re-appointment of the Cost Auditors, M/s. Nageswara Rao & Co. at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) per annum plus applicable taxes and out of pocket expenses at actuals, to conduct the audit of the cost records of the Company for the financial year ending 31 March, 2023.

In accordance with the provisions of the Section 148 of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31 March, 2023.

None of the Directors / Key Managerial Personnel / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

Your Board recommends the resolution set forth in the item no.4 of the Notice for approval of the Members

For and on behalf of the Board
QUALITY CARE INDIA LIMITED

Place: Hyderabad, India
Date: 25.08.2022

Mr. Jasdeep Singh
Director & Group Chief Executive Officer
DIN: 02705303

BOARD'S REPORT

To
The Members,

On behalf of Board, We take pleasure in presenting the **Thirtieth** Annual Report on the business and operations of your Company along with the standalone and consolidated summary financial statements for the year ended 31 March, 2022.

1. FINANCIAL HIGHLIGHTS: [Rule 8(5)(i) of Companies (Accounts) Rules, 2014]

(Rs. In millions)

	QCIL(CARE standalone)		*QCIL(CARE Consolidated)*	
Particulars	**Rs. in Lakhs**		**Rs. in Lakhs**	
	31-Mar-22	**31-Mar-21**	**31-Mar-22**	**31-Mar-21**
Net Sales /Income from:				
Business Operations	10,223.07	8,141.13	13,181.61	10,532.66
Other Income	59.64	75.55	98.56	113.56
Total Income	**10,282.71**	**8,216.68**	**13,280.17**	**10,646.22**
Less: Expenditure	**8,069.83**	**6,697.49**	**10,564.40**	**8,746.18**
EBITDA	**2,212.88**	**1,519.19**	**2,715.77**	**1,900.04**
Less: Finance costs	336.02	417.45	420.63	511.26
Less Depreciation	715.03	684.81	905.67	869.24
Less: Impairment Losses	-	26.28	-	26.28
Profit before share of loss of a Joint venture	**1,161.83**	**390.65**	**1,389.47**	**493.26**
Less: Share of loss of a Joint Venture	-	-	0.01	0.01
Profit before tax	**1,161.83**	**390.65**	**1,389.46**	**493.25**
Less: Current Income Tax	245.00	118.51	302.84	135.43
Less: Income tax relating to earlier periods	22.15	45.69	22.15	45.69
Less: Deferred Tax Expense /(Benefit)	(160.57)	(380.25)	(164.44)	(367.91)
Profit/(loss) for the year	**1055.25**	**606.70**	**1,228.91**	**680.04**
Other Comprehensive income: 1. Items that will not be reclassified subsequently to profit or loss a. Re-measurement of defined benefit plan	(4.44)	(5.79)	(7.08)	(6.94)
2. Income tax relating to items that will not be reclassified to profit or loss	1.52	2.02	2.19	2.32
Total Comprehensive Income/(Loss) for the year	**1052.33**	**602.93**	**1,224.02**	**675.42**
Earnings per share Basic	25.43	14.62	27.90	15.80
Earnings per share Diluted	25.43	14.56	27.79	15.73

2. CHANGE IN THE NATURE OF BUSINESS [Rule 895)(ii) of Companies (Accounts) Rules, 2014]

During the Financial year under review, there was no change in the business of the Company.

3. **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT [Section 134 (3) (l)]**

   During the year under review –

   a. The Company has raised the Authorised Share Capital from Rs. 79,50,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity shares of Rs. 10/- each and 1,55,00,000 Compulsory Convertible Preference Shares of Rs. 10/- each vide Extra Ordinary General Meeting dated 25.03.2022.

   b. The Company allotted 75,45,290 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 24.06.2022.

   c. The Company allotted 70,27,190 0.001% Compulsory Convertible Preference Shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including premium of Rs. 442.30/- per CCPS vide Circular resolution dated 25.07.2022 .

4. **DIVIDEND [Section 134 (3) (k)]**

   The Board of Directors of your Company has not recommended any dividend for the financial year 2021-22. The current year profits are ploughed back for expansion plans of the Company.

5. **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

   The provisions of Section 125(2) of the Companies Act, 2013 does not apply as there was no dividend declared and paid in the previous Financial Year 2020-21.

6. **TRANSFER TO RESERVES [Section 134 (3) (j)]**

   The details of the amount transferred to the reserves and surplus is detailed in Statement of changes in Equity for the year ended 31 March 2022 and Note No 4.13(b) of the financial statements enclosed herewith.

7. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES [Rule 8(5)(iv) of Companies Accounts) Rules, 2014]**

   The Company has four subsidiaries and one associate company as on 31st March 2022. There has been no material change in the nature of the business of the subsidiaries.

   During the current Financial Year 2022-23 the Company has acquired 2 Companies as its subsidiaries by acquiring a stake of 95% in Convenient Hospitals Limited and 76% in United CIIGMA Institute of Medical Sciences Private Limited.

   Pursuant to the provisions of Section 139 (3) of the Companies Act 2013, a statement containing the salient features of the subsidiaries and associates companies in Form No. AOC-1 is attached to the financial statements of the Company as **Annexure- I**

8. DETAILS RELATING TO DEPOSITS [Rule 8(5) (v) of Companies Accounts) Rules, 2014]

The Company has not accepted/renewed any deposits during the financial year 2021-22.

Details relating to deposits covered under Chapter V of the act –

a. Accepted during the year; - NIL
b. Remained unpaid or unclaimed as at the end of the year; - NIL
c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- None

i. At the beginning of the year; - NA
ii. Maximum during the year; - NA
iii. At the end of the year; - NA

There are no deposits which are not in compliance with the requirements of Chapter V of the Act;

9. SHARE CAPITAL

The Authorised Share Capital as on 31st March 2022 was Rs. 95,00,00,000/- consisting of 7,95,00,000 equity shares of Rs. 10/- (Rupees Ten Only) each and 1,55,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only) each. The paid up Equity Share Capital as on 31st March 2022 was Rs. 41,49,68,940/- consisting of 4,14,96,894 equity shares of Rs. 10/- each.

Increase in Authorized Share Capital –

During the year under review, at the Extra-Ordinary General Meeting held on March 25, 2022, the Company increased its Authorized share capital from Rs.79,50,00,000/- (Rupees Seventy Nine Crores and Fifty Lakhs Only) consisting of 7,95,00,000 (Seven Crores and Ninety Five Lakhs Only) Equity Shares of Rs. 10/- (Ten Only) each to Rs. 95,00,00,000/- (Rupees Ninety Five Crores only) divided into 7,95,00,000 Equity Shares of Rs. 10/- (Rupees Ten only) each and 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each by addition of Rs. 15,50,00,000/- (Rupees Fifteen Crores and Fifty Lakhs only) divided into 1,55,00,000 (One Crore and Fifty Five Lakhs Only) Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only)

During the year under review, the Company has issued 99,50,000 (Ninety Nine Lakh Fifty Thousand Only) 0.001% Compulsorily Convertible Preference shares (CCPS) of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to Rs. 4,500,385,000/- (Rupees Four Hundred & Fifty Crores Three Lakhs and Eighty Five Thousand Only) for cash through private placement to 'Touch Healthcare Private Limited' on 25.03.2022.

During the current year, the following events had taken place post issuance of the above-mentioned CCPS –

- Allotment of 75,45,290 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% CCPS aggregating to Rs. 3,41,27,34,667/- to Touch Healthcare Private Limited on **June 24, 2022.**

- Withdrawal and abandonment of 24,04,710 0.001% Compulsorily Convertible Preference Shares ("CCPS") of Rs. 10/- each aggregating to Rs. 2,40,47,100 /- out of 99,50,000 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each offered which were offered during the year to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Issuance of 79,54,710 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% Compulsory Convertible Preference Shares ("CCPS") aggregating to Rs. 3,59,79,15,333/- for cash through private placement to 'Touch Healthcare Private Limited' on **July 08, 2022.**

- Allotment of 70,27,190 0.001% Compulsorily Convertible Preference Shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30 per 0.001% CCPS aggregating to Rs. 3,17,83,98,037/- to Touch Healthcare Private Limited on **July 25, 2022.**

During the year under review, the Company has not issued shares with differential voting rights.

During the year under review, the company has not undertaken any of the following transactions.

Buy Back of Securities	Sweat Equity	Bonus Shares	Employees Stock Option
Nil	Nil	Nil	Nil

However the Company vide Special Resolution dated 25.03.2022 discontinued the ESOPs 2013 Scheme and Share Warrants 2016 Scheme and approved payment of Ex-Gratia to vested holders of Eligible ESOPs holder under ESOPs 2013 Scheme and Share Warrants 2016 Scheme respectively.

10. DIRECTORS RESPONSIBILITY STATEMENT [Section 134(3) (c) and 134(5)]:

In accordance with the provisions of 134(3)(c) and Section 134(5) of the Companies Act, the Board of Directors, to the best of their knowledge and ability, submit their responsibility statement:

i. In the preparation of the annual accounts for the Financial year ending 31st March, 2022, the applicable accounting standards have been followed and there are no material departures

ii. Selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2021-22 and of the profit of the Company for that period;

iii. Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. Prepared the annual accounts on a "**Going Concern**" basis;

v. Laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;

vi. Devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL [Rule 8(5)(iii) of Companies Accounts) Rules, 2014]:

DIRECTORS:

In accordance with the provisions of Articles of Association Mr. Vishal Bali (DIN: 01457380) and Mr. Massimiliano Colella (DIN: 08729468), Directors are liable to retire by rotation and being eligible offers themselves for reappointment.

During the Financial year 2020-21 and in accordance with the provisions of Section 161 of the Companies Act, 2013, Board appointed Mr. Jasdeep Singh as an Executive Additional Director of the Company w.e.f. 19th October, 2020 for a period of 5 years and during the year under review, on subsequent approval from the Members at the 29th Annual General Meeting held on 28th September, 2021, he was appointed as a Director of the Company w.e.f. 28th September, 2021.

During the year under review, Mr.Vaughan Erris Firman (DIN: 08787748) has resigned as a Director from the Board with effect from 04th February, 2022.

KEY MANAGERIAL PERSONNEL's (KMP's):

During the year under review and in accordance with the provisions of Section 203 of the Companies Act, 2013, the following changes in the Key Managerial personnel's have taken place:

- Resignation of Mr. Sandeep Kumar as Group Chief Financial Officer (CFO) w.e.f. 24th May, 2021.
- Appointment of Mr. Vikas Rastogi as Group Chief Financial Officer (CFO) w.e.f. 24th May, 2021.

The performance of KMP is evaluated annually by the Nomination and Remuneration Committee (NRC).

The details pertaining to the Board Committees viz Composition, meeting dates and the Policy (if any) are covered separately in the Corporate Governance Report attached to this report as **Annexure V**.

12. NUMBER OF BOARD MEETINGS : [Section 134(3)(b)]:

A total of Seven (7) Board Meetings were held during the Financial Year 2021-22. The details of the said meetings of the Board are placed in the Corporate Governance report, which is forming part of this report.

13. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE COMPANIES ACT, 2013 [Section 134 (3) (d) & 149(6)]

Your Company has received declarations from all independent directors of the Company confirming that they meet with the criteria of independence as prescribed under sub-section 6 of section 149 of the Companies Act, 2013. The independent Directors have duly complied with the code for Independent Directors prescribed in Schedule IV to the Act.

14. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR. [Rule 8(5)(iiia) of Companies (Accounts) Rule, 2014].

The Company has 2 Independent Directors, Mr. Kewal Kundanlal Handa and Ms. Ekta Bahl and in the opinion of the Board, both of them possess requisite expertise, integrity and experience (including proficiency).

15. COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013 [Section 134(3)(e) and 178 (3)]

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. Your company has put in place the relevant framework and a Nomination & Remuneration Policy as required under section 178 of the Companies Act 2013. The NRC policy is given in the Corporate Governance report which is annexed to this report.

16. MECHANISM FOR EVALUATION OF BOARD [Rule 8(4) of Companies Accounts) Rules, 2014]:

In terms of the provisions of the Companies Act, 2013 read with Rules issued there under, formal Annual Performance process has been carried out for evaluating the performance of the Board, the Committees of the Board and Individual Directors

A note on performance evaluation was duly circulated and placed before the Board.

Detailed information on the Directors is provided in the Corporate Governance Report

17. CORPORATE SOCIAL RESPONSIBILITY, STATEMENT UNDER SECTION 135[Rule 8(1) of Companies (CSR Policy) Rules, 2014 read with Rule 9 of Companies (Accounts) Rule, 2014::

The Company was required to spend CSR amount in FY 2021-22 and the Company is committed to taking up Corporate Social Responsibility activities. The Company constituted Corporate Social Responsibility Committee as required under the provisions of Section 135 of the Companies Act, 2013. The Corporate Social Responsibility Report including brief details of CSR Policy is enclosed to this Board report as **Annexure III**

18. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186[Section 134(3)(g)]:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements. Please refer to the standalone financials.

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES PURSUANT TO SECTION 188 OF THE COMPANIES ACT 2013 [Section 134(3)(h)].:

During the year under review, the company entered only into related party transactions which were in the ordinary course of business

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013 is enclosed to this report as **Annexure II.**

20. COPY OF ANNUAL RETURN [Section 134(3)(a)]

The Annual Return of the Company as on 31st March, 2022 is available on the Company's Website and can be accessed at https://www.carehospitals.com/about-care/investors-2/

21. RISK MANAGEMENT POLICY [Section 134(3)(n)]

The Company has adequate internal financial control system in place which operates effectively. Risks are re-viewed from time to time and controls are put in place with specific responsibility of the concerned officer of the company. According to the Directors of your Company, elements of risks that threaten the existence of your Company are very minimal.

22. EMPLOYEE STOCK OPTION SCHEME 2013 AND SHARE WARRANT SCHEME -2016 [Rule 12(9) of Companies (Share Capital and Debentures) Rule, 2014]

During the year under review, the Company has discontinued the 'Employee Stock Option Sheme-2013' and 'Share Warrant Scheme-2016' and approved payment of Ex-Gratia to vested holders of Eligible ESOPs holder under ESOPs 2013 Scheme and Share Warrants 2016 Scheme respectively by passing Special Resolution in the Extra Ordinary General Meeting held on 25.03.2022

23. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE. [SECTION 134(3)(F)] :

23.1. STATUTORY AUDITORS

Members at their Twenty Eighth Annual General Meeting held on 24th September, 2020 appointed M/s. Price Waterhouse Chartered Accountants LLP (FRN: 012754N/N500016), as Statutory Auditors of the Company for a period of 5 years till the conclusion of the Annual General Meeting to be held in 2025.

REPLY TO COMMENTS IN AUDITORS' REPORT

As required to be stated under section 134 (3)(f) of the Act, there are no qualifications, reservations or adverse remarks made by the Auditors in their independent auditor's report. The auditors' report and notes to accounts forming part of financial statements are self-explanatory and do not call for further explanation.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report

23.2. SECRETARIAL AUDIT

The Board has appointed M/s RVR & Associates, Practicing Company Secretaries for conducting the Secretarial Audit of the Company for the Financial year 2021-22 in accordance with the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

There are no qualifications, reservations or adverse remarks in the Secretarial Audit Report for the Financial Year 2021-22. The Secretarial Auditor's report is annexed as **Annexure IV** and is a part of this report.

23.3. COST AUDIT

Pursuant to Section 148 of the Companies Act, 2013, Company has appointed M/s. Nageswara Rao & Co, Cost Accountants as the Cost auditors for the Company for conducting the cost audit for the Financial Year 2021-22.

The remuneration of the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors is required to be ratified subsequently by the Shareholders. Hence the resolution at Item no. 4 of the Notice of the Annual General Meeting (AGM) is recommended by the Board for members approval.

DISCLOSURE, AS TO WHETHER MAINTENANCE OF COST RECORDS [RULE 8(5)(ix) of Companies (Accounts) Rule, 2014].

In accordance with the provisions of Section 148(1) of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost records.

23.4. INTERNAL AUDIT [RULE 8(5)(viii) of Companies (Accounts) Rule, 2014].

The internal audit function is adequately resourced commensurate with the operations of the Company. The provisions of section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 regarding appointment of internal auditor are applicable to the Company and as per the provisions the Board has appointed M/s. EY LLP, Chartered Accountants as Internal Auditors of the Company for conducting the internal audit for the financial year 2021-22.

24. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT [Section 134(3)(ca)];

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

25. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS [Rule (5)(vii) of Companies (Accounts) Rule, 2014]

The Company has well established policies and procedures for internal financial controls commensurate with its size and operations to safeguard and ensure prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following generally accepted accounting principles and Ind Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

26. VIGIL MECHANISM [Rule 7 of Companies (Meeting of Board and its Powers) Rule, 2014]

Pursuant to section 177 (9) of Companies Act, 2013, the company formulated Whistle Blower Policy.

The Whistle Blower Policy/ Vigil Mechanism provides a mechanism for the director/employee to report violations without fear of victimisation of any unethical behaviour, suspected or actual fraud etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The Directors and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee

27. SECRETARIAL STANDARDS:

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings and approved by Central Government.

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE [Rule 8(5)(vii) of Companies (Accounts) Rule, 2014]

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

29. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR [Rule 8(5)(xi) of Companies (Accounts) Rule, 2014].

The Company has one pending proceeding against it under the Insolvency and Bankruptcy Code, 2016 which was filed by Soniks Consultancy Services Private Limited alleging non-payment of un-entitlement claim for incomplete services provided by them. The proceedings of the case are pending for adjudication.

30. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSA) ACT, 2013 [Rule 8(5)(x) of Companies (Accounts) Rule, 2014].

The Company has adopted a policy with the name "Policy on Prevention, Prohibition and Redressal of Sexual Harassment". The policy is applicable to all the employees of the organization, which includes corporate office, Units etc.

An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 the information required to be disclosed under the provisions of the said Act are as follows:

S. No	Particulars	
(a)	number of complaints received during FY 2021-22	5
(b)	number of complaints disposed of during the FY 2021-22	5
(c)	number of cases pending for more than ninety days	Nil

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO [Section 134(3)(m)] with Rule 8(3) of Companies (Accounts) Rule, 2014]

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A. CONSERVATION OF ENERGY:	
1. The steps taken or impact on conservation of energy.	The company is making all efforts to conserve energy by monitoring energy costs and periodically reviews the consumption of energy. The Company has also taken appropriate steps to reduce the consumption through efficiency in usage and timely maintenance/installation/ upgradation of all the energy saving devices. The company has successfully implemented and is working on renewable energy options and conservation projects like solar energy, Heat pumps & Energy efficient air conditioning solutions with internal expertise and association with external agencies.
2. The steps taken by the Company for utilizing alternate sources of energy	The conservation initiatives has resulted in migration of traditional hot water generators using diesel fuel / conventional Geysers to Heat pump technology thus saving fossil fuel and hot water generation cost. Two hospitals units have upgraded to LED lightings from conventional lightings savings. Installed energy efficient air conditioning equipment.
3. The Capital investment on energy conservation equipment's	All efforts have been taken in order to maintain the equipment in optimum working condition to increase the life span and to decrease the energy consumption without compromising the safety and comfort of patients and customers.
B. TECHNOLOGY ABSORPTION:	
1. The Efforts made towards technology absorption	The company does not have in-house Research & Development department. However, the company continuously makes efforts towards sourcing medical & other equipment from vendors who adopt the latest state of art technology in their products/services. This endeavor ensures that the company always benefits in terms of cost reduction and improving efficiencies. Further no technology was imported by the Company during the year under review.
2. The Benefits derived like product improvement, cost reduction, product development or import substitution	
3. Details of technology imported during the past 3 years	
4. The expenditure incurred on Research and Development	
C. FOREIGN EXCHANGE EARNINGS AND OUT GO	
Foreign Exchange earned in terms of actual inflows	INR 80,28,771
Foreign Exchange outgo in terms of actual outflows	INR 44,31,884

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. I am sure you will join our Directors in conveying our sincere appreciation to all employees of the Company and its subsidiaries and Associates for their hard work and commitment. Their dedication and competence has ensured that the Company continues to be a significant and leading player in the Health Care Services.

For and on behalf of the Board



Mr. Massimiliano Colella
Director
DIN: 08729468
Date: 25.08.2022
Place: Dubai, UAE

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303
Date: 25.08.2022
Place: Hyderabad, India

ANNEXURE I

Form AOC-1

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

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

Part "A": Subsidiaries

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

Sl. No.	Particulars	Details			
1.	Name of the subsidiary	Ganga Care Hospital Limited	Ramkrishna Care Medical Sciences Private Limited	Galaxy Care Multispeciality Hospital Private Limited	Quality Care Jharsuguda Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2021 To 31/03/2022	01/04/2021 To 31/03/2022	01/04/2021 To 31/03/2022	01/04/2021 To 31/03/2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR (Mn)	INR (Mn)	INR (Mn)	INR (Mn)
4.	Share capital	118.63	14.98	0.21	0.10
5.	Reserves & surplus	328.25	687.55	175.09	(0.10)
6.	Total assets	630.63	1646.53	332.65	0.04
7.	Total Liabilities	630.63	1646.53	332.65	0.04
8.	Investments	5.70	-	-	-
9.	Turnover	424.35	2193.50	384.30	0
10.	Profit before taxation	39.76	190.12	(2.24)	0
11.	Provision for taxation	10.32	43.66	(0.01)	0
12.	Profit after taxation	29.44	146.46	(2.23)	0
13.	Proposed Dividend	0	0	0	0
14.	% of shareholding	74.13	56.33	76	100

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

1. Names of subsidiaries which are yet to commence operations - Quality Care Jharsuguda Private Limited

2.Names of subsidiaries which have been liquidated or sold during the year – None

Part "B": Associates and Joint Ventures

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

Name of associates/Joint Ventures	Quality Care Health Services India Private Limited
1. Latest audited Balance Sheet Date	31-March-2022
2. Shares of Associate/Joint Ventures held by the company on the year end	5000
Amount of Investment in Associates/Joint Venture	5,000
Extend of Holding%	50%
3. Description of how there is significant influence	Control over composition of Board
4. Reason why the associate/joint venture is not consolidated	Operations of the company not yet started
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Not Applicable
6. Profit/Loss for the year	Not Applicable
i. Considered in Consolidation	
ii. Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations.- Quality Care Health Services India Private Limited
2. Names of associates or joint ventures which have been liquidated or sold during the year.- None

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified

For and on behalf of the Board

Mr. Massimiliano Colella
Director
DIN: 08729468
Date: 25.08.2022
Place: Dubai, UAE

Quality Care India Limited Hyderabad

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303
Date: 25.08.2022
Place: Hyderabad, India

ANNEXURE II

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

There are no contracts or arrangements or transactions which were not on arm's length basis

2. Details of material contracts or arrangement or transactions at arm's length basis:

S. No	Description	Details of the Contracts				
i	Name(s) of the related party and nature of relationships	Asia Healthcare Holdings Advisory LLP.	Akna Medical Private Limited	Evercare Group Management Limited	Galaxy Care Multispeciality Hospital Private Limited	India Medtronic Private Limited
ii	Nature of contracts/arrangements/transactions	Enterprise where Director is interested – Ankur Thadani	Enterprise where Director is interested – Mahadevan Narayanamoni	Enterprise where Director is interested – Massimiliano Colella	Subsidiary Company	Enterprise where Director is interested – Madan Rohini Krishnan
iii	Duration of the contracts / arrangements/transactions	July 2021 Onwards till Project completion date	On-going transaction	On-going transaction	From 1 April 2021 to 31 December 2021.	On-going transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Availing of Project Management Consultancy Services	Purchase of consumables	Professional Services rendered by QCIL	Sale and Purchase of goods (vaccination)	Purchase of capital goods/implants/drugs pharmacy etc.
v	Date(s) of approval by the Board, if any	None, Approved by audit committee on 24/08/2021	30/03/2022	30/03/2022	30/03/2022	30/03/2022
vi	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

Mr. Massimiliano Colella
Director
DIN: 08729468
Date: 25.08.2022
Place: Dubai, UAE

Mr. Jasdeep Singh
Director & Group CEO
DIN: 02705303
Date: 25.08.2022
Place: Hyderabad, India

Quality Care India Limited Hyderabad

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIALYEAR 2021-22

1. **Brief outline on CSR Policy of the Company:** Corporate Social Responsibility (CSR) is the Company's commitment to its stakeholders to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical.

   The Company is committed to undertake CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 read with relevant Rules.

   The Company believes that corporate development has to be inclusive and every corporate has to be responsible for the development of a just and humane society that can build a national enterprise. The Company commits itself to contribute to the society in ways possible for the organization

   AIMS & OBJECTIVES

   - To develop a long-term vision and strategy for Company's CSR objectives (Long term and otherwise)
   - Establish relevance of potential CSR activities to Company's core business and create an overview of activities to be undertaken, in line with Schedule VII of the Companies Act, 2013.
   - Company shall promote projects that are :

     (a) Sustainable and create an impact both long term and otherwise;

     (b) Have specific and measurable goals in alignment with Company's philosophy;

     (c) Address the most deserving cause or beneficiaries.

   - To establish process and mechanism for the implementation and monitoring of the CSR activities for Company.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Kewal Kundanlal Handa	Chairman/Non-Executive Independent Director	1	1
2	Ms. Ekta Bahl	Member/Non-Executive Independent Director	1	1
3	Mr. Arunprakash Srinivasarao Korati	Member/Non-Executive Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. - https://www.carehospitals.com/csr-policy

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – **Not applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any - **NIL**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	-	-	-
2	-	-	-
3	-	-	-
	TOTAL	-	-

6. Average net profit of the company as per section 135(5) – **Rs. 2,60,60,238/-**

7. (a) Two percent of average net profit of the company as per section 135(5) - **Rs. 5,21,205/-**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. **- Nil**

   (c) Amount required to be set off for the financial year, if any - **Nil**

   (d) Total CSR obligation for the financial year (7a+7b-7c) – **Rs. 5,21,205/-**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 5,21,205/-	NA	NA	Nil	Nil	Nil

(b) Details of CSR amount spent against **ongoing projects** for the financial year: **Nil**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Telangana Sikh Society	Eradicating hunger, poverty and malnutrition	Yes	Telangana	Hyderabad	5,21,205/-	No	Telangana Sikh Society	CSR00024103
	TOTAL					**5,21,205/-**			

(d) Amount spent in Administrative Overheads- **Nil**

(e) Amount spent on Impact Assessment, if applicable – **Not applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 5,21,205/-

(g) Excess amount for set off, if any – **Nil**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 5,21,205/-
(ii)	Total amount spent for the Financial Year	Rs. 5,21,205/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or	Nil
(v)	Amount available for set off in succeeding financial years	Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Nil**

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the Reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.							
2.							
3.							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s): **Nil**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year - **NA**

    (asset-wise details).

    (a) Date of creation or acquisition of the capital asset(s).

    (b) Amount of CSR spent for creation or acquisition of capital asset.

    (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

    (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – NA**

Mr. Jasdeep Singh **Director & Group CEO** **(DIN: 02705303)**	**Ekta Bahl** **(Chairman CSR Committee)**

Quality Care India Limited Hyderabad

Annexure IV

Secretarial Audit Report

rvr & associates
company secretaries

Form No. MR-3

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

To,
The Members,
Quality Care India Limited
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Quality Care India Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s **Quality Care India Limited** and relied on the information, explanations provided by the management and its officers for the financial year ended on **31st March, 2022** according to the provisions of:

(i) The Companies Act, 2013 ("the Act") and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; - **Not Applicable**.
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, and External Commercial Borrowings -.;
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (`SEBI Act') viz.:-
    (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **Not Applicable**

Door No. 1-10-18, Flat # G1-1st Floor, Lakshmi Sri Park View Apartments,
Near Ashok Nagar Circle, Ashok Nagar, Hyderabad - 500020 Telangana, India
+91 40-2761 2478 +91 98491 27199
rvrassociates@gmail.com www.csrvrassociates.com

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015; - **Not Applicable**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - **Not Applicable**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ SEBI (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; – **Not Applicable**.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **Not Applicable**

(vi) (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – **Not Applicable.**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with effect from July 01, 2015.

(ii) The Listing Agreements entered into by the Company with Stock Exchange - **Not Applicable**.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors have taken place during the period under review.

a. Adequate notice was given to all directors to schedule the Board/ Committee Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

b. During the period under review, resolutions were carried through majority. As confirmed by the Management, there were no dissenting views expressed by any of the members on any business transacted at the meeting held during the period under review.



c. Based on the information, documents provided and the representations made by the Company, its officers during our audit process and also on review of the compliance of provisions of the applicable Acts, in our opinion , there are adequate systems and processes exists in the Company to commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

d. The compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to review by statutory auditors and other professionals.

We further report that during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines;

A. Other major events:

1. Mr. Vaughan Erris Firman has resigned as Director of the Company w.e.f 04.02.2022.

2. Mr. Jasdeep Singh has been Appointed as Director of the Company at the AGM held on 28.09.2021.

3. The Company has Increased its Authorized Share Capital from Rs. 79,50,00,000 to Rs. 95,00,00,000 divided into

   a. 7,95,00,000 Equity shares of Rs. 10/- (Rupees Ten Only) each.

   b. 1,55,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- (Rupees Ten Only each.

   by passing Special Resolution in the Extra Ordinary General Meeting held on 25.03.2022.

4. The Company has Altered Clause V i.e., Capital Clause of Memorandum of Association (MOA) in accordance with the provisions of Companies Act, 2013.

5. The Company has Altered its Articles of Association (AOA) for inclusion of Article 2.12 i.e., Compulsorily Convertible Preference Shares in accordance with the provisions of Companies Act, 2013.

6. The Company issued 99,50,000 (Ninety Nine Lakh Fifty Thousand Only) 0.001% Compulsorily Convertible Preference shares of Rs. 10/- each at a price of Rs. 452.30/- including a premium of Rs. 442.30/- per 0.001% Compulsorily Convertible Preference shares aggregating to Rs. 4,500,385,000/- (Rupees Four Hundred & Fifty Crores Three Lakhs and Eighty Five Thousand Only) for cash through private placement on 25.03.2022.

7. The Company has discontinued the 'Employee Stock Option Sheme-2013' and 'Share Warrant Scheme-2016' by passing Special Resolution in the Extra Ordinary General Meeting held on 25.03.2022.

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

8. The Company was in default in filling up the vacancy created by resignation of Company Secretary on 06.01.2020. The vacancy ought to have been filled on or before 05.07.2020. The Company appointed Company Secretary on 21.01.2021 and hence had violated the provisions of Section 203(4) of the Companies Act, 2013. However the Company has rectified the non-compliance by filing Compounding Application and received order from the Regional Director, SE Region, Hyderabad approving the Compounding on 11.05.2022.

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000



Date: 25/08/2022
Place: Hyderabad

G.V.S Ravi Kumar
Associate Partner
C P No: 17178
PR. No. 1242/2021
UDIN : F008529D000849160

Note: This report is to be read with our letter of even date which is annexed as **'Annexure'** and forms an integral part of this report.

'Annexure'

To,
The Members,
Quality Care India Limited
Hyderabad

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

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, secretarial standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment Laws and Data protection policy.
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.
9. Under the situation of COVID-19 Pandemic prevailing during the period when the audit was conducted for the year 2021-22, all the documents, records and other information were verified and checked electronically as provided by the management.
10. We further report that during the audit report there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulation, guidelines, standards, etc.
11. We further report that, the Company has identified the following Industry specified laws which are applicable to them:
    (a) The Drug and Cosmetic Act, 1945 and Rules
    (b) The Drug and Magic Remedies Act, 1954
    (c) Narcotic Drugs and Psychotropic Substances Act, 1985
    (d) The Hazardous Waste (Management & Handling) Rules 1989 under the Environment Protection Act, 1986

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

Door No. 1-10-18, Flat # G1-1st Floor, Lakshmi Sri Park View Apartments,
Near Ashok Nagar Circle, Ashok Nagar, Hyderabad - 500020 Telangana, India
+91 40-2761 2478 +91 98491 27199
rvrassociates@gmail.com www.csrvrassociates.com

(e) The Pharmacy Act, 1948
(f) Bio-Medical Waste (Management and Handling) Rules, 1998
(g) Food Safety and Standards Act, 2016 and rules

12. We further report that, the Company has identified the following general laws which are applicable to them:

I. The Minimum Wages Act,1948
II. The Payment of Wages Act, 1936
III. The Employees' Provident Funds & Misc. Provisions Act 1952 and E.P.F Scheme 1952
IV. The Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations 1950
V. The Payment of Gratuity Act 1972 and The A.P. Payment of Gratuity Rules, 1972
VI. The Contract Labour (Regulation and Abolition) Act, 1970
VII. The Employment Exchanges (Compulsory Notification of vacancies) Act, 1959
VIII. The National Festival and Other Holidays Act, 1974
IX. The Maternity Benefit Act, 1961
X. The Payment of Bonus Act, 1965
XI. The Shops & Establishment Act, 1988
XII. The Labour Welfare Fund Act, 1987
XIII. The Equal Remuneration Act, 1976
XIV. The Child Labour(Regulation & Prohibition) Act, 1986
XV. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
XVI. The Workmen Compensation Act
XVII. The Employee Compensation Act, 1923
XVIII. The Motor Vehicle Act, 1988

For RVR & Associates
Company Secretaries
PR. No. P2015TL082000

RVR & ASSOCIATES COMPANY SECRETARIES
G.V.S. Ravi Kumar
Associate partner
C.P. No: 17178
HYDERABAD

Date: 25/08/2022
Place: Hyderabad

G.V.S Ravi Kumar
Associate Partner
C P No.: 17178
PR. No. 1242/2021
UDIN : F008529D000849160

Annexure V to Director's Report - 2022

CORPORATE GOVERNANCE REPORT

Company's Philosophy on Corporate Governance

Corporate governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled such that it can fulfil its goals and objectives in a manner that adds to the value of the company and is also beneficial for all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the board of directors, management, shareholders to customers, employees and society. The management of the company hence assumes the role of a trustee for all the others.

Board of Directors Composition

The Company has an optimum combination of executive and non-executive directors. The Board comprises of One Executive Director, Two Non-Executive Independent director and Six Non-Executive Directors. The composition of the Board is as follows:

Name of the Director	Director Identification Number (DIN)	Category of Directorship	Whether attended the AGM on 28/09/2021
Mr. Arunprakash Srinivasarao Korati	00027783	Non-Executive Director	No
Mr. Kewal Kundanlal Handa	00056826	Independent Non-Executive Director	No
Mr. Vishal Bali	01457380	Non-Executive Director	No
Mr. Ankur Nand Thadani	03566737	Non-Executive Director	No
Mr. Mahadevan Narayanamoni	07128788	Non-Executive Director	No
Mr. Madan Rohinikrishnan	07426734	Non-Executive Director	No
Ms. Ekta Bahl	01437166	Independent Non-Executive Director	Yes
Mr. Massimiliano Collela	08729468	Non-Executive Director	No
Mr. Vaughan Erris Firman[1]	08787748	Non-Executive Director	No
Mr. Jasdeep Singh	02705303	Executive Director	Yes

[1] Resigned w.e.f.04th February 2022

Board Meetings

The Board Meetings are conducted in accordance with the provisions of the Companies Act 2013, the rules made thereunder and Secretarial Standard for Meeting of Board of Directors issued by the Institute of Company Secretaries of India. The attendances of the Directors in the said Board Meetings are as follows:

Attendance of Directors at the Board meetings held during the financial year 2021-22								
S. No.	**Director's name**	**24-05-21**	**24-08-21**	**28-10-21**	**13-12-21**	**17-03-22**	**24-03-22**	**30-03-22**
1	Arunprakash Srinivasarao Korati	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES	YES (VC)
2	Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
3	Vishal Bali	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES	YES (VC)
4	Ankur Nand Thadani	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	LOA
5	Mahadevan Narayanamoni	YES (VC)	YES	YES (VC)	YES (VC)	YES (VC)	YES	YES (VC)
6	Madan Rohini Krishnan	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)
7	Ekta Bahl	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES	YES (VC)
8	Massimiliano Colella	YES (VC)	YES (VC)	LOA	YES (VC)	YES (VC)	YES	LOA
9	Vaughan Erris Firman*	YES (VC)	YES (VC)	YES (VC)	YES (VC)	NA	NA	NA
10	Jasdeep Singh	YES (VC)	YES	YES	YES	YES	YES	YES

(VC=video conferencing; LOA – Leave of absence)
*Resigned w.e.f. 04.02.2022

BOARD COMMITTEES

The Board has constituted the following committees:

1. AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted in line with the provisions of section 177 of the Companies Act 2013.

The terms of reference of the Committee are as follows and the Audit committee charter is annexed as Annexure -1:

a. To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.

b. To review and monitor auditor's independence and performance and effectiveness of the audit process.

c. To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.

d. To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.

e. To approve transactions or any subsequent modification of transactions of the Company with related parties.

f. To scrutinize the loans and investments by the Company, if any.

g. To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.

h. To recommend the appointment, scope and terms of appointment of the valuers of the Company

i. To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.

j. To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.

k. To monitor end use of funds raised through Public offers and related matters.

l. To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

The Audit Committee charter of the company is enclosed as **Annexure AC 1.**

Present composition of the audit committee after recent re-constitution of the committee during the year under review:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 17.03.2022

The changes in composition of the Committee during the year under review and the attendance details are as follows:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
3	Mr. Vaughan Erris Firman	Non-Executive Director	Appointed w.e.f. 31st July 2020 and Resigned w.e.f. 04.02.2022
4	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the audit committee meetings held during the financial year 2021-22			
S. No.	**Name of the member**	**24/08/2021**	**13/12/2021**
1	Mr. Kewal Kundanlal Handa	YES (VC)	YES (VC)
2	Ms. Ekta Bahl	YES (VC)	YES (VC)
3	Mr. Vaughan Erris Firman	YES (VC)	YES (VC)
4	Mr. Mahadevan Narayanamoni	NA	NA

2. OPERATING COMMITTEE:

The Operating Committee is constituted for the operational effectiveness of the Company. The following are the terms of reference of the committee:

I. To review the performance of the Company on a periodic basis;

II. To borrow monies in terms of Section 179 of the Companies Act, 2013 not exceeding Rs.5 crores (Rupees Five Crores only) outstanding at any point of time;

III. To authorize the executives to file legal cases in the ordinary course of business;

IV. To authorize the executives of the Company to represent and make application / representation before various statutory authorities like Central Government, State Government, Municipal and local bodies;

V. To operate any account (s) with such Bank or Banks as the Board may elect to sign, draw, accept, endorse or otherwise execute all cheques, promissory notes, drafts, hundis, orders, bills of exchange, bills of lading, Bank Guarantee and other negotiable instruments to make and give receipts, release and other discharges for monies payable to the Company and for the claims and demands of the Company to make contracts and to execute deeds in connection with the operations of the Company;

VI. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debt due and of claims or demands by or against the Company and to appoint solicitors, advocates, counsel and other legal advisors for such purpose or for any other purposes and settle and pay their remunerations;

VII. Such other terms of the reference as may be decided by the Board of Directors from time to time; and

VIII. Such other matters falling under the prevalent delegation of authority as approved by Board from time to time

The composition of the Operating Committee and the attendance details for the meetings held during the year are as follows:

Present composition of the Operating committee after re-constitution of the committee during the financial year 2021-22:

S.No	Name	Designation	Remarks
1	Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Mr. Jasdeep Singh	Director & Group CEO	Appointed w.e.f. 19.10.2020
3	Mr. Massimiliano Colella	Non-Executive Director	Appointed w.e.f. 17.03.2022

The changes in composition of the Committee during the year under review and the attendance details are as follows:

Name of the Director	Category of Directorship	Remarks
Mr. Mahadevan Narayanamoni	Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Vaughan Erris Firman	Non-Executive Director	Appointed w.e.f. 31.07.2020 & Resigned w.e.f. 04.02.2022
Mr. Jasdeep Singh	Director & Group CEO	Appointed w.e.f. 19.10.2020
Mr. Massimiliano Colella	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the Operating committee meetings held during the financial year 2021-22												
Operating Committee	22-04-21	31-05-21	24-06-21	22-07-21	26-08-21	23-09-21	28-10-21	30-11-21	16-12-21	27-01-22	21-02-22	24-03-22
Mahadevan Narayanamoni	YES	YES (VC)	YES	YES	YES (VC)	YES	YES (VC)	YES	LOA	YES (VC)	YES	YES
Vaughan Erris Firman (Resgn w.e.f. 04.02.2022)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	YES (VC)	NA	NA
Jasdeep Singh	YES	YES (VC)	YES	YES	YES	YES	YES	YES	YES	YES (VC)	YES	YES
Massimiliano Colella (Member w.e.f 17.03.2022)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	YES	YES

3. NOMINATION & REMUNERATION COMMITTEE:

The Company has a Nomination & Remuneration Committee.

The terms of reference of the committee are as follows:

The Committee shall:

i. Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

ii. Identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfill the role of director of the Company.

iii. specify the manner for effective evaluation of performance of Board, its committees and individual directors

The Nomination & Remuneration Committee Charter of the company is enclosed as **Annexure NRC 2**.

Present composition of the NRC after recent re-constitution of the committee during the financial year under review is as follows:

S.No	Name	Designation	Remarks
1	Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
2	Mr. Vishal Bali	Non-Executive Director	Appointed w.e.f. 21.06.2019
3	Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
4	Mr. Arunprakash Srinivas Rao Korati	Non-Executive Director	Appointed w.e.f. 17.03.2022

The changes in composition of the Committee during the year under review and the attendance details are as follows:

Name of the Director	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Vishal Bali	Non-Executive Director	Appointed w.e.f. 21.06.2019
Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 17.12.2019
Mr. Vaughan Errirs Firman	Non-Executive Director	Appointed w.e.f 31.07.2020 and Resigned w.e.f. 04.02.2022
Mr. Arunprakash Srinivas Rao Korati	Non-Executive Director	Appointed w.e.f. 17.03.2022

Attendance of members at the meetings of NRC held during the Financial year 2021-22				
S. No.	**Members**	**19/04/2021**	**24/05/2021**	**13/12/2021**
1	Mr. Kewal Kundanlal Handa	YES (VC)	YES (VC)	YES (VC)
2	Mr. Vishal Bali	YES (VC)	YES (VC)	YES (VC)
3	Ms. Ekta Bahl	YES	YES (VC)	YES (VC)
4	Mr. Vaughan Erris Firman	YES (VC)	YES (VC)	YES (VC)
5	Mr. Arunprakash Srinivas Rao Korati	NA	NA	NA

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has a Corporate Social Responsibility Committee pursuant to the provisions of section 135 of the Companies Act 2013. The Committee functions according to the Corporate Social Responsibility Policy of the Company which is available on the website of the Company.

Web address:

https://www.carehospitals.com/csr-policy

Present composition of the CSR committee is as follows:

Name of the Member	Category of Directorship	Remarks
Mr. Kewal Kundanlal Handa	Independent Non-Executive Director	Appointed w.e.f. 21.06.2019
Mr. Arunprakash Srinivasarao Korati	Non-Executive Director	Appointed w.e.f. 21.06.2019
Ms. Ekta Bahl	Independent Non-Executive Director	Appointed w.e.f. 23.03.2020

There were no changes in composition of the Committee during the year under review and the attendance details are as follows:

Attendance of members at the CSR committee meeting held during the financial year 2021-22		
S. No.	**Members**	**30/03/2022**
1	Mr. Kewal Kundanlal Handa	YES (VC)
2	Ms. Ekta Bahl	YES (VC)
3	Mr. Arunprakash Srinivasarao Korati	YES (VC)

INDEPENDENT DIRECTOR'S MEETING:

The details of the meeting of Independent Directors of the Company held during the year under review are:

Attendance of members at the Independent Directors meeting held during the financial year 2021-22		
S. No.	**Members**	**30/03/2022**
1	Mr. Kewal Kundanlal Handa	YES (VC)
2	Ms. Ekta Bahl	YES (VC)

GENERAL BODY MEETINGS:

The details of previous three years Annual General Meetings are as follows:

Year	Date And Time	Whether Special resolutions passed
2020-21	28th September, 2021 @ 2:30 PM	Yes
2019-20	24th September, 2020 @ 2:00 PM	No
2018-19	23rd September 2019 @ 3:00 PM	No

The Annual General Meeting held for the FY 2018-19 was held at the Corporate office of the Company PACE, #8-2-595/2/B, Care Convergence Centre, Road No. 10, Banjara Hills, Hyderabad – 500034.

The Annual General Meeting for FY 2019-20 and FY 2020-21 was held through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at the Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

POSTAL BALLOT:

There was no business required to be transacted through postal Ballot during the financial year 2021-22

Annual General Meeting:

AGM Date, time and venue : 28th September, 2022 at 01:00 PM through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility at Board Room, Corporate Office, 1st Floor, Kohinoor building, Road No 2, Banjara Hills, Hyderabad -500034 Telangana

Financial Calendar 1st April to 31st March

International Securities Identification Number (ISIN) -

1) Equity Shares - INE108N01016
2) 0.001% Compulsorily Convertible Preference Shares – INE108N03012
3) 0.001% Compulsorily Convertible Preference Shares – INE108N03020

SHAREHOLDER INFORMATION

Address for Correspondence

All shareholders' correspondence should be forwarded to M/s. Venture Capital and Corporate Investments Private Limited, the Registrar and Transfer Agent of the Company or to the Compliance officer/Investor relation officer at the addresses mentioned below:

Registrar and Share Transfer Agent

Venture Capital and Corporate Investments Private Limited

12-10-167, Bharat Nagar,
Hyderabad-500 018
Tel: +91-40-23818475/76
Fax: +91-40-23868024
Email: info@vccipl.com

Compliance officer/Investor relation officer

Mrs. Gayathri Chandramoulieswaran
Company Secretary

Company Secretary Department
H.NO.8-2-120 / 86 / 10, 10A, 11, 11A, 11B, 11C, & 11D
1st Floor, GVK Kohinoor Building (New Star Maa Building)
Road No. 2, Banjara Hills,
Hyderabad - 500034
Opp. Park Hyatt hotel, near: L V Prasad Eye hospital
Phone: 040-68106565
Fax: 040-39116019
Email: cs.office@carehospitals.com

Change of address:

Members holding equity shares in physical form are requested to notify the change of address, if any, to the company's Registrar and Transfer agent, at the address mentioned above.

Share Transfer System:

All share transfers can be effected only in dematerialisation form. All shareholders are requested to immediately initiate the process for converting physically held shares into Dematerialisation form.

Investor Safeguards:

In order to serve you better and enable you to avoid risks while dealing in securities. You are requested to follow the general safeguards as detailed hereunder:

Update your address:

To receive all communication promptly, please update your address registered with the Company.

Consolidate your multiple folios:

Members are requested to consolidate their shareholding held under multiple folios to save them from the burden of receiving multiple communications.

Register Nomination:

To help your successors get the share transmitted in their favour, please register your nomination. Member(s) desirous of availing this facility may submit nomination in Form 2B (Enclosed) Member(s) holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

Prevention of Frauds:

We urge you to exercise due diligence and notify us of any change in address / stay in abroad or demise of any shareholder as soon as possible. Do not leave your demat account dormant for long. Periodic statement of holding should be obtained from the concerned DP and holding should be verified.

Confidentiality of Security Deposits:

Members are requested not to disclose their Folio No. DP ID / Client ID or to handover signed blank transfer deeds / delivery instruction slip to any unknown person.

Green Initiative:

Pursuant to Circular No. 17/2011 dated 21st April, 2011 and Circular No. 18/2011 dated 29th April, 2011, Ministry of Corporate Affairs (MCA) has launched "Green Initiative in Corporate Governance" whereby the companies are allowed to send notices, documents and other communication to the shareholders in electronic mode.

Your Company encourages its shareholders to support the "Green Initiative" by registering their email addresses and intimate changes in the email address from time to time.

For and on behalf of the Board

Mr. Massimiliano Colella	**Mr. Jasdeep Singh**
Director	**Director & Group CEO**
DIN: 08729468	**DIN: 02705303**
Date: 25.08.2022	**Date: 25.08.2022**
Place: Dubai, UAE	**Place: Hyderabad, India**

Annexure AC-1

QUALITY CARE INDIA LIMITED

CHARTER

AUDIT COMMITTEE OF BOARD OF DIRECTORS

I. Authority and Purpose

A. The Board of Directors ("**Board**") of Quality Care India Limited or its Subsidiaries or Associates Company (the "**Company**") constituted an Audit Committee ("**Committee**") to assist the Board in fulfilling its statutory and fiduciary responsibility:

- To recommend the appointment, remuneration and terms of appointment of auditors (including internal auditors) of the Company.
- To review and monitor auditor's independence and performance and effectiveness of the audit process.
- To review the non-audit services, if any, being provided by the statutory auditors to the company or its related entities.
- To review the financial statements and auditor's report before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
- To approve transactions or any subsequent modification of transactions of the Company with related parties.
- To scrutinize the loans and investments by the Company, if any.
- To review and oversee the Valuation of undertakings or assets of the Company, wherever it is necessary.
- To recommend the appointment, scope and terms of appointment of the valuers of the Company
- To oversee the Company's financial reporting, internal and external audit requirements, evaluation of internal financial controls and risk management systems.
- To monitor the Company's compliance with external laws and regulations, and internal policies including its code of ethics.
- To monitor end use of funds raised through Public offers and related matters.
- To oversee the efficient functioning of the internal audit department and review its reports. The Committee will additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

As such, the Committee exercises the authorities and powers delegated to it and the powers imposed by law, regulations and/or regulatory authorities within the jurisdiction.

B. Members of the Committee should be conversant with the various responsibilities placed upon them by Section 177 of the Act and rules made there under and as amended from time to time. The relevant extracts of Section 177 of the Act are included in **Appendix 1.**

C. The Committee shall comply with the various provisions, regulations or guidelines as may be applicable and amended from time to time. Further, the Committee shall review and update this Charter once in the financial year, to give effect to such amendments and recommend the revised Charter to the Board for its approval.

D. This amended Charter shall substitute and supersede all previous Charters of the Committee.

II. Constitution of the Committee

A. *Size of the Committee*: The Committee shall consist of at least three (3) members ("**Members**") and shall only comprise Directors from the Board. At all times, majority shall be of the Independent Directors.

B. *Appointment and removal of Members*: The Members will be appointed by the Board and will continue until their successors are duly appointed by the Board. The majority of members of the Audit Committee including its Chairperson shall be persons with ability to read and understand financial statements.

In the event of any amendment to the Companies Act and rules made there under, the composition of the Committee will be amended accordingly to ensure compliance with the amendments.

C. *Election of a Chairperson*: The Members shall elect a Chairperson of the Committee ("**Chairperson**") from among themselves from time to time, by a majority vote. The Board shall formally appoint the Chairperson of the Committee.

D. *Appointment of a Committee Secretary*: The Company Secretary shall act as the Secretary of the Committee ("**Committee Secretary**") but shall not be a Member. The Committee Secretary shall be responsible to provide support to the Committee members in his/her role and to ensure proper execution of the required processes.

E. *Invitees to the Committee*: Subject to the approval by the Chairperson, the Committee may invite members of the management as it considers necessary to be present at the Meetings of the Committee but such executives shall have no voting rights.

F. *Key Managerial Personnel*: The Key Managerial Personnel shall have a right to be heard at the Meetings but shall have no voting rights, when the Committee considers the auditor's report.

G. *Qualification of the Members and the Chairperson*: All Members shall be financially literate and at least one Member shall have accounting or related financial management expertise. The Chairperson shall be an independent non-executive director of the Board and shall be a person with a strong financial analysis background.

H. *Independence*: The Committee should be constituted to ensure its independence and objectivity.

III. Role of the Committee

A. The responsibilities of the Committee is to carry out the purpose laid down in Section I of this Charter. These responsibilities should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional or different policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions.

B. To act as a Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.

C. The Committee shall also have such further powers as may be delegated to it by the Board from time to time, in relation to the purpose of the Committee as outlined in Section I of this Charter.

D. The responsibilities of the Committee, as prescribed under the Act and rules made there under, and other delegations as prescribed by the Board of Directors.

IV. Powers of the Committee

A. The recommendations of the Committee, on any matter relating to financial management, including the audit report, shall be reported to the Board.

B. In performance of its responsibilities and obligations described in Section I and Section III, the powers of the Committee shall include the following:

i. The right to ask a member of the management of the Company who is responsible for an area commented upon on reports presented to the Committee, to be present when the Committee reviews such report.

ii. Investigate any matter in relation to its roles and responsibilities, to items specified in Section 177(4) or referred to it by the Board.

iii. Seek information from any employee of the Company.

iv. Have full access to information contained in the records of the Company and obtain outside legal or other professional advice if necessary.

v. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and about their review of the financial statements before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.

vi. Have oversight on the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the insurer, whether raised by the auditors or by any other person.

C. The Committee shall accord omnibus approval to the related party transactions, which are in ordinary course of business and are at arm's length basis, as detail in the Related Party Policy of the Company.

V. Proceedings of the Committee Meetings

A. *Frequency of Meetings*: The Committee shall meet at least two times every year. The Committee may meet as often as it deems necessary or appropriate in its judgment, in person or audio visual, and at such times and places as the Committee determines.

B. *Quorum*: The quorum for a Meeting shall be either two (2) Members or one third (1/3rd) of the Members whichever is greater. The quorum shall comprise of at least two (2) Members, with one (1) Member representing the JV Partner, present in person or through video conferencing or by other audio visual means.

C. *Notice:* All notices to be issued by the Committee will be in accordance with the Act.

D. *Voting*: Each Member shall have one (1) vote and all matters submitted to the Committee for approval shall require approval of a majority of the Members present and voting. Non-Members shall have no voting rights.

E. *Non-Members*: Subject to the approval by the Chairperson, the Committee may invite non-Members to the Meetings to attend and to participate at the Meetings, but such non-Members shall have no voting rights.

F. *Invitees*: The Company's Chief Executive Officer, Chief Financial Officer and shall be permanent invitees to the Meetings of the Committee but shall have no voting rights. Any of the key managerial personnel of the Company shall have a right to be heard in the meetings of the Audit Committee but shall not have the right to vote.

G. *Statutory Auditors*: The statutory auditors of the Company shall attend and participate in the Committee Meetings convened for the purpose of approving annual (audited) financial statements, but shall have no voting rights. The statutory auditors shall have access to the Board through the Committee.

H. *Executive Session*: The Committee has the right to hold private sessions with the management, the Directors or the external and internal auditors, as required by applicable law, regulation, and in such other circumstances as the Committee may deem appropriate.

I. *Circulation of agenda, supporting papers and resolutions*: The agenda papers along with requisite supporting documents and resolution shall be sent to all Members at least seven (7) days before the Meetings. A resolution proposed to be passed by circulation should be sent, together with necessary papers, to all the Members.

J. *Minutes*: In accordance with the Board protocols, the minutes of the Committee Meetings shall be completed within fifteen (15) days of such Meeting and shall be circulated to all Members and other relevant personnel as deemed necessary by the Committee.

K. *Necessary support*: The Company's Secretary shall provide the necessary support and assistance for conducting the Committee Meetings.

L. *Reporting to the Board*: The Chairperson shall present to the Board an update on the Committee Meetings.

M. *Annual General Meeting*: The Chairperson of the Committee shall attend the Annual General Meetings of the Company to provide any clarifications on audit-related matters.

VI. Disclosure

A. The Committee will disclose in the Company's Director Report whether or not, with respect to the concerned fiscal year:

i. The management has reviewed the audited financial statements with the Committee, including a discussion of the appropriateness of the accounting principles as applied and significant judgments affecting the Company's financial statements.

ii. The independent auditors have discussed with the Committee their judgment of the appropriateness of those principles as applied and judgments referred to the above, under the circumstances.

iii. The Members have discussed among themselves without the management or the independent auditors being present, the information disclosed to the Committee.

iv. There are any material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Director's report.

v. The internal financial controls are adequate.

B. To the extent required by the law, the Committee shall ensure that the following items are disclosed in the annual report:

i. Number of Meetings held in a financial year.

ii. The composition of the mandated committees, setting out the name, qualification, field of specialization, status of directorship held.

iii. Number of Meetings attended by the Directors and Members.

iv. Details of the remuneration paid, if any, to Independent Directors.

v. Where the Board has not accepted any recommendation of the Audit Committee, the same shall be disclosed in the annual report along with the reasons thereof.

Appendix 1: Extracts from Companies Act 2013

177. Audit Committee

1. The Board of Directors of every listed Company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee.
2. The Audit Committee shall consist of a minimum of three Directors with Independent Directors forming a majority: Provided that majority of Members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.
3. Every Audit Committee of a Company existing immediately before the commencement of this Act shall, within one year of such commencement, be reconstituted in accordance with sub-section (2).
4. Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, *inter alia,* include, —
   i. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
   ii. review and monitor the auditor's independence and performance, and effectiveness of audit process;
   iii. examination of the financial statement and the auditors' report thereon;
   iv. approval or any subsequent modification of transactions of the Company with related parties;
   v. scrutiny of inter-corporate loans and investments;
   vi. valuation of undertakings or assets of the Company, wherever it is necessary;
   vii. evaluation of internal financial controls and risk management systems;
   viii. monitoring the end use of funds raised through public offers and related matters.
5. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
6. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in sub-section (4) or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
7. The auditors of a Company and the key managerial personnel shall have a right to be heard in the Meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
8. The Board's report under sub-section (3) of section 134 shall disclose the composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefore.
9. Every listed Company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed.
10. The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Provided that the details of establishment of such mechanism shall be disclosed by the Company on its website, if any, and in the Board's report.

Annexure NRC-2

QUALITY CARE INDIA LIMITED
Nomination & Remuneration Committee Charter

Quality Care India Limited

("the Company")

NOMINATION & REMUNERATION COMMITTEE CHARTER

("the Committee")

TERMS OF REFERENCE

1. CONSTITUTION

The Committee is constituted as a Nomination and Remuneration Committee of the board in terms of the section 178 and other applicable provisions, if any, of the Companies Act, 2013, the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with the relevant articles of the Articles of Association of the Company.

2. PURPOSE

The purpose of the Committee is to provide an independent and objective body that will:

(a) Formulate criteria for determining qualifications, positive attributes and Independence of Director and recommend to the Board on the remuneration policies and practices for the Directors, Key Managerial personnel, senior management of the Company and its subsidiaries ("the Group") in general; and

(b) identify persons who are qualified to be Director, Key Managerial personnel or senior management personnel and make recommendations to the Board for their appointment and removal for the purpose of composition of the board and board Committees and to ensure that the board of directors consists of individuals who are equipped to fulfil the role of director of the Company.

(c) specify the manner for effective evaluation of performance of Board, its committees and individual directors

3. MEMBERSHIP/QUORUM

3.1 The Committee shall be constituted by the board from among the non-executive directors, provided it shall consist of three or more non-executive director out of whom at least half of the members of Independent Directors. The members as a whole must have sufficient qualifications and experience to fulfil their duties. The Chairperson of the Company (whether executive or non-executive may be the member of the Committee. However, he shall not be Chairperson for this committee.

3.2 Notwithstanding the above, the board shall have the power at any time to reconstitute the Committee including removing any members from the Committee and to fill any vacancies so created

3.3 The board shall, from time to time, review and revise the composition of the Committee, taking into account the need for an adequate combination of skills and knowledge.

3.4 Provision shall be made for an induction programme and suitable training for all members of the committee.

3.5 The company secretary or a person approved by the Chairman shall act as secretary to the Committee.

4. MEETINGS

4.1 Attendance

- A quorum of the meeting of the Committee shall be higher of two (2) Members or one-third (1/3) of the Members of the Committee.
- The chief executive officer, the chief financial officer, chief operating officer, chief medical officer and head of human resources or other members of senior management as may be required shall be in attendance at meetings of the Committee (as invitees) and shall have unrestricted access to the chairperson or any other member of the Committee as is required in relation to any matter falling within the remit of the Committee. Other board members may also attend at the invitation of the Committee. Such Invitees shall have no voting rights.
- In the absence of the chairman of the Committee and/or an appointed deputy, the remaining members present shall elect among themselves a Chairman of the meeting subject to the other clauses of this terms of reference
- Suitably qualified persons may be co-opted onto the Committee when necessary to render such specialist services as may be necessary to assist the Committee in its deliberations on any matter but shall have no voting rights.
- No invited attendee shall have a vote at the meetings of the Committee.

4.2 Frequency of meetings

- Meetings of the Committee shall be held as frequently as the Committee, in consultation with the company secretary, considers appropriate, but it shall normally meet not less than twice (2) a year. Sufficient time should be allowed to enable the Committee to undertake a full discussion as may be required and a sufficient interval should be allowed between Committee meetings and board meetings to allow for the Committee to undertake such work as is necessary in preparation for each board meeting. Further meetings may be called by the board or any member thereof, including all members of the Committee.

5. PROCEEDINGS

5.1 The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three-year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.

5.2 A detailed agenda, together with supporting documentation, must be circulated, at least seven days (7) prior to each meeting to the members of the board and other invitees and the committee shall observe applicable Secretarial Standards i.e. SS-1 in relation to all its meetings.

5.3 The secretary of the Committee shall take minutes of all meetings, which minutes shall be circulated as follows:

- Within 10 business days of the meeting generally, but not later than 15 days - to the executive and chairperson of the Committee;
- once approved by the Committee - to the subsequent meeting of the board of directors of the company.

The minutes shall record the issues, the salient features pertaining to the issues and the decisions of the Committee.

5.4 The secretary of the Committee shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

5.5 The chairperson of the Committee shall report on the Committee's proceedings and findings to the next meeting of the board.

6. REMUNERATION

6.1 Non-executive members of the Committee shall be paid a sitting fee and other remuneration as may be permitted under the provisions of the Companies Act, 2013 and rules made thereunder including remuneration with respect to the committee meetings attended by them.

6.2 The above fees shall be subject to review by the board from time to time.

7. RESPONSIBILITIES

7.1 Human Resources related matters

The duties of the Committee shall be to work on behalf of the board and be responsible to it for recommendations in respect of human resources matters:

- Laying down criteria for appointments of Directors, MD/CEO/ED/WTD/KMP and Senior Management and recommend to the Board their appointment and removal as per requirements of the Companies Act 2013
- Evaluating performances of the Directors and other personnel as per requirements of the Companies Act 2013
- Formulate criteria for determining qualifications, positive attributes, independence etc of the Directors and other personnel.
- Recommend to the Board a policy/ Terms of Reference, relating to remuneration packages and any other compensation payment for the Directors, MD/CEO/ED/WTD/KMP/SM I and other employees
- ensure alignment of the remuneration and human resources strategies and policies with the Group's business strategy and the desired culture;
- determine the Group's general policy on executive and senior management remuneration;
- consider and recommend for approval by the board the remuneration of the chief executive, executive directors, KMP and Senior Management;
- consider and recommend for approval by the board the setting of KPA's for performance bonus purposes for executive directors and the ratification thereof of other senior employees;
- consider and recommend to the board the achievements of the above KPA's and the approval of payment of performance bonuses of senior management;
- determine any grants to executive directors and other senior employees made pursuant to the Group's management share option scheme;
- regularly review incentive schemes to ensure continued contribution to shareholder value and that these are administered in terms of the rules;
- consider the appropriateness of early vesting of share-based schemes at the end of employment;
- ensure the adequacy of retirement and health care funding for executives and senior management;
- ensure adequate succession plans for the executive and senior management; and
- ensure compliance to all statutory and best practice requirements regarding labour and industrial relations management.

Note: Job grades provided for reference:

CEO:	Grade F2
Executive Directors:	Grade F1 (COO, CFO & CMO)
Senior Management:	Grade E1 (All Group Managers)

7.2 **Board and nomination related matters**

. This is not allowed under section 178

The Committee shall have the following responsibilities:

- make recommendations to the board on the appointment of the chief executive officer, new executives and non-executive directors, including making recommendations on the composition of the board generally and the balance between executive and non-executive directors appointed to the board;
- regularly review the board structure, size and composition and make recommendations to the board with regards to any adjustments that are deemed necessary;
- identify and nominate candidates for the approval of the board to fill board vacancies as and when they arise, as well as put in place plans for succession for the board, in particular for the chief executive and CFO;
- recommend directors that are retiring by rotation, for re-election;
- consider recommendations by management in relation to non-executive director remuneration for final recommendation by the board to shareholders;
- oversee the development of a formal induction programme for directors;
- ensure that inexperienced directors are developed through a mentorship programme;
- oversee the development and implementation of continuing professional development programmes for directors;
- ensure that directors receive regular briefings on changes to in risks, laws and the environment in which the company operates; and
- consider the performance of the directors and take steps necessary to remove directors who do not make an appropriate contribution.

8. GOVERNANCE

8.1 The Committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the group and all employees are directed to co-operate with any request made by the Committee. Such requests will be channelled through the Company's chief executive officer.

8.2 The Committee is authorised by the board to, at the company's expense, obtain outside legal, accounting or other independent professional advice as it considers necessary to carry out its duties and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

8.3 The Committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

9. DISCLOSURE

The Committee shall ensure that the following is disclosed in the annual report to the extent required by law:

- Number of meetings held in a financial year
- The composition of the Committee, setting out the name, status of directorship held.
- Number of meetings attended by the directors and Members
- Details of the remuneration paid, if any, to Independent directors

Independent Auditor's Report
To the Members of Quality Care India Limited
Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Quality Care India Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2022, the Standalone Statement of Profit and Loss (including Other Comprehensive Loss), the Standalone Statement of Changes in Equity, the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, total comprehensive income (comprising of profit and other comprehensive loss), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

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



6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

7. 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.

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

9. 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.

10. 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.



INDEPENDENT AUDITOR'S REPORT

To the Members of Quality Care India Limited
Report on Audit of the Standalone Financial Statements

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 4.37 to the standalone financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any derivative contracts as at March 31, 2022.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.45(vii) to the standalone financial statements);



(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 4.45(vii) to the standalone financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

13. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVQD3249

Place: Hyderabad
Date: August 25, 2022

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Quality Care India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(f) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVQD3249

Place: Hyderabad
Date: August 25, 2022

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements as of and for the year ended March 31, 2022

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Description of property	Gross carrying value (INR in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held -indicate range, where appropriate	Reason for not being held in the name of the Company*
Land	105.55	Andhra Pradesh Industrial Infrastructure Corporation Lim4ited	No	From 2009	Refer note 4.44 to the Standalone Financial Statements

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.

(e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.



Annexure B to Independent Auditors' Report
Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account (Also refer Note 4.45(ii) to the standalone financial statements)

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of duty of customs, duty of excise, value added tax, cess, goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:



Annexure B to Independent Auditors' Report
Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

Name of the statute	Nature of dues	Total Amount of dispute (INR in millions)	Amount paid under protest (INR in millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	22.91	-	AY 2013-14	ITAT
	Income tax	0.51	-	AY 2017-18	Assessing officer
	Income tax	4.36	-	AY 2018-19	CIT (A), Hyderabad
Andhra Pradesh General Sales Tax Act, 1957	Sales tax	3.56	1.78	FY 2003-04 and 2004-05	High Court, Telangana
Andhra Pradesh Luxury Tax Act, 1987	Luxury tax	16.86	8.35	FY 2004-05 and 2005-06	High Court, Telangana
	Luxury tax	21.78	21.78	FY 2006-07 to 2013-14	Appellate Tribunal, Hyderabad
	Luxury tax	78.58	19.64	FY 2014-15 to 2015-16	High Court, Telangana
The Finance Act, 1994	Service tax	4.57	1.47	July 2010 to April 2011	Commissioner Appeals, CESTAT, Visakhapatnam
	Service tax	8.10	-	FY 2014-15 to June 2017	Additional Commissioner of Customs, Central Excise, & Service tax, Hyderabad
	Service tax	27.47*	1.25	FY Oct 2012 to March 2017	
	Service tax	28.01	-	FY 2009-10 to 2013-14	CESTAT, Hyderabad
Minimum Wages Act, 1948	Minimum Wages	3.19	0.53	FY 2001-02	High Court, Telangana
Expenditure Tax Act, 1987	Expenditure tax	7.83	3.57	FY 1990-91 to 1993-94	CBDT, Hyderabad
Employees State Insurance Act, 1948	ESI	1.26	0.42	FY 1990-91 to 1996-97	High Court, Telangana
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees' Provident Fund	8.77	3.51	October 2008-August 2009	High Court, Telangana
Total		**237.76**	**62.29**		

* This amount does not include interest liability.
** Out of the total amount paid under protest, Rs. 3.63 million was charged to the Statement of Profit and Loss in earlier years.

Annexure B to Independent Auditors' Report
Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 4.46(ii) to the standalone financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures. The Company does not have any associates.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures. The Company does not have any associates.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.



Annexure B to Independent Auditors' Report
Referred to in paragraph 11 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the standalone financial statements for the year ended March 31, 2022

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 4.45(xi) to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at



the date of Balance Sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date will get discharged by the Company as and when they fall due.

xx. As at Balance Sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

xxi The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVQD3249

Place: Hyderabad
Date: August 25, 2022

Quality Care India Limited
Standalone Balance Sheet
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1 (a)	4,253.80	4,203.55
(b) Right-of-use assets	4.1 (b)	1,030.80	1,353.54
(c) Capital work-in-progress	4.2	587.08	544.60
(d) Goodwill	4.3	266.71	266.71
(e) Other intangible assets	4.3	73.24	80.91
(f) Intangible assets under development	4.4	-	26.59
(g) Investments	4.5 (a)	442.31	442.31
(h) Financial assets			
(i) Other financial assets	4.6 (a)	163.70	182.13
(i) Deferred tax assets (net)	4.7 (a)	839.62	677.53
(j) Non-current tax assets (net)	4.7 (b)	616.96	574.56
(k) Other non-current assets	4.8 (a)	169.47	93.60
Total non-current assets (A)		**8,443.69**	**8,446.03**
B. Current assets			
(a) Inventories	4.9	117.96	114.55
(b) Financial assets			
(i) Investments	4.5 (b)	1,023.65	-
(ii) Trade receivables	4.10	883.81	858.21
(iii) Cash and cash equivalents	4.11 (a)	223.99	572.03
(iv) Bank balances other than above	4.11 (b)	238.53	356.06
(v) Loans	4.12	0.18	1.80
(vi) Other financial assets	4.6 (b)	182.22	99.55
(c) Other current assets	4.8 (b)	71.98	56.77
Total current assets (B)		**2,742.32**	**2,058.97**
Total assets (A+B)		**11,186.01**	**10,505.00**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	414.97	414.97
(b) Other equity			
(i) Reserves and surplus	4.13 (b)	6,112.10	5,074.35
Total equity (A)		**6,527.07**	**5,489.32**
Liabilities			
B. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	1,557.73	1,764.44
(ii) Lease liabilities	4.38	1,013.48	1,192.26
(b) Employee benefit obligations	4.15 (a)	119.53	121.67
Total non-current liabilities (B)		**2,690.74**	**3,078.37**
C. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.16	292.25	286.30
(ii) Lease liabilities	4.38	227.51	349.58
(iii) Trade payables			
(a) total outstanding dues of micro and small enterprises	4.17 (a)	21.67	21.97
(b) total outstanding dues other than (iii) (a) above	4.17 (b)	1,135.05	971.07
(iv) Other financial liabilities	4.18	138.73	176.58
(b) Employee benefit obligations	4.15 (b)	74.27	53.79
(c) Other current liabilities	4.19	78.72	78.02
Total current liabilities (C)		**1,968.20**	**1,937.31**
Total liabilities (B+C)		**4,658.94**	**5,015.68**
Total equity and liabilities (A+B+C)		**11,186.01**	**10,505.00**

The accompanying notes are an integral part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
IN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramouleeswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Standalone Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2022	31 March 2021
I Revenue from operations	4.20	10,223.07	8,141.13
II Other income	4.21	59.64	75.55
III Total income (I+II)		**10,282.71**	**8,216.68**
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		2,366.96	1,858.73
(ii) Changes in inventories of medical consumables and pharmacy items	4.22	(0.38)	76.35
(iii) Employee benefits expense	4.23	1,576.98	1,329.56
(iv) Other expenses	4.24	4,126.27	3,401.50
Total expenses (IV)		**8,069.83**	**6,666.14**
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		**2,212.88**	**1,550.54**
(i) Finance costs	4.25	336.02	448.80
(ii) Depreciation and amortisation expense	4.26	715.03	684.81
(iii) Impairment of intangible assets	4.3	-	26.28
VI Profit before tax		**1,161.83**	**390.65**
VII Income Tax expense/(benefit):			
(i) Current tax expense	4.27	245.00	118.51
(ii) Income tax relating to earlier periods	4.27	22.15	45.69
(iii) Deferred tax expense	4.7 (a)	(160.57)	(380.25)
Total tax expense		**106.58**	**(216.05)**
VIII Profit for the year (VI-VII)		**1,055.25**	**606.70**
IX Other comprehensive income:			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Remeasurement of post-employment benefit obligations	4.32	(4.44)	(5.79)
(ii) Income tax relating to these items	4.7 (a)	1.52	2.02
Other Comprehensive loss for the year, net of tax (IX)		**(2.92)**	**(3.77)**
X Total comprehensive income for the year (VIII+IX)		**1,052.33**	**602.93**
Earnings per equity share (Nominal value of equity share ₹10 (31 March 2021 : ₹10))			
Basic Earnings per equity share (in ₹)	4.28	25.43	14.62
Diluted Earnings per equity share (in ₹)		25.43	14.56

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
IN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Standalone Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit before tax	**1,161.83**	**390.65**
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(26.95)	-
Depreciation and amortisation expense	715.03	684.81
Impairment losses of intangible assets	-	26.28
Provision for doubtful trade receivables	50.87	116.88
Property, plant and equipment written off	5.29	17.75
Loss on sale of Property, plant and equipment	2.48	-
Advances and loans written off	-	2.10
Share based compensation expense	(14.58)	-
Income/liabilities written back from operating activities	-	(1.05)
Interest income	(23.59)	(54.70)
Finance costs	300.60	417.45
Change in operating assets and liabilities:	**2,170.98**	**1,600.17**
(Increase)/decrease in inventories	(3.41)	76.67
(Increase)/decrease in trade receivables	(76.47)	(157.47)
(Increase)/decrease in loans	11.43	(14.51)
(Increase)/decrease in other assets	38.05	37.03
(Increase)/decrease in other financial assets	(91.32)	(15.33)
Increase/(decrease) in trade payables	148.80	67.90
Increase/(decrease) in provisions	13.90	(8.11)
Increase/(decrease) in other financial liabilities	(42.31)	77.40
Increase/(decrease) in other liabilities	0.70	(62.63)
Cash generated from operations	**2,170.35**	**1,601.12**
Income tax (paid)/refund, net	(309.55)	9.28
Net cash inflow from operating activities (A)	**1,860.80**	**1,610.40**
Cash flow from investing activities		
Payments for property, plant and equipment	(595.59)	(272.59)
Proceeds from sale of Property, plant and equipment	50.97	-
Purchase of mutual funds	(1,349.93)	-
Sale of mutual funds	353.23	-
Interest received on fixed deposits	20.70	13.40
Interest received on income tax refund	-	21.26
Movement in other bank balances, net	224.39	(279.93)
Net cash outflow from investing activities (B)	**(1,296.23)**	**(517.86)**





Quality Care India Limited
Standalone Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flow from financing activities		
Proceeds from long-term borrowings	85.53	1,075.86
Repayments of long-term borrowings	(286.29)	(1,210.86)
Proceeds/(Repayments) from short term borrowings, net	-	(298.63)
Interest paid	(169.02)	(218.94)
Payment of lease liabilities	(402.99)	(354.37)
Net cash inflow (outflow) from financing activities (C)	**(772.77)**	**(1,006.94)**
Net increase/(decrease) in cash and cash equivalents(A + B + C)	**(208.20)**	**85.60**
Cash and cash equivalents at the beginning of the year	432.19	346.59
Cash and cash equivalents at the end of the year (note 1)	**223.99**	**432.19**

	As at	
	31 March 2022	31 March 2021
Note 1:		
Cash and cash equivalents as per above comprise of the following		
- Included in cash and cash equivalents (refer note 4.11(a))		
Cash on hand	6.64	7.90
Balances with banks in cash credit accounts	88.94	-
Balances with banks in current accounts	128.41	424.29
Balances as per Statement of Cash Flows	**223.99**	**432.19**

This is the Standalone Statement of Cash Flows referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
IN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Standalone Statement of changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Equity share capital

Particulars	Notes	Number of shares	Amount in millions
Balance at 1 April 2020		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance at 31 March 2021		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance as at 31 March 2022		**41,496,894**	**414.97**

B. Other equity

Particulars	Attributable to owners of Quality Care India Limited					Total
	Reserves and surplus					
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Retained earnings	
Balance at 1 April 2020	4,457.24	11.31	7.51	7.07	(11.71)	**4,471.42**
Profit for the year	-	-	-	-	606.70	**606.70**
Other comprehensive loss	-	-	-	-	(3.77)	**(3.77)**
Balance at 31 March 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	**591.22**	**5,074.35**
Profit for the year	-	-	-	-	1,055.25	**1,055.25**
Other comprehensive loss, net of tax	-	-	-	-	(2.92)	**(2.92)**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	**(14.58)**
Balance at 31 March 2022	**4,457.24**	**11.31**	**-**	**-**	**1,643.55**	**6,112.10**

The accompanying notes are an integral part of the standalone financial statements.

This is the Standalone Statement of changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE
Date : 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad
Date : 25th August, 2022

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad
Date : 25th August, 2022

Gayathri Chandramoulleswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place : Hyderabad
Date : 25th August, 2022

Quality Care India Limited
Notes to the standalone financial statements
(All amounts in ₹ millions, except share data and where otherwise stated)

1. Corporate information

The standalone financial statements of "Quality Care India Limited" ("the Company" or "QCIL") are for the year ended 31 March 2022. The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

Incorporated in 1992, Quality Care India Limited is primarily engaged in providing healthcare and related services. The Company has a network of multi-speciality hospitals across various cities in India.

The Holding Company of QCIL is Touch Healthcare Private Limited and the Ultimate Holding Company upto 21 June 2019 was Abraaj Growth Markets Health Fund General Partner Limited, United Arab Emirates ("UAE"). With effect from 21 June 2019, the Ultimate Holding Company of QCIL has changed to Evercare Health Fund, L.P, Cayman Islands.

The standalone financial statements were approved for issue in accordance with a resolution of the Board of Directors on 25 August 2022.

2. Basis of preparation of Financial Statements

a) Statement of Compliance

The standalone financial statements of the Company have been prepared and presented in accordance with all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

Details of accounting policies are included in Note 3.

b) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

c) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

Price Waterhouse Chartered Accountants LLP
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Hyderabad

QUALITY CARE INDIA LIMITED
Hyderabad

The company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

(Rs. in millions)

Balance sheet (extract)	31 March 2021 (As previously reported)	Increase/ (Decrease)	31 March 2021 (Restated)
Financial assets - Loans (current)	8.63	(6.83)	1.80
Financial assets -Other financial assets (current)	92.72	6.83	99.55
Financial assets - Loans (non-current)	170.89	(170.89)	-
Financial assets -Other financial assets (non-current)	11.24	170.89	182.13

d) Basis for measurement

The standalone financial statements have been prepared on a going concern basis under historical cost, except for the following:

- certain financial assets and financial liabilities are measured either at fair value or at amortised cost depending on the classification;
- Liabilities for cash-settled share-based payment arrangements; and
- employee defined benefit liability are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

e) Functional and presentation currency

The standalone financial statements are presented in ₹ and all values are rounded to the nearest millions, except when otherwise indicated.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.

f) Current and non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

Price Waterhouse Chartered Accountants LLP
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QUALITY CARE INDIA LIMITED
Hyderabad

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

3A. Significant accounting policies

a. Foreign currencies

The Company's financial statements are presented in Indian Rupees, which is also its functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spot rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other compreOCI or profit or loss are also recognised in Other Comprehensive Income (OCI) or profit or loss, respectively).

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of profit and loss, except those relating to long-term foreign currency monetary items.

b. Fair value measurement

The Company measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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QUALITY CARE INDIA LIMITED Hyderabad

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Price Waterhouse Chartered Accountants LLP
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QUALITY CARE INDIA LIMITED
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The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs;
- the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Goods and services tax is not received by the Company on its own account. Rather, it is tax collected by the Company on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from health care services and related activities

Income from healthcare services is recognised as revenue when the related services are rendered unless significant future uncertainties exists. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions, if any, given to the patients and disallowances including claims.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services. The revenue in respect of such arrangements is recognized as and when services are performed.

Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of pharmacy

Revenue from sale of pharmacy is recognised when control is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

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Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the Statement of profit and loss.

Dividend Income

Dividend income is recognized when the Company's right to receive dividend is established.

d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept as uncertain tax treatment. The Company measures its tax balances either based at the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

e. Property, plant and equipment ("PPE")

All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Transition to Ind AS

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

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Asset class	Useful life (years)
Buildings	60
Plant and Machinery used in medical and surgical operations	13
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computer equipment (end user devices)	3

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

f. Goodwill and other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Other intangible assets are amortised on straight line basis over the estimated useful economic life. The estimated useful life of other intangible assets is mentioned below:

Asset	Useful life (years)
Software	3 to 5

Gains or losses arising from de-recognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the Statement of Profit and Loss (SPL) when the assets are derecognised.

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over and is subsequently measured at cost less accumulated impairment losses, if any.

g. Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Leases

As a lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees

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- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by Value Ind AS Retail Limited, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.
Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.
Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

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i. Inventories

Inventory of medical supplies, drugs, and other consumables are valued at lower of cost or net realizable value. Cost of medical supplies and drugs is determined on the basis of Weighted Average Method. Stores and spares and other consumables are valued on the basis of Weighted Average Method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories include purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing the inventories to their present location and condition.

j. Impairment of non-financial assets

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

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

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of profit and loss.

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

k. Provision and contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss (SPL) net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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Contingencies

Contingent liabilities is identified and disclosed with respect to following:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

- a present obligation that arises from past events but is not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

l. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the Statement of profit and loss ("SPL") for the year in which the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

Gratuity: The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising mainly of actuarial gains and losses, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Statement of profit and loss in subsequent periods.

Leave Encashment: Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits".

m. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

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Subsequent measurement

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

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

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Statement of Profit and Loss (SPL). The losses arising from impairment are recognised in Statement of Profit and Loss (SPL).

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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De-recognition

A financial asset is primarily derecognised when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables, unbilled receivables and bank balances.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

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- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Statement of Profit and Loss (SPL). The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement

Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss (SPL) when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the Statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

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





Offsetting of financial instruments

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

n. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Company. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

For the purpose of Cash flow statement, cash and cash equivalents consist of cash on hand and balances with banks in current accounts, balances in cash credit accounts and short-term deposits with an original maturity of three months or less.

p. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. Investments in subsidiaries and joint venture

The Company has elected to recognise its investments in equity instruments in subsidiaries and joint venture at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

r. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards/warrants granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards/ warrants. The amount recognised as expense is based on the estimate of the number of awards/ warrants for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards/warrants that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards/warrants with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

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s. Measurement of profit/Earnings before interest, tax, depreciation and amortisation (EBITDA)

As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.

In its measurement of EBITDA, the Company includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

3B. Key accounting estimates and judgements

a. Defined benefit plans and other long-term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable and amortisable assets

The Company reviews the estimated useful lives and residual value of Property, plant and equipment and intangible assets at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have an impact on the future years.

c. Impairment of Goodwill

Goodwill with indefinite life is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

The goodwill impairment test is performed at the level of the cash-generating unit which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount.

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

e. Share-based payments

The grant date fair value of employee stock options/warrants granted is recognised as an employee expense over the period that the employee/holder becomes unconditionally entitled to the options/warrants. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option/warrant, volatility, risk free interest rate and making assumptions about them.

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f. Impairment of non-financial assets, apart from Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model.

g. Recognition and measurement of provisions

The recognition and measurement of provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known as at the Balance Sheet date. Therefore, the actual outflow of resources at a future date may vary.

h. Expected Credit Loss

The impairment provision for trade receivables and unbilled receivables is based on assumptions about risk of default and expected loss rates. The Company uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Company's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

i. Deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

j. Income Taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

k. Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the Management which may have an effect on the operations of the Company should the same be decided against the Company.

The Management has assessed that no further provision/adjustment is required to be made in these Standalone Financial Statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels/ professional advisors.

l. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

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4.1 (a) Property, plant and equipment

Particulars	Leasehold land	Freehold land (Refer (b) below)	Buildings	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount										
Opening gross carrying amount as at 1 April 2020	9.49	368.38	2,253.19	549.17	2,379.76	94.71	80.09	79.41	25.04	5,839.24
Additions	-	-	2.81	10.00	89.02	2.33	9.48	29.46	-	143.10
Disposals	-	-	-	(201.43)	-	-	-	-	-	(201.43)
Closing gross carrying amount as at 31 March 2021	**9.49**	**368.38**	**2,256.00**	**357.74**	**2,468.78**	**97.04**	**89.57**	**108.87**	**25.04**	**5,780.91**
Additions	-	-	41.90	77.75	226.33	6.19	13.63	20.72	-	386.52
Disposals	-	-	-	(0.36)	(52.40)	(0.62)	(2.27)	(0.90)	(2.19)	(58.74)
Closing gross carrying amount as at 31 March 2022	**9.49**	**368.38**	**2,297.90**	**435.13**	**2,642.71**	**102.61**	**100.93**	**128.69**	**22.85**	**6,108.69**
Accumulated Depreciation										
Opening accumulated depreciation as at 1 April 2020	0.84	-	155.01	314.68	813.52	49.62	53.25	49.18	7.93	1,444.03
Depreciation charge during the year	0.10	-	46.03	46.49	192.91	8.33	8.89	10.99	3.27	317.01
On disposals	-	-	-	(183.68)	-	-	-	-	-	(183.68)
Closing accumulated depreciation as at 31 March 2021	**0.94**	-	**201.04**	**177.49**	**1,006.43**	**57.95**	**62.14**	**60.17**	**11.20**	**1,577.36**
Depreciation charge during the year	0.10	-	46.26	47.64	192.42	8.32	7.82	18.10	3.03	323.69
On disposals	-	-	-	(0.22)	(40.32)	(0.56)	(2.10)	(0.90)	(2.06)	(46.16)
Closing accumulated depreciation as at 31 March 2022	**1.04**	-	**247.30**	**224.91**	**1,158.53**	**65.71**	**67.86**	**77.37**	**12.17**	**1,854.89**
Net carrying amount as at 31 March 2021	**8.55**	**368.38**	**2,054.96**	**180.25**	**1,462.35**	**39.09**	**27.43**	**48.70**	**13.84**	**4,203.55**
Net carrying amount as at 31 March 2022	**8.45**	**368.38**	**2,050.60**	**210.22**	**1,484.18**	**36.90**	**33.07**	**51.32**	**10.68**	**4,253.80**

(a) Refer note 4.14 and 4.11(a) for charge details on Property, plant and equipment.
(b) The title deeds of land aggregating to ₹105.55 (31 March 2021 : ₹105.55) are pending transfer to the Company's name. Refer note 4.44 for further details.

4.1 (b) Right-of-use assets

Particulars	Category of Right-of-use assets			Total
	Buildings	Plant and machinery	Vehicles	
Balance as at 1 April 2020	**1,278.02**	**274.28**	**2.82**	**1,555.12**
Additions	132.73	-	-	**132.73**
Other adjustments	(14.93)	-	-	**(14.93)**
Depreciation charge for the year	(215.99)	(101.58)	(1.81)	**(319.38)**
Balance as at 31 March 2021	**1,179.83**	**172.70**	**1.01**	**1,353.54**
Additions	65.88	-	-	65.88
Deletions	(59.91)	(0.81)	-	(60.72)
Other adjustments	(4.68)	-	-	(4.68)
Depreciation charge for the year	(228.53)	(93.68)	(1.01)	(323.22)
Balance as at 31 March 2022	**952.59**	**78.21**	-	**1,030.80**

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4.2 Capital work-in-progress

4.2 (a) Aging of CWIP:

Particulars	Amounts in capital work-in-progress for									
	As on 31st March, 2022					As on 31st March, 2021				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	106.37	26.85	453.86	-	587.08	67.86	476.74	-	-	544.60
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**106.37**	**26.85**	**453.86**	**-**	**587.08**	**67.86**	**476.74**	**-**	**-**	**544.60**

4.2 (b) Completion schedule for Capital work in progress whose completion is overdue is as below. There are no Capital work in progress which has exceeded its cost compared to its original plan:

Particulars	To be completed in					To be completed in				
	As on 31st March, 2022					As on 31st March, 2021				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress										
Vizag Health City Project	564.17	-	-	-	564.17	-	476.64	-	-	476.64
Total	**564.17**	**-**	**-**	**-**	**564.17**	**-**	**476.64**	**-**	**-**	**476.64**

4.3 Goodwill and Other intangible assets

Particulars	Goodwill	Software	Total
Gross carrying amount			
Opening gross carrying amount as at 1 April 2020	266.71	177.84	444.55
Additions	-	35.55	35.55
Closing gross carrying amount as at 31 March 2021	**266.71**	**213.39**	**480.10**
Additions	-	60.45	60.45
Closing gross carrying amount as at 31 March 2022	**266.71**	**273.84**	**540.55**
Accumulated amortisation			
Opening accumulated amortisation as at 1 April 2020	-	57.78	57.78
Amortisation charge for the year	-	48.42	48.42
Impairment charge	-	26.28	26.28
Closing accumulated amortisation as at 31 March 2021	**-**	**132.48**	**132.48**
Amortisation charge for the year	-	68.12	68.12
Closing accumulated amortisation as at 31 March 2022	**-**	**200.60**	**200.60**
Closing net carrying amount as at 31 March 2021	**266.71**	**80.91**	**347.62**
Closing net carrying amount as at 31 March 2022	**266.71**	**73.24**	**339.95**

4.4 Intangible assets under development

Aging of Intangibles under development:

Particulars	Amounts in capital intangible assets under development for									
	As on 31st March, 2022					As on 31st March, 2021				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-	16.74	9.85	-	-	26.59
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**16.74**	**9.85**	**-**	**-**	**26.59**

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4.5 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Investment in equity instruments (fully paid up)		
Unquoted		
Investment in subsidiaries - at cost		
- 844,016 (31 March 2021: 844,016) equity shares in Ramkrishna Care Medical Sciences Private Limited	252.96	252.96
- 10,000 (31 March 2021: 10,000) equity shares in Quality Care Jharsuguda Private Limited	0.10	0.10
- 8,794,000 (31 March 2021: 8,794,000) equity shares in Ganga Care Hospital Limited	87.94	87.94
- 15,810 (31 March 2021: 15,810) equity shares in Galaxy Care Multispecialty Hospital Private Limited	101.26	101.26
Total	**442.26**	**442.26**
Unquoted		
Investment in Joint venture - at cost		
- 5,000 (31 March 2021: 5,000) equity shares in Quality Care Health Services India Private Limited	0.05	0.05
	0.05	**0.05**
Aggregate amount of unquoted investments (A)	**442.31**	**442.31**
(b) Current		
Investment in mutual funds		
Quoted		
- 23,33,355 (31 March 2021: NIL) units L&T Money Market Fund - Growth.	50.00	-
- 40,568 (31 March 2021: NIL) units UTI Money Market Fund - Growth.	100.10	-
- 2,63,003 (31 March 2021: NIL) units Nippon India Money Market Fund - Growth.	873.55	-
Total	**1,023.65**	-
Aggregate amount of quoted investments and market value thereof (B)	**1,023.65**	-
Aggregate amount of quoted & unquoted investments (A) + (B)	**1,465.96**	**442.31**

4.6 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non current		
Unsecured, considered good		
Security deposits	117.75	170.89
Fixed deposits with banks with more than 12 months maturity*	41.99	9.01
Interest accrued on fixed deposits with banks	3.96	2.23
Total	**163.70**	**182.13**
(b) Current		
Unsecured, considered good		
Security deposits	51.13	6.83
Interest accrued on fixed deposits with banks	3.78	12.43
Unbilled receivables	100.67	76.80
Others	26.64	3.49
Total	**182.22**	**99.55**

*Includes ₹25.24 (31 March 2021: ₹2.98) which are given as margin money to banks or against bank guarantees.

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4.7 (a) Deferred tax assets (net)

The following is the analysis of deferred tax assets, net recognised in the Statement of Profit and Loss and other comprehensive income

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2022
Property, plant and equipment ("PPE")	(1,036.39)	269.90	-	(766.49)
Borrowings measured at amortised cost	(12.55)	3.04	-	(9.51)
Provision for bad and doubtful trade receivables	158.25	15.75	-	174.00
Provision for bad and doubtful loans	23.00	-	-	23.00
Provision for employee benefits	74.96	19.17	1.52	95.65
Loss from specified business	1,408.24	(257.50)	-	1,150.74
Indexation benefit of land	-	78.78	-	78.78
Expenses allowable on deduction of TDS	-	20.00	-	20.00
Total (A)	**615.51**	**149.14**	**1.52**	**766.17**

Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2022
Right-of-use assets	(478.20)	118.00	-	(360.20)
Provision for lease liabilities	540.22	(106.57)	-	433.65
Total (B)	**62.02**	**11.43**	**-**	**73.45**
Total (A+B)	**677.53**	**160.57**	**1.52**	**839.62**

(ii) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2020	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2021
Property, plant and equipment ("PPE")	(24.15)	(1,012.24)	-	(1,036.39)
Borrowings measured at amortised cost	(30.75)	18.20	-	(12.55)
Provision for bad and doubtful trade receivables	163.63	(5.38)	-	158.25
Provision for bad and doubtful loans	97.30	(74.30)	-	23.00
Provision for employee benefits	62.12	10.82	2.02	74.96
Loss from specified business	-	1,408.24	-	1,408.24
Total (A)	**268.15**	**345.34**	**2.02**	**615.51**

Deferred tax assets/(liabilities) in relation to:	As at 1 April 2020	(Charged)/credited to Statement of Profit and Loss	(Charged)/credited to other comprehensive income	As at 31 March 2021
Right-of-use assets	(543.42)	65.22	-	(478.20)
Provision for lease liabilities	570.53	(30.31)	-	540.22
Total (B)	**27.11**	**34.91**	**-**	**62.02**
Total (A+B)	**295.26**	**380.25**	**2.02**	**677.53**

Note:

The Company has recognised deferred tax asset on carried forward business loss of earlier years from specified business, as defined under Section 35AD of the Income Tax Act, 1961. The Company has earned profits on specified business in the current year and previous year. The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the Company. These losses can be carried forward for an indefinite period as per the provisions of Income Tax Act, 1961.

4.7 (b) Non- current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision for taxation)	616.96	574.56
Total	**616.96**	**574.56**

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4.8 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Unsecured, considered good		
Statutory dues paid under protest	58.66	58.66
Capital advances	103.77	27.78
Others	7.04	7.16
Total	**169.47**	**93.60**
(b) Current		
Unsecured, considered good		
Prepaid expenses	29.63	39.80
Advances to vendors	39.68	13.98
Others	2.67	2.99
Total	**71.98**	**56.77**

4.9 Inventories*

Particulars	As at 31 March 2022	As at 31 March 2021
Medical consumables and pharmacy items	106.88	106.50
Other consumables	11.08	8.05
Total	**117.96**	**114.55**

* Refer note 4.14 and 4.11 for details of inventories pledged/hypothecated as security, if any.

4.10 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables from contract with customers – billed	1,256.52	1,311.09
Trade receivables from contract with customers – unbilled	100.67	76.80
Total	**1,357.19**	**1,387.89**
Less: Allowance for bad and doubtful trade receivables*	(372.71)	(452.88)
Total trade receivables and unbilled revenue	**984.48**	**935.01**
Trade receivables	883.81	858.21
Unbilled revenue recognised in other financial assets (refer note 4.6(b))	100.67	76.80

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables considered good - unsecured	984.48	935.01
Trade receivables which have significant increase in credit risk	372.71	452.88
Total	**1,357.19**	**1,387.89**
Less: Allowance for bad and doubtful trade receivables*	(372.71)	(452.88)
Total trade receivables and unbilled revenue	**984.48**	**935.01**

*The movement in the allowance for bad and doubtful trade receivables for the year ended 31 March 2022 and 31 March 2021 is as follows:

	For the year ended	
	31 March 2022	31 March 2021
Opening balance at beginning of the year	452.88	468.26
Provision made during the year (refer note 4.24)	50.87	116.88
Bad debts written off during the year	(131.04)	(132.26)
Closing balance at end of the year	**372.71**	**452.88**

Ageing of trade receivables and unbilled as at March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-Considered good	100.67	327.23	483.70	72.89	-	-	-	984.48
-which have significant increase in credit risk	-	61.91	109.03	45.26	69.30	53.65	33.56	372.71
-Allowance for bad and doubtful trade receivables	-	(61.91)	(109.03)	(45.26)	(69.30)	(53.65)	(33.56)	(372.71)
Total	**100.67**	**327.23**	**483.70**	**72.89**	-	-	-	**984.48**





Ageing of trade receivables and unbilled as at March 31, 2021

Particulars			Outstanding for following periods from the due date					
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables and unbilled								
-Considered good	76.80	337.32	434.10	86.79	-	-	-	935.01
-which have significant increase in credit risk	-	53.85	77.25	21.80	142.87	51.93	105.18	452.88
-Allowance for bad and doubtful trade receivables	-	(53.85)	(77.25)	(21.80)	(142.87)	(51.93)	(105.18)	(452.88)
Total	**76.80**	**337.32**	**434.10**	**86.79**	-	-	-	**935.01**

4.11 Cash and bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
a) Cash and cash equivalents		
Balances with banks		
-in current accounts	128.41	424.29
-in cash credit accounts*	88.94	139.84
Cash on hand	6.64	7.90
	223.99	**572.03**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months**	224.44	341.97
Earmarked balances with bank in current account***	14.09	14.09
	238.53	**356.06**
Total	**462.52**	**928.09**

*The Company has availed cash credit facilities amounting to ₹ Nil (31 March 2021: ₹ Nil) from Union Bank of India (formerly Andhra Bank). Cash credit is secured against first charge on inventory and trade receivables and second charge on Property, plant and equipment of the Company. The cash credit is repayable on demand and carries an interest rate of one year MCLR + 0.6% per annum.

**Includes ₹32.43 (31 March 2021: ₹2.59) which are given as margin money to banks or against bank guarantees.

***Balances in current account includes ₹14.09 (31 March 2021: ₹14.09) which are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017. (Also refer note 4.18)

4.12 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Non-Current		
Unsecured, significant increase in credit risk		
Loans to related parties	65.83	65.83
	65.83	**65.83**
Less: Loss allowance	(65.83)	(65.83)
Total	-	-
Current		
Unsecured, considered good		
Advances to employees	0.18	0.28
Advances to related parties	-	1.52
Total	**0.18**	**1.80**

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4.13 (a) Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised Share capital		
79,500,000 (31 March 2021: 79,500,000) Equity shares of ₹10 each	795.00	795.00
Total authorised share capital	**795.00**	**795.00**
Issued, subscribed and fully paid up shares		
41,496,894 (31 March 2021: 41,496,894) Equity shares of ₹10 each	414.97	414.97
Total issued, subscribed and fully paid-up shares	**414.97**	**414.97**

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
At the beginning of the year	41,496,894	414.97	41,496,894	414.97
Issued during the year	-	-	-	-
Balance at the end of the year	**41,496,894**	**414.97**	**41,496,894**	**414.97**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Touch Healthcare Private Limited, Mauritius	39,782,603	397.83	39,782,603	397.83

(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the Balance Sheet date.

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last Balance Sheet date.

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(vii) Equity shares reserved under the Employee Stock Option Plan and Share warrant plan: For details of shares reserved for issue under the employee stock option plan (ESOP) and share warrant plan of the Company, refer note 4.39 and 4.40.

(viii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	31 March 2022		31 March 2021		% Change during the year *
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%	-
Total	**39,782,603**	**95.87%**	**39,782,603**	**95.87%**	-

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.13 (b) Other equity

Particulars	Reserves and surplus					Total
	Securities	Capital reserve	Share options	Share warrants	Retained	
Balance at 1 April 2020	4,457.24	11.31	7.51	7.07	(11.71)	**4,471.42**
Profit for the year	-	-	-	-	606.70	**606.70**
Other comprehensive loss	-	-	-	-	(3.77)	**(3.77)**
Balance at 1 April 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	**591.22**	**5,074.35**
Profit for the year	-	-	-	-	1,055.25	**1,055.25**
Other comprehensive loss, net of tax	-	-	-	-	(2.92)	**(2.92)**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	**(14.58)**
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	**1,643.55**	**6,112.10**

Nature and purpose of reserves

Securities premium

Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").

Capital reserve

Capital reserves comprises of:

(i) ₹4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the States of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2016.

(ii) ₹7.06 represents forfeited money received against share warrants in the earlier years.

Share options outstanding account

The fair value of the equity settled share based payment options is recognised to share options outstanding account over the vesting period of such options. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such options.

Share warrants reserve

The fair value of the equity warrants is recognised to share warrants reserve over the vesting period of such warrants. The Company transfers the proportionate amounts, outstanding in this reserve, in relation to warrants exercised to securities premium on the date of exercise of such warrants.





4.14 Long-term borrowings

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current*	Non-current	Current*
Secured - at amortised cost				
Term loans from banks				
- HSBC - Tern loan (refer note i)	85.53	-	-	-
- Axis Bank - Tern loan I (refer note ii)	259.13	52.17	311.30	51.30
- Axis Bank - Tern loan II (refer note iii)	492.58	99.18	591.76	97.52
Term loans from banks (A)	**837.24**	**151.35**	**903.06**	**148.82**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited (refer note iv)	720.49	140.90	861.38	137.48
Term loans from financial institutions (B)	**720.49**	**140.90**	**861.38**	**137.48**
Total (A+B)	**1,557.73**	**292.25**	**1,764.44**	**286.30**

Notes:
*Refer note 4.16 for details.

Reconciliation of liabilities arising from financial activities excluding interest accrued**

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance at beginning of the year	**2,050.74**	**2,129.74**
Proceeds from long-term borrowings	85.53	1,075.86
Repayments of long-term borrowings	(286.29)	(1,210.86)
Others	-	56.00
Closing balance at end of the year	**1,849.98**	**2,050.74**

**Borrowings include current and non-current portions of term loans from banks and financial institutions.

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance at beginning of the year	-	3.17
Interest expenses	169.02	271.75
Interest paid	(169.02)	(218.94)
Others	-	(55.98)
Closing balance at end of the year	-	-

i HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future asset. Second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities.
The loan is repayable in 8 years (Frequency of Repayment: Monthly) carries an interest rate of repo rate + 3% p.a (31 March 2022: 7.00% p.a.) (31 March 2021: Nil per annum) payable at monthly intervals and moratorium period of 2 years.

ii Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current assets of the Company. The said loan is repayable in 6 years and 7 months (frequency of repayment: monthly instalments ranging from ₹2.17 to ₹5.22) and carries an interest rate of repo rate + 3% p.a. (31 March 2022: 7.00% p.a.) (31 March 2021: 7% p.a) payable at monthly intervals.

iii Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 6 years and 7 months (frequency of repayment: monthly instalments ranging from ₹4.13 to ₹9.92) and carries an interest rate of repo rate + 3% p.a. (31 March 2022: 7.00% p.a.) (31 March 2021: 7.00% p.a.) payable at monthly intervals.

iv NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company, excluding MRI machine exclusively charged to Siemens Financial Services Private Limited.
Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (frequency: monthly instalments ranging from ₹6.19 to ₹14.86) (As on 31 March 2022: 9.30% per annum, As on 31 March 2021: 9.30% per annum).





4.15 Employee benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Provision for employee benefits		
Gratuity (refer note 4.32)	91.86	96.35
Compensated absences	27.67	25.32
Total	**119.53**	**121.67**
(b) Current		
Provision for employee benefits		
Gratuity (refer note 4.32)	54.25	41.89
Compensated absences	20.02	11.90
	74.27	**53.79**

4.16 Short-term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured - at amortised cost		
Current maturities of term loans from banks (refer note 4.14)	151.35	148.82
Current maturities of term loans from financial institutions (refer note 4.14)	140.90	137.48
	292.25	**286.30**

Notes:

4.17 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Trade payable : Micro and small enterprises; (refer note 4.31)	21.67	21.97
Subtotal (a)	**21.67**	**21.97**
(b) Trade payable : others	1,113.76	959.44
(c) Trade payable to related parties; (refer note 4.33)	21.29	11.63
Subtotal (b)	**1,135.05**	**971.07**
	1,156.72	**993.04**

Aging of trade payables as on March 31, 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	19.01	2.48	0.17	-	0.01	21.67
Others	226.50	773.82	100.27	17.44	4.95	12.07	1,135.05
Total	**226.50**	**792.83**	**102.75**	**17.61**	**4.95**	**12.08**	**1,156.72**

Aging of trade payables as on March 31, 2021:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	-	21.97	-	-	-	21.97
Others	118.26	793.08	37.61	12.81	4.38	4.93	971.07
Total	**118.26**	**793.08**	**59.58**	**12.81**	**4.38**	**4.93**	**993.04**

4.18 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Capital creditors	20.56	16.11
Dues to related parties	-	55.37
Employee benefit payables	96.65	72.66
Retention money and deposits	6.38	7.19
Other payables*	15.14	25.25
Total	**138.73**	**176.58**

*Other payables includes ₹14.09 (31 March 2021: ₹14.09) payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017 (refer note 4.11).

4.19 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Statutory tax payables	73.74	44.60
Unearned revenue (refer note 4.43)	4.98	33.42
	78.72	**78.02**

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4.20 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from healthcare services	9,648.39	7,660.20
Revenue from outpatient pharmacy	537.49	441.96
Other operating income	37.19	38.97
Total	**10,223.07**	**8,141.13**

Revenue disaggregation geography wise is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
India	10,202.69	8,127.42
Other than India	20.38	13.71
	10,223.07	**8,141.13**

Reconciliation of contract price to revenue recognised from healthcare services is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from healthcare services, gross	9,773.62	7,759.79
Less: Expected disallowances	(125.23)	(99.59)
Revenue from healthcare services	**9,648.39**	**7,660.20**

4.21 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest income		
on financial assets (bank deposits) measured at amortised cost	13.78	25.91
on income tax refund	-	21.26
on financial assets carried at amortised cost	9.81	7.53
(b) Other non-operating income		
Net gain arising on mutual funds designated at FVTPL	26.95	-
Lease remeasurement Gain/Loss	2.06	-
Government grant*	-	3.06
Miscellaneous income	7.04	16.74
(c) Income/liabilities written back from operating activities**	-	1.05
Total	**59.64**	**75.55**

*Government grant relates to reimbursement against expense incurred for Covid-19 related response. There are no unfulfilled conditions or other contingencies attached to these grants.

**Represents operating liabilities and provisions no longer required written back amounting to ₹ Nil (31 March 2021: ₹1.05). These operating expenses were adjusted in computation of the Company's EBIDTA for such years.

4.22 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory at the beginning of the year	106.50	182.85
Inventory at the end of the year	106.88	106.50
Total	**(0.38)**	**76.35**

4.23 Employee benefits expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,352.79	1,193.66
Share based compensation expense	68.32	-
Contribution to provident and other funds (refer note (a) below)	87.34	75.51
Gratuity and compensated absences	45.05	25.11
Staff welfare expenses	23.48	35.28
Total	**1,576.98**	**1,329.56**

*Net of amount capitalised (refer note 4.29)

(a) For the year ended 31 March 2022, the amount recognised as an expense towards contribution to provident fund aggregates to ₹79.01 (31 March 2021: ₹69.88) and towards employee state insurance scheme aggregates to ₹8.33 (31 March 2021: ₹5.63).

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4.24 Other expenses*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	210.86	202.09
Rent (refer note 4.38)	12.68	7.33
Repairs and Maintenance		
- Buildings	39.26	36.77
- Plant and machinery and others	298.35	186.72
Hospital maintenance	75.71	79.07
Housekeeping charges	259.09	222.64
Security charges	94.86	86.15
Insurance	8.09	10.83
Water charges	22.53	24.63
Books and periodicals	5.59	6.39
Rates and taxes, excluding taxes on income	111.29	141.63
Travelling and conveyance	38.65	18.74
Communication expense	30.59	27.53
Marketing and business promotion expense	214.60	146.95
Allowance for bad and doubtful trade receivables	50.87	116.88
Advances and loans written off	-	2.10
Printing and stationery	32.02	25.36
Payments to the auditor (refer note (a) below)	5.50	5.53
Legal and professional charges	75.02	53.76
Catering charges, net	111.57	96.98
Diagnostics expenses	55.14	48.42
Contribution towards Corporate social responsibility (refer note (b) below)	0.52	-
Professional charges to doctors	2,353.69	1,811.95
Property, plant and equipment written-off	5.29	17.75
Loss on sale of Property, plant and equipment net	2.48	-
Bank charges	5.80	5.52
Miscellaneous expenditure	6.22	19.78
Total	**4,126.27**	**3,401.50**

*Net of amount capitalised (refer note 4.29)

Note (a): Details of payments to auditors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
For audit	5.50	5.50
For reimbursement of expenses	-	0.03
	5.50	**5.53**

Note (b): Details of Corporate social responsibility

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contribution to Telengana Sikh Society - Eradicating Hunger by donation of food	0.52	-
Accrual towards unspent obligations in relation to:		
Ongoing project	-	-
Other than ongoing projects	-	-
Total	**0.52**	-

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1st April, 2021	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31st March, 2022
NIL	NIL	0.52	0.52	NIL

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4.25 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on borrowings	169.02	271.75
Interest on lease liabilities (refer note 4.38)	131.58	145.70
Others	35.42	31.35
Total	**336.02**	**448.80**

4.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on property, plant and equipment	323.69	317.01
Amortisation on other intangible assets	68.12	48.42
Depreciation on right-of-use assets	323.22	319.38
Total	**715.03**	**684.81**





4.27 Income tax expense/ (benefit)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Income tax expense/(benefit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	245.00	118.51
Income tax relating to earlier periods	22.15	45.69
Deferred tax expense/(benefit)	(160.57)	(380.25)
	106.58	**(216.05)**

Reconciliation of tax expense/ (benefit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	1,161.83	390.65
Tax at the Indian tax rate 34.944% (31 March 2021: 34.944%)	405.99	136.51
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of income not subject to tax under the Income Tax Act, 1961	(3.43)	(2.63)
Previously unrecognised tax losses from specified business, as defined under Section 35AD of the Income Tax Act, 1961, now recognised (net of deferred tax liability)	(257.45)	(371.85)
Effect of taxable profits from specified business, as defined under Section 35AD of the Income Tax Act, 1961, adjusted against brought forward specified business tax losses	-	(94.37)
Adjustments for advance written-off not allowed under the Income Tax Act, 1961	-	74.30
Indexation benefit on land	(78.78)	-
Income tax pertaining to earlier years	22.15	45.69
Other adjustments	18.10	(3.70)
Tax expense	**106.58**	**(216.05)**

4.28 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year	1,055.25	606.70
Number of equity shares outstanding at the beginning of the year	41,496,894	41,496,894
Total number of equity shares outstanding at the end of the year	**41,496,894**	**41,496,894**
Weighted average number of equity shares considered in computation of Basic EPES	41,496,894	41,496,894
Dilutive effect of outstanding stock options and warrants	-	165,237
Weighted average number of equity shares considered in computation of Dilutive EPES	**41,496,894**	**41,662,131**
Basic Earnings per equity share in ₹ (absolute number)	**25.43**	**14.62**
Diluted Earnings per equity share in ₹ (absolute number)	**25.43**	**14.56**

Note:
Outstanding employee stock options and warrants has been settled during the year ended 31 March 2022.





4.29 Incidental expenditure during the construction period

During the year ended 31 March 2022, the Company has capitalised the following amounts to the cost of Property, plant and equipment / Capital work in progress (CWIP). Consequently, amounts disclosed under the respective notes are after adjusting amounts capitalised by the Company.

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance (A)	**187.18**	**183.36**
Employee benefits expense (refer note 4.23)		
Salaries and wages	0.26	-
Total (B)	**0.26**	-
Other expenses (refer note 4.24)		
Rates and taxes	2.58	2.60
Others	1.76	1.22
Total (C)	**4.34**	**3.82**
Total (D=A+B+C)	**191.78**	**187.18**
Amount capitalized to Property, plant and equipment (E)	-	-
Balance carried forward to Capital work in progress (F=D-E)	**191.78**	**187.18**

4.30 Segment Information

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Company has only one reportable segment namely 'Medical and Health care services'.

Geographical information

Revenue disaggregation geography wise information has been disclosed under note 4.20 to the standalone financial statements. Further 100% of Company's non-current assets as at 31 March 2022 and 31 March 2021 were located in India.

Major customers

The Company has no single customer who has contributed more than 10% of the Company's total revenue during the year ended 31 March 2022 and 31 March 2021.

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

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Company. Disclosures in respect of the amounts payable to such parties are given below:

	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	The principal amount remaining unpaid as at end of the year	21.67	21.97
(ii)	The amount of interest accrued and remaining unpaid on (i) above	-	-
(iii)	Amount of interest paid by the Company in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year	-	-
(iv)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
(v)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

Notes:

(a) Explanation- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of "the MSMED Act, 2006."

(b) This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

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4.32 Employee benefits

Defined benefit plan

The Company provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit in accordance with Payment of Gratuity Act, 1972. The plan is managed by Life Insurance Corporation of India. The Company accrues gratuity as per the provisions of the Payment of Gratuity Act,1972 as applicable as at the Balance Sheet date and accordingly the maximum payment is restricted to ₹2 per employee.

A Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's standalone financial statements as at the reporting dates:

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation	153.09	143.05
Fair value of plan assets	6.98	4.81
Net defined benefit liability	**146.11**	**138.24**
Non-current	91.86	96.35
Current	54.25	41.89

B Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation at the beginning of the year	143.05	133.97
Benefit payments from plan assets	(21.24)	(22.04)
Current service cost	18.59	18.17
Interest expense	9.15	8.37
Actuarial losses/(gains)		
- changes in financial assumptions	(1.38)	(0.37)
- experience adjustments	4.92	4.95
Defined benefit obligation at the closing of the year	**153.09**	**143.05**

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Plan assets at the beginning of the year	4.81	3.79
Contributions	23.89	23.95
Benefits paid	(21.24)	(22.04)
Interest income	0.42	0.32
Actuarial (losses)/gains	(0.90)	(1.21)
Plan assets at the closing of the year	**6.98**	**4.81**
iii) Net defined benefit liability	**146.11**	**138.24**

C Expense recognised in the Statement of Profit and Loss

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Current service cost	18.59	18.17
Interest on net defined liability / (asset)	8.73	8.05
Total cost, included in 'employee benefits expense'	**27.32**	**26.22**

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4.32 Employee benefits (continued)

D Remeasurements recognised in other comprehensive income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Actuarial gain/(loss) on defined benefit obligation	(3.54)	(4.58)
Actuarial gain/(loss) on plan assets	(0.90)	(1.21)
Total cost recognised in the other comprehensive income	**(4.44)**	**(5.79)**

E Actuarial assumptions

The following are the principal actuarial assumptions:

Particulars	As at 31 March 2022	As at 31 March 2021
Attrition rate	40.00%	33.00%
Discount rate	7.34%	6.91%
Salary escalation rate	5.00%	5.00%
Retirement age	58 years	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

F Maturity profile of defined benefit obligation is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Within 1 Year	54.25	41.89
2 to 5 years	99.11	93.05
6 to 10 years	26.36	33.26
	179.72	**168.20**

G Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022 (%)	As at 31 March 2021 (%)
Discount rate (+ 1% movement)	(2.00)	(2.50)
Discount rate (- 1% movement)	2.10	2.60
Salary escalation (+ 1% movement)	2.50	3.00
Salary escalation (- 1% movement)	(2.40)	(2.80)

H The Company expects to contribute ₹30.00 as its contribution to gratuity within one year from the year ended 31 March 2022.





4.33 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Subsidiaries	Ganga Care Hospital Limited
	Ramkrishna Care Medical Sciences Private Limited
	Galaxy Care Multispecialty Hospital Private Limited
	Quality Care Jharsuguda Private Limited
Key Management Personnel (KMP)	Madhavi Darbha, Group Financial Officer (upto 31 October 2020)
	Dr. Raajiv Singhal, Group Chief Executive Officer (upto 15 October 2020) Jasdeep Singh, Chief Executive Officer (w.e.f 19 October 2020)
	Sandeep Kumar, Chief Financial Officer (w.e.f. 27 October 2020 and upto 24 May 2021)
	Vikas Rastogi, Chief Financial Officer (w.e.f. 24 May 2021)
	Gayathri Chandramoulieswaran, Company Secretary (w.e.f. 21 January 2021)
Holding Company and Ultimate Holding Company	Touch Healthcare Private Limited, Mauritius, Holding Company
	Evercare Health Fund, L.P, Cayman Islands, Ultimate Holding Company
Entities in which Director is interested	AKNA Medical Private Limited Indian Medtronic Private Limited Asia Healthcare Holding Advisory LLP
Sister entity of ultimate holding company	Evercare Group Management Ltd
Joint venture	Quality Care Health Services India Private Limited

(b) Transactions

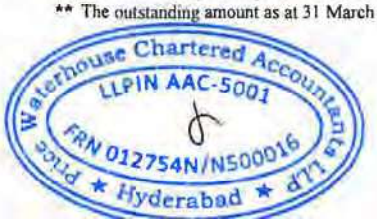
Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Transactions during the year		
1. Galaxy Care Multispeciality Hospital Private Limited		
Purchase of drugs and consumables (COVID Vaccine)	3.90	-
Sale of drugs and consumables (COVID Vaccine)	0.80	-
2. Ganga Care Hospital Limited		
Reimbursement of expenses	-	17.85
Repayment of loan	55.37	-
3. Ramkrishna Care Medical Sciences Private Limited		
Professional and business services	-	4.95
Purchase of Property, plant and equipment	0.06	-
4. AKNA Medical Private Limited		
Purchase of drugs and consumables	4.07	0.78
5. Indian Medtronic Private Limited		
Purchase of drugs and consumables	43.38	25.71
6. Asia Healthcare Holding Advisory LLP		
Professional and business services	3.87	-
7. Madhavi Darbha		
Short-term and post employment benefits*	-	5.85
8. Vikas Rastogi		
Short-term and post employment benefits*	7.64	-
9. Dr. Raajiv Singhal		
Short-term and post employment benefits*	-	27.89
10. Jasdeep Singh		
Short-term and post employment benefits*	42.94	9.79
11. Sandeep Kumar		
Short-term and post employment benefits*	6.52	5.04
12. Gayathri Chandramoulieswaran		
Short-term and post employment benefits*	0.97	0.14
13. Evercare Group Management Ltd		
Revenue from professional services	17.50	20.03

(c) Balances outstanding from/ to the related parties

Particulars	As at 31 March 2022	As at 31 March 2021
Balances outstanding from/ to the related parties as at 31 Mar 2022		
1. Ganga Care Hospital Limited		
Advances payable	-	55.37
2. Galaxy Care Multispecialty Hospital Private Limited		
Advance receivable	-	1.51
Trade payable	1.58	-
3. Quality Care Health Services India Private Limited		
Loans receivable**	65.83	65.83
4. Quality Care Jharsuguda Private Limited		
Advance receivable	-	0.01
5. AKNA Medical Private Limited		
Trade payable	0.14	0.74
6. Indian Medtronic Private Limited		
Trade payable	19.57	10.89
6. Evercare Group Management Ltd		
Revenue from professional services	3.56	-

* Short-term and post employment benefits, disclosed above, does not include those benefits which are computed for the Company as a whole.

** The outstanding amount as at 31 March 2022 aggregating to ₹65.83 (31 March 2021: ₹65.83) is provided for in the books (refer note 4.12)





4.34 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2022			As at 31 March 2021		
	FVTPL*	FVTOCI#	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	1,023.65	-	-	-	-	-
Trade receivables	-	-	984.48	-	-	935.01
Cash and cash equivalents	-	-	223.99	-	-	572.03
Other bank balances	-	-	238.53	-	-	356.06
Loans	-	-	0.18	-	-	1.80
Other financial assets	-	-	345.92	-	-	281.68
Total financial assets	**1,023.65**	-	**1,793.10**	-	-	**2,146.58**

	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	1,849.98	-	-	2,050.74
Trade payables	-	-	1,156.72	-	-	993.04
Lease liabilities	-	-	1,240.99	-	-	1,541.84
Other financial liabilities	-	-	138.73	-	-	176.58
Total financial liabilities	-	-	**4,386.42**	-	-	**4,762.20**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss**
#FVTOCI - Fair value through Other Comprehensive Income

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4.35 Financial instruments risk management

Financial Risk Management Framework

The Company's Board of Directors have an overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's principal financial liabilities, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Company derives directly from its operations. The Company also holds FVTPL investments.

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investments, balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of the credit risk.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹2,716.08 and ₹2,069.78 as of 31 March 2022 and 31 March 2021 respectively, being the total of the carrying amount of financial assets.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2022 and 31 March 2021.

Financial assets that are past due but not impaired : Refer note 4.10 - Trade Receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to 12 months expected credit loss or at an amount equal to the life time expected credit losses if the credit risk on the financial assets have increased significantly since the initial recognition. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

4.35 Financial instruments risk management (continued)

B. Liquidity risk

As at 31 March 2022	Up to 1 year	More than 1 year	Total
Borrowings	292.25	1,557.73	**1,849.98**
Trade payables	1,156.72	-	**1,156.72**
Lease liabilities	227.51	1,013.48	**1,240.99**
Other financial liabilities	138.73	-	**138.73**
Total	**1,815.21**	**2,571.21**	**4,386.42**

As at 31 March 2021	Up to 1 year	More than 1 year	Total
Borrowings	286.30	1,764.44	**2,050.74**
Trade payables	993.04	-	**993.04**
Lease liabilities	349.58	1,192.26	**1,541.84**
Other financial liabilities	176.58	-	**176.58**
Total	**1,805.50**	**2,956.70**	**4,762.20**

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rates of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument shall fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

For the years ended 31 March 2022 and 31 March 2021, every 50 basis point decrease in the floating interest rate component applicable to the Company's borrowings would have increased the profit before tax approximately by ₹10.25 and ₹11.36 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.





4.35 Financial instruments risk management (continued)

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

The carrying amount of the Company's foreign currency denominated monetary items in ₹ as at 31 March 2022 and 31 March 2021: NIL

4.36 Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payments to the shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Company's policy is to keep the gearing ratio below 30%. The Company includes within net debt, borrowings (long and short term), less cash and cash equivalents.

	As at	
	31 March 2022	**31 March 2021**
Borrowings (note 4.14 and 4.16)	1,849.98	2,050.74
Less: Cash and cash equivalents (note 4.12(a))	(223.99)	(572.03)
Less: Other bank balances (note 4.12(b))	(238.53)	(356.06)
Less: Investment in mutual funds (note 4.5(b))	(1,023.65)	-
Net debt (A)	**363.81**	**1,122.65**
Total equity (B)	6,527.07	5,489.32
Net debt and total equity (A) + (B)	6,890.88	6,611.97
Gearing ratio (%)	**5.28%**	**16.98%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. There has been no breaches in the financial covenants of any borrowings during the year ended 31 March 2022 and 31 March 2021.

No changes were made in the objectives, policies or processes for managing the capital during the years ended 31 March 2022 and 31 March 2021.

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4.37 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Company not acknowledged as debts		
- Disputed disallowances, deemed dividend under Section 2(22)(e) and deemed income under Section 56(2)(viib) of the Income Tax Act, 1961	27.78	72.65
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	3.56	3.56
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	67.62
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	8.77	8.77
- Disputed tax levied on specific building of the Company under the Expenditure Tax Act, 1987	7.83	7.83
Patient legal claims are pending with various Consumer Disputes Redressal Commission	203.08	74.95
Other legal claims pending under the various Statutory Acts	99.68	79.13
Guarantees excluding financial guarantees	**187.98**	**37.80**

(b) Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	431.17	182.82

4.38 Leases

The Company has taken hospital buildings, plant and machinery and vehicles on operating lease having a term ranging from 1 year to 15 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Company obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain lease of building with lease terms of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases.

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,541.84	1,632.71
Additions during the year	65.88	132.73
Deletions during the year	(67.83)	-
Finance cost accrued during the year	131.58	145.70
Other adjustments	(27.49)	(14.93)
Payment of lease liabilities	(402.99)	(354.37)
Lease liabilities as at the end of the year	**1,240.99**	**1,541.84**
Current lease liabilities	227.51	349.58
Non-current lease liabilities	1,013.48	1,192.26

The effective interest rate for lease liabilities is 9.55% with maturity between 2020-2034.

Following amounts have been recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on Right-of-use assets	323.22	319.38
Interest on lease liabilities	131.58	145.70
Total amount recognised in the Statement of profit and loss	**454.80**	**465.08**

Details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Less than one year	335.06	391.18
One to five years	1,006.39	1,174.31
More than five years	371.71	546.86
Total	**1,713.16**	**2,112.35**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases was ₹12.68 for the year ended 31 March 2022 (31 March 2021: ₹7.33).

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4.39 Employee Stock Option Plan

Pursuant to a special resolution passed by the members in their meeting held on 27 July 2013, the Company instituted an Employee Stock Option Plan (the ESOP Scheme 2013). The said scheme has been formulated in consultation with the Board of Directors of the Company, and accordingly the Company had reserved 1,150,000 equity shares of ₹10 each. The options granted under the said scheme shall vest within a span of four years in the ratio of 10%, 20%, 30% and 40 % each year from the date of grant. These options can be exercised upon satisfaction of conditions attached to such issue and shall be equity settled.

In addition to above, pursuant to the resolution passed in the Compensation Committee in the meetings held on various dates during the year ended 31 March 2016, the Company had granted 134,000 stock options to medical professionals.

Further, pursuant to a special resolution passed by the members in their meeting held on 20 February 2016, the Company instituted an Employee Stock Option Scheme 2016. The Company has reserved 1,000,000 equity shares of ₹10 each. No options were granted under the scheme.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the company approved the payment of an ex-gratia amount as per ESOP (Employee Stock Option) to each of the vested option-holders of 'EMPLOYEE STOCK OPTION SCHEME - 2013' as per the details mentioned below:

No. of Vested ESOPS	Exercise Price	Fair Market Valu	Ex-gratia amount paid as per ESOP
303,880	₹ 212/-	₹ 452.30/-	₹ 240.30/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	199,200	212	212,080	212
Forfeited during the year	-	-	12,880	212
Cancelled/Exercised during the year	199,200	212	-	212
Outstanding at the end of the year	-	-	199,200	212
Vested and exercisable at the end of the year	-	-	199,200	212

The details of exercise price for stock options outstanding as at reporting dates:

The share options outstanding as at 31 March 2022 has an exercise price of ₹Nil (31 March 2021: ₹212), and a weighted average remaining contractual life of Nil years (31 March 2021: Nil years).

The fair value of options was estimated at the date of grant using the Black-Scholes-Merton model with the following assumptions:

Particulars	
Exercise price	Nil
Expected Volatility	Nil
Life of the options granted (Vesting and exercise period) in years	Nil
Average risk-free interest rate	Nil

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4.40 Share warrants

On 30 April 2013, 20 February 2016, and 30 September 2016 the Company established share warrant plans that entitle the warrant holders an option to convert the warrants into equity shares of the Company at the relevant exercise price. The key terms and conditions related to the grants under these plans are as follows; all warrants are to be settled by the delivery of equity shares.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the company approved the payment of consideration to each of the vested eligible share warrants further allotted under the 'SHARE WARRANTS 2016 SCHEME' as per the details mentioned below:

No. of Vested warrants	Exercise Price	Fair Market Value	Ex-gratia amount paid as per Warrant
436,000	₹ 430.40/-	₹ 452.30/-	₹ 21.90/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of warrants	Weighted average exercise price (₹)	Number of warrants	Weighted average exercise price (₹)
Outstanding at the beginning of the year	712,330	430.40	726,050	430.40
Cancelled during the year	276,330	430.40	13,720	430.40
Exercised during the year	436,000	430.40	-	-
Outstanding at the end of the year	-	-	712,330	430.40
Vested and exercisable at the end of the year	-	-	712,330	430.40

The details of exercise price for stock options outstanding as at reporting dates:

The warrants outstanding as at 31 March 2021 has an exercise price of ₹Nil (31 March 2021: ₹430.40) and a weighted average remaining contractual life of Nil years (31 March 2021: Nil years).

The fair value of warrants was estimated at the date of grant using the Black-Scholes-Merton model with the following assumptions:

Particulars	
Exercise price	Nil
Expected Volatility	Nil
Life of the options granted (Vesting and exercise period) in years	Nil
Average risk-free interest rate	Nil

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4.41 Transfer pricing

The Company has entered into commercial transactions with its associated enterprises which are subject to assessment and test of being transactions carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Company has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length. Therefore, the legislation shall not have any impact on the standalone financial statements.

4.42 Disclosure of Interest in subsidiaries and joint venture:

Particulars	Nature of relationship	Country of incorporation	Ownership interest in the Company (%)	
			As at 31 March 2022	As at 31 March 2021
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%
Galaxy Care Multispecialty Hospital Private Limited	Subsidiary	India	76.00%	76.00%
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%
Quality Care Health Services India Private Limited	Joint venture	India	50.00%	50.00%

4.43 Unearned revenue

The following table discloses the movement in the unearned revenue during the year ended 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	33.42	42.40
Revenue recognised during the year	33.42	42.40
Invoiced during the year	4.98	33.42
Balance at the end of the year	**4.98**	**33.42**

4.44 In 2009, the Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") to acquire a land parcel and development of a Health City along with allied infrastructure ("Project") in Visakhapatnam, Andhra Pradesh. Pursuant to the terms of the said agreement, the APIIC has allotted 4.18 acres of land to the Company upon payment of INR 105.55 and included in Property, plant and equipment [refer note 4.1 (a)] subjected to conditional registration of land in favor of the Company upon completion of the Project by 30 June 2020. The company has received extension of timeline from APIIC till December, 2023. Further the company has incurred sum aggregating Rs. 564.17 (31 March 2021: Rs. 476.64) towards land development and civil construction there on which are included in capital work-in-progress (refer note 4.2). Based on internal evaluation, the management of the Company is confident of completing the project within stipulated timelines.

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Note 4.45 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks and financial institutions are in agreement with the books of accounts.

(iii) Wilful defaulter

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vii) Utilisation of borrowed funds and share premium

The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property, plant and equipment, intangible asset and investment property

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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Notes to the standalone financial statements
(All amounts in ₹ millions, except share data and where otherwise stated)

Note 4.45(xi) Financial ratios

Particulars	Current year 2021-22	Current year ratio	Previous year 2020-21	Previous year ratio	Variance %	Reasons (if variance is more than 25%)
Current ratio						
Numerator - Current assets	2,742.32	1.39	2,058.97	1.06	31%	Due to investment in mutual funds for surplus funds generated during the year.
Denominator - Current liabilities	1,968.20		1,937.31			
Debt-equity ratio						
Numerator - Total debt	1,849.98	0.28	2,050.74	0.37	-24%	None
Denominator - Total Shareholders Equity	6,527.07		5,489.32			
Debt service coverage ratio						
Numerator - PAT + Depreciation and amortisations expense + Interest + Loss on property, plant and equipment + Provision for doubtful balances	2,164.94	2.80	1,874.94	2.65	6%	None
Denominator - Interest & lease payments + principal repayments	772.77		708.31			
Return on equity ratio (in %)						
Numerator - Profit after tax	1,055.25	17.56%	606.70	11.69%	50%	Due to increase in profit after tax for the year
Denominator - Average shareholders equity	6,008.20		5,187.86			
Inventory turnover ratio (in times)						
Numerator - Cost of goods sold	2,366.58	20.36	1,935.08	12.66	61%	Due to increase in operations during the year.
Denominator - Average Inventory	116.26		152.89			
Trade receivables turnover ratio (in times)						
Numerator - Net credit sales	4,151.79	4.77	4,041.16	4.82	-1%	None
Denominator - Average trade receivables	871.01		837.92			
Trade payables turnover ratio (in times)						
Numerator - Net credit purchases	6,425.47	5.98	5,124.90	5.34	12%	None
Denominator - Average trade payables	1,074.88		959.62			
Net capital turnover ratio (in times)						
Numerator - Revenue from operations	10,223.07	22.82	8,141.13	(669.23)	-103%	Due to improvement in denominator mainly due to surplus generated from operations invested in mutual funds and also increase in revenue from
Denominator - Average working capital	447.89		(12.17)			
Net profit ratio (in %)						
Numerator - Profit for the year	1,055.25	10.32%	606.70	7.45%	39%	Due to increase in bed occupancy compared to previous year and absorption of fixed costs.
Denominator - Revenue from operations	10,223.07		8,141.13			
Return on capital employed (in %)						
Numerator - Earnings before interest and taxes	1,497.85	18.64%	839.45	11.67%	60%	Due to increase in profit during the year
Denominator - Capital employed= Tangible net worth + Total debt + Deferred tax liability	8,037.10		7,192.44			
Return on investment (in %)						
Numerator - Earnings before interest and taxes	1,497.85	13.81%	839.45	8.12%	70%	Due to increase in profit during the year
Denominator - Average total assets	10,845.51		10,340.17			

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4.46 Other regulatory information

(i) Title deeds of immovable properties not held in name of the company

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4.1 (a) to the financial statements, are held in the name of the company except for land aggregating to ₹105.55. (Refer note 4.44 for further details)

(ii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(iii) The company has not given loans/advances in the nature of loans to directors, promoters, KMPs or any other related parties which are repayable on demand or without specifying terms & conditions of repayment.

(iv) Registration of charges or satisfaction with Registrar of Companies which are yet to be registered with the Registrar of Companies beyond the statutory period;

Charge holder name	Charge ID	Date of creation	Amount in INR	Reason for delay
ICICI Bank Limited	10568516	02-Aug-14	1,100.00	This charge belongs to old acquired company which was merged into QCIL's Index of charges on merger, the satisfaction could not be filed as the acquired company was no longer in existence. The company is in the process of getting the same removed
Andhra Bank	10160606	11-May-09	45.00	
ICICI Bank Limited	90136844	08-Dec-01	180.00	Satisfaction of charge was done manually and the same was not reflected on conversion to electronic system on MCA portal. The company is in the process of getting the same removed
Industrial Development Bank Of India	90137502	19-May-93	49.50	
New Bank Of India	90137145	20-Feb-88	4.00	
IDIBI	90137107	15-May-87	10.00	
IFCI Bank Ltd	90137002	23-Jan-83	95.00	

4.47 Subsequent events

a. Subsequent to the year end the Company has acquired 95% shareholding in Convenient Hospitals Limited, Indore w.e.f June 29, 2022 for consideration of Rs. 3790 million and 76% shareholding in United Ciigma Institute of Medical Sciences Private Limited, Aurangabad w.e.f July 26, 2022 for a consideration of Rs. 3,805 million. Further the Company has also acquired one hospital in Hyderabad for a consideration of Rs. 200 million on slump sale basis w.e.f. April 25, 2022. The consideration for above acquisitions will be cash settled. These acquisitions are expected to add tremendously to the clinical depth and further strenghten the presence in non metro cities in India.

b. For the above acquisitions, subsequent to the year end the Company has issued 14,572,480 - 0.001% Compulsorily Convertible Preference Shares (CCPS) of face value of Rs. 10 each @ Rs. 452.30 per CCPS to the Holding Company amounting to Rs. 6,591 million which are convertible into equity shares on or before the end of 10 years.

For Price Waterhouse Chartered Accountants LLP
Firm registration number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership number: 55000

Place: Hyderabad
Date: August 25, 2022

For and on behalf of the Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468

Place: Dubai, UAE
Date: August 25, 2022

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303

Vikas Rastogi
Chief Financial Officer
AFEPR8865H

Gayathri Chandramouleeswaran
Company Secretary
AQSPC2418C - Membership no. A41863

Place: Hyderabad
Date: August 25, 2022

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT
To the Members of Quality Care India Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Quality Care India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and joint venture (refer Note 2(g) to the attached consolidated financial statements), which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Loss), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint venture as at March 31, 2022, of consolidated total comprehensive income (comprising of profit and other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 12 of the Other Matters section below is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

   Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 12 below), we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of the Group and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group and joint venture are responsible for overseeing the financial reporting process of the Group and joint venture.

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

11. 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.

Other Matters

12. We did not audit the financial statements of one subsidiary whose financial statements reflect total assets of Rs 0.04 million and net assets of Rs. 0.00 million as at March 31, 2022, total revenue of Rs. Nil, total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. Nil and net cash flows amounting to Rs. Nil for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive loss (comprising of loss and other comprehensive loss) of Rs. 0.01 million as considered in the consolidated financial statements, in respect of one joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of this subsidiary and joint venture and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiary and joint venture, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.



Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

14. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

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

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive loss), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture incorporated in India, none of the directors of the Group companies, its joint venture incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group and its joint venture– Refer Note 4.37(a) to the consolidated financial statements.

ii. The Group and joint venture were not required to recognise a provision as at March 31, 2022 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contracts. The Group and joint venture did not have any derivative contracts as at March 31, 2022.

iii. During the year ended March 31, 2022, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and joint venture incorporated in India.

iv. (a) The respective Managements of the Company and its subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries/ joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest



in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries/ joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 4.45(vi) to the consolidated financial statements);

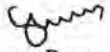
(b) The respective Managements of the Company and its subsidiaries/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries/ joint venture respectively that, to the best of their knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries/ joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries/ joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Refer Note 4.45(vi) to the consolidated financial statements);

(c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiary/ joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

v. The Holding Company, its subsidiary companies and joint venture, has not declared or paid any dividend during the year.

15. The Group and its joint venture have paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVFQ1967

Place: Hyderabad
Date: August 25, 2022

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Quality Care India Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary companies and joint venture, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to consolidated financial statements.

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(f) of the Independent Auditor's Report of even date to the members of Quality Care India Limited on the consolidated financial statements for the year ended March 31, 2022

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and joint venture, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVFQ1967

Place: Hyderabad
Date: August 25, 2022

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022

As required by paragraph 3(xxi) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

S. No.	Name of the Company	CIN	Relationship with the Holding Company (Holding Company/ Subsidiary/ Joint Venture)	Date of the respective auditors' report	Paragraph number and comment in the respective CARO report reproduced below
1.	Quality Care India Limited	U85110TG1992PLC014728	Holding Company	August 25, 2022	(i)(c) - The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 4.1 to the financial statements, are held in the name of the Company, except for the following: (Refer note 1 below) (vii)(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities. (xi)(c) - During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has received whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting.
2.	Galaxy Care Multispeciality Hospital Private Limited	U85110PN2005PTC020122	Subsidiary Company	August 23, 2022	vii(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.



Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022

3.	Ganga Care Hospital Limited	U85110MH2005PLC150811	Subsidiary Company	August 22, 2022	vii(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
4.	Ramkrishna Care Medical Sciences Private Limited	U85110CT1998PTC013035	Subsidiary Company	August 22, 2022	vii.(a) - According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.
5.	Quality Care Jharsuguda Private Limited	U85300TG2016PTC112746	Subsidiary Company	August 22, 2022	xvii. The Company has incurred cash losses in the current and in the immediately preceding financial year.
6.	Quality Care Health Services India Private Limited	U85100TG2008PTC058264	Joint venture	August 22, 2022	xvii. The Company has incurred cash losses in the current and in the immediately preceding financial year.



Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of Quality Care India Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022

Note 1:

Description of property	Gross carrying value (INR in millions)	Held in the name of	Whether promoter, director or their relative or employee	Period held -indicate range, where appropriate	Reason for not being held in the name of the Company
Land	105.55	Andhra Pradesh Industrial Infrastructure Corporation Limited	No	From 2009	Refer note 4.44 to the Standalone Financial Statements* * Included in note 4.44 to the consolidated financial statements.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Sunit Kumar Basu
Partner
Membership Number: 55000
UDIN: 22055000APVVFQ1967

Place: Hyderabad
Date: August 25, 2022

Quality Care India Limited
Consolidated Balance Sheet
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1 (a)	5,275.02	5,266.40
(b) Right-of-use assets	4.1 (b)	1,389.48	1,752.71
(c) Capital work in progress	4.2	623.74	601.14
(d) Goodwill		330.51	330.51
(e) Other intangible assets	4.3	78.16	81.34
(f) Intangible assets under development	4.4	-	26.59
(g) Investments in Joint venture	4.5 (a)	0.02	0.03
(h) Financial assets			
(i) Other financial assets	4.6 (a)	188.49	204.11
(i) Deferred tax assets (net)	4.7 (a)	904.98	738.99
(j) Non-current tax assets (net)	4.7 (b)	688.33	645.46
(k) Other non-current assets	4.8 (a)	178.28	112.29
Total non-current assets (A)		**9,657.01**	**9,759.57**
B. Current assets			
(a) Inventories	4.9	152.53	143.12
(b) Financial assets			
(i) Investments	4.5 (b)	1,029.35	5.47
(ii) Trade receivables	4.10	1,172.61	1,128.06
(iii) Cash and cash equivalents	4.11 (a)	315.51	686.28
(iv) Bank balances other than above	4.11 (b)	778.74	700.46
(v) Loans	4.12	0.41	1.13
(vi) Other financial assets	4.6 (b)	224.68	150.95
(c) Other current assets	4.8 (b)	85.80	62.92
Total current assets (B)		**3,759.63**	**2,878.39**
Total assets (A+B)		**13,416.64**	**12,637.96**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	414.97	414.97
(b) Other equity	4.13 (b)		
(i) Reserves and surplus		6,536.87	5,397.75
Equity attributable to the owners of the Company		**6,951.84**	**5,812.72**
(c) Non-controlling interest		520.88	450.56
Total equity (A)		**7,472.72**	**6,263.28**
Liabilities			
B. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	1,859.10	2,199.20
(ii) Lease liabilities	4.38	1,381.98	1,595.69
(iii) Other financial liabilities	4.18 (a)	11.00	-
(b) Employee benefit obligations	4.15 (a)	153.95	153.99
Total non-current liabilities (B)		**3,406.03**	**3,948.88**
C. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	4.16	423.62	415.93
(ii) Lease liabilities	4.38	282.88	390.27
(iii) Trade payables	4.17		
(a) total outstanding dues of micro and small enterprises		30.54	27.32
(b) total outstanding dues other than (iii) (a) above		1,406.34	1,229.27
(iv) Other financial liabilities	4.18 (b)	161.87	148.38
(b) Employee benefit obligations	4.15 (b)	96.57	67.79
(c) Other current liabilities	4.19	136.07	146.84
Total current liabilities (C)		**2,537.89**	**2,425.80**
Total liabilities (B+C)		**5,943.92**	**6,374.68**
Total equity and liabilities (A+B+C)		**13,416.64**	**12,637.96**

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramouleswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Consolidated Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the year ended	
		31 March 2022	31 March 2021
I Revenue from operations	4.20	13,181.61	10,532.66
II Other income	4.21	98.56	113.56
III Total income (I+II)		**13,280.17**	**10,646.22**
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		3,075.44	2,395.21
(ii) Changes in inventories of medical consumables and pharmacy items	4.22	(9.41)	112.83
(iii) Employee benefits expense	4.23	1,982.45	1,677.44
(iv) Other expenses	4.24	5,515.93	4,523.76
Total expenses (IV)		**10,564.41**	**8,709.24**
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		**2,715.76**	**1,936.98**
(i) Finance costs	4.25	421.02	548.20
(ii) Depreciation and amortisation expense	4.26	905.27	869.24
(iii) Impairment of intangible assets	4.3	-	26.28
VI Profit before exceptional items		**1,389.47**	**493.26**
VII Profit before share of loss of a joint venture		**1,389.47**	**493.26**
(i) Share of loss of a joint venture	4.42	0.01	**0.01**
VIII Profit before tax		**1,389.46**	**493.25**
IX Income Tax expense/(benefit):			
(i) Current tax expense	4.27	302.84	135.43
(ii) Income tax relating to earlier periods	4.27	21.51	45.69
(iii) Deferred tax expense / (benefit)	4.7 (a)	(163.80)	(367.91)
Total tax expense		**160.55**	**(186.79)**
X Profit for the year (VIII-IX)		**1,228.91**	**680.04**
XI Other Comprehensive Income:			
(i) Items that will not be reclassified subsequently to Statement of Profit and Loss			
(a) Gain/(loss) on remeasurement of post-employment benefit obligations	4.32 (d)	(7.08)	(6.94)
(ii) Income tax relating to these items	4.7 (a)	2.19	2.32
Other comprehensive loss for the year, net of tax (IX)		**(4.89)**	**(4.62)**
XII Total comprehensive income for the year (X+XI)		**1,224.02**	**675.42**
XIII Profit for the year attributable to:			
Owners of the parent		1,157.87	655.49
Non-controlling interests		71.04	24.55
XIV Other comprehensive loss attributable to:			
Owners of the parent		(4.17)	(4.28)
Non-controlling interest		(0.72)	(0.34)
XV Total comprehensive income attributable to:			
Owners of the parent		1,153.70	651.21
Non-controlling interests		70.32	24.21
XVI Earnings per equity share (Nominal value of equity share ₹10 (31 March 2021 : ₹10))	4.28		
Basic Earnings per equity share (in ₹)		27.90	15.80
Diluted Earnings per equity share (in ₹)		27.90	15.73

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Consolidated Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flow from operating activities		
Profit before tax	1,389.46	493.26
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(27.17)	(0.32)
Share of loss of a joint venture	0.01	0.01
Depreciation and amortisation expense	905.67	869.24
Impairment losses of intangible assets	-	26.28
Provision for doubtful trade receivables	105.78	136.16
Advances and loans written-off	-	2.10
Share based compensation expense	(14.58)	-
Income/liabilities written back from operating activities	(4.13)	(5.52)
Interest income	(46.30)	(70.74)
Finance costs	380.59	511.26
Property, plant and equipment written off	5.29	17.75
Loss on sale of property, plant and equipment	3.91	1.08
Change in operating assets and liabilities:	**2,698.53**	**1,980.56**
(Increase)/decrease in inventories	(9.41)	112.83
(Increase)/decrease in trade receivables	(150.32)	(157.07)
(Increase)/decrease in loans	12.05	(16.31)
(Increase)/decrease in other assets	39.32	31.27
(Increase)/decrease in other financial assets	(29.66)	(7.59)
(Increase)/decrease in other non-current assets	0.94	-
Increase/(decrease) in trade payables	170.28	70.45
Increase/(decrease) in provisions	22.48	(6.06)
Increase/(decrease) in other financial liabilities	(46.19)	42.14
Increase/(decrease) in other current liabilities	(11.50)	-
Increase/(decrease) in other non financial liabilities	11.00	-
Increase/(decrease) in other liabilities	0.70	(10.78)
Cash generated from operations	**2,708.22**	**2,039.44**
Income taxes paid, net	(367.86)	(16.57)
Net cash inflow from operating activities (A)	**2,340.36**	**2,022.87**
Cash flow from investing activities		
Payments for property, plant and equipment	(664.08)	(327.13)
Proceeds from sale of Property, plant and equipment	51.42	-
Purchase of mutual funds	(1,349.93)	-
Sale of mutual funds	353.23	-
Interest received on fixed deposits	43.25	30.67
Proceeds from loan recovered	-	21.26
Movement in other bank balances, net	28.57	(248.20)
Net cash outflow from investing activities (B)	**(1,537.54)**	**(523.40)**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
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Hyderabad

QUALITY CARE INDIA LIMITED
Hyderabad

Quality Care India Limited
Consolidated Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the year ended	
	31 March 2022	31 March 2021
Cash flow from financing activities		
Proceeds from long-term borrowings	85.53	1,075.86
Repayments of long-term borrowings	(424.83)	(1,315.38)
Proceeds/Repayments from short term borrowings, net	6.89	(331.13)
Payment of lease liabilities	(492.69)	(425.05)
Interest paid	(208.58)	(262.12)
Dividend paid	(0.07)	(82.65)
Net cash (outflow)/ inflow from financing activities (C)	**(1,033.75)**	**(1,340.47)**
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	**(230.93)**	**159.00**
Cash and cash equivalents at the beginning of the year	546.44	387.44
Cash and cash equivalents at the end of the year (note 1)	**315.51**	**546.44**

	As at	
	31 March 2022	31 March 2021
Note 1:		
Cash and cash equivalents includes		
- Included in cash and cash equivalents (refer note 4.12(a))		
Cash on hand	8.75	11.30
Balances with banks in cash credit accounts	88.94	-
Balances with banks in current accounts	217.82	535.14
Balances as per statement of cash flows	**315.51**	**546.44**

The accompanying notes are an integral part of the consolidated financial statements.

This is the consolidated cash flow statement referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE

Date: 25th August, 2022

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place : Hyderabad

Vikas Rastogi
Chief Financial Officer
AFEPR8865H
Place : Hyderabad

Gayathri Chandramoulieswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

Quality Care India Limited
Consolidated Statement of changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Equity share capital

Particulars	Notes	Number of shares	Amount in millions
Balance at 1 April 2020		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance at 31 March 2021		**41,496,894**	**414.97**
Changes in equity share capital	4.13 (a)	-	-
Balance at 31 March 2022		**41,496,894**	**414.97**

B. Other Equity

Particulars	Reserves and surplus					Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Securities premium	Capital reserve	Share options outstanding account	Share warrants reserve	Retained earnings		
Balance at 1 April 2020	4,457.24	11.31	7.51	7.07	263.41	**4,746.54**	**426.35**
Profit for the year	-	-	-	-	655.49	**655.49**	**24.55**
Other comprehensive loss	-	-	-	-	(4.28)	(4.28)	**(0.34)**
Balance at 31 March 2021	**4,457.24**	**11.31**	**7.51**	**7.07**	**914.62**	**5,397.75**	**450.56**
Profit for the year	-	-	-	-	1,157.87	**1,157.87**	**71.04**
Stock option compensation for the year	-	-	(7.51)	(7.07)	-	**(14.58)**	-
Other comprehensive loss	-	-	-	-	(4.17)	**(4.17)**	**(0.72)**
Balance at 31 March 2022	**4,457.24**	**11.31**	-	-	**2,068.32**	**6,536.87**	**520.88**

The accompanying notes are an integral part of the consolidated financial statements.

This is the Consolidated Statement of changes in Equity referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place : Dubai, UAE
Date: 25th August, 2022

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Place : Hyderabad
Date: 25th August, 2022

Gayathri Chandramouleeswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad

Place: Hyderabad, India
Date: 25th August, 2022

1. Corporate information

The consolidated financial statements of "Quality Care India Limited" ("the Company" or "QCIL" or "Parent Company" or "Parent") and its subsidiaries (collectively referred to as "Group") and a joint venture are for the year ended 31 March 2022. The Company is a public company domiciled in India and is incorporated under the erstwhile provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

The Group is primarily engaged in providing healthcare and related services. The Group has a network of multi-speciality hospitals across various cities in India.

The Holding Company of QCIL is Touch Healthcare Private Limited and the Ultimate Holding Company upto 21 June 2019 was Abraaj Growth Markets Health Fund General Partner Limited, United Arab Emirates ("UAE"). With effect from 21 June 2019, the Ultimate Holding Company of QCIL has changed to Evercare Health Fund, L.P, Cayman Island.

The consolidated financial statements were approved for issue in accordance with a resolution of the Board of Directors on 25 August 2022.

2. Basis of preparation of Financial Statements

a) Statement of Compliance

The Consolidated Financial statements of the Group have been prepared and presented in accordance with all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. Details of accounting policies are included in Note 3.

b) New amendments issued but not effective

The Ministry of Corporate Affairs has vide notification dated 23 March 2022 notified Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends certain accounting standards, and are effective 1 April 2022. These amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

c) Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on 24 March 2021 to increase the transparency and provide additional disclosures to users of financial statements. These amendments are effective from 1 April 2021.

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The Group has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1. The impact of such classifications is summarised below:

(Rs. in millions)

Balance sheet (extract)	31 March 2021 (As previously reported)	Increase/ (Decrease)	31 March 2021 (Retated)
'Financial assets - Loans (current)	7.96	(6.83)	1.13
'Financial assets -Other financial assets (current)	144.12	6.83	150.95
'Financial assets - Loans (non-current)	192.47	(192.47)	-
'Financial assets -Other financial assets (non-current)	11.64	192.47	204.11
Financial liabilities- Other financial liabilities (current)	564.31	(415.93)	148.38
Financial liabilities- Borrowings (current)	-	415.93	415.93

d) Basis for measurement

The consolidated financial statements have been prepared on a going concern basis under historical cost, except for the following:

- certain financial assets and liabilities are measured either at fair value or at amortised cost depending on the classification;
- Liabilities for cash-settled share-based payment arrangements; and
- employee defined benefit liability are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

e) Functional and presentation currency

The consolidated financial statements are presented in ₹ and all values are rounded to the nearest millions, except when otherwise indicated.

f) Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use or for the purpose of better presentation of financial statements. Management evaluates all recently issued or revised Accounting Standards on an ongoing basis and accordingly changes the Accounting policies as applicable.





g) **Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and a joint venture.

List of subsidiaries and joint venture included in the consolidated financial statement is as under:

Name of the entity	Relationship	Country of incorporation	Proportion of ownership interest as at	
			31 March 2022 (%)	31 March 2021(%)
Ganga Care Hospital Limited (GCHL)	Subsidiary	India	74.13	74.13
Ramkrishna Care Medical Sciences Private Limited (RCMSPL)	Subsidiary	India	56.33	56.33
Galaxy Care Multispecialty Hospital Private Limited (GCMHPL)	Subsidiary	India	76.00	76.00
Quality Care Jharsuguda Private Limited (QCJPL)	Subsidiary	India	100.00	100.00
Quality Care Health Services India Private Limited (QCHSPL)	Joint venture	India	50.00	50.00

(i) Business combinations

Business combinations are accounted for using the Acquisition method. The acquisition date is the date on which control is transferred to the acquirer. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. For the non-controlling interests in consolidated subsidiaries, the Group elected to recognise the non-controlling interests at its proportionate share of the acquired net identifiable assets.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are at their acquisition date fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits, respectively.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the Statement of Profit and Loss or Other Comprehensive Income ('OCI'), as appropriate.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over

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the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income ('OCI') and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through Other Comprehensive Income ('OCI').

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in the Statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

(ii) Subsidiaries and joint venture

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements;
- the Group's voting rights and potential voting rights; and
- the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

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

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

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

Consolidation procedure:

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

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill or capital reserve.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the Parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

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

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interests;
- Derecognises the cumulative translation differences recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in the Statement of profit and loss; and
- Reclassifies the parent's share of components previously recognised in Other Comprehensive Income ("OCI") to the Statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The results and assets and liabilities of joint venture is incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture.

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Distributions received from a joint venture reduces the carrying amount of the investment. The carrying value of the Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. When the Group's share of losses of a joint venture exceeds its interest in that joint venture, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has obligations or has made payments on behalf of the joint venture. An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture and discontinues from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale.

The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed off the related assets or liabilities. When a Group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

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QUALITY CARE INDIA LIMITED Hyderabad

3A. Significant accounting policies

a. Foreign currencies

The functional currency of the Parent Company, its subsidiaries and joint venture is Indian rupee (INR). These financial statements are presented in Indian rupees, which is Parent Company's functional currency.

Transactions in foreign currency are initially recorded at exchange rates prevailing on the date of transactions. Monetary items denominated in foreign currencies (such as cash, receivables, payables etc.) outstanding at the end of reporting period, are translated at the functional currency spot rate of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of profit and loss, except those relating to long-term foreign currency monetary items.

b. Fair value measurement

The Group measures financial instruments at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as unquoted financial assets measured at fair value, and for non-recurring measurement.

External valuers are involved for valuation of significant assets, such as unquoted financial assets, and significant liabilities, such as contingent consideration. Involvement of external valuers is decided upon annually by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Effective 1 April 2018, the Group adopted Ind AS 115, Revenue from Contracts with Customers, using the modified retrospective application method. The application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the consolidated financial statements of the Group.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

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Goods and services tax is not received by the Group on its own account. Rather, it is tax collected by the Group on behalf of the Government. Accordingly, it is excluded from revenue.

Revenue from health care services and related activities

Income from healthcare services is recognised as revenue when the related services are rendered unless significant future uncertainties exists. Revenue is also recognised in relation to the services rendered, to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered. Revenue is recognised net of discounts and concessions, if any, given to the patients and disallowances including claims.

Unbilled receivables and Unearned revenue

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. Other contract assets have been disclosed as contract assets within other assets.

Unearned revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers could include periodic performance-based payments and/or milestone-based progress payments. Invoices are payable within contractually agreed credit period. Advances received for services are reported as liabilities until all conditions for revenue recognition are met.

Contract modifications - Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Revenue from sale of pharmacy

Revenue from sale of pharmacy is recognised when control is transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included under other income in the Statement of profit and loss.

Dividend Income

Dividend income is recognized when the Group's right to receive dividend is established.





d. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept as uncertain tax treatment. The Group measures its tax balances either based at the most likely amount or expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax

Deferred tax is provided using the Balance Sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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

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e. Property, plant and equipment ("PPE")

Property plant and equipment and Capital Work in progress are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price (net of discounts and rebates), borrowing costs if capitalization criteria are met and any attributable cost of bringing the asset to its working condition and location for the intended use. Repairs and maintenance costs are recognised in the Statement of profit and loss as incurred.

Depreciation is provided on the basis of straight line method, except for RCMSPL where depreciation is provided on the basis of written down value method. Depreciation is provided using the useful lives and in the manner prescribed in Schedule II of the Act, except in respect of the following assets wherein based on technical assessment made by technical expert and management estimate, the assessed useful lives are determined to be different from those prescribed under the Schedule II of the Act. Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

i) Plant and machinery used in medical and surgical operations other than those mentioned in IV(ii)(*i*)(1) of the Schedule II and General plant and machinery: Useful life is considered to be 13 years. Useful life of each asset is determined based on internal and external technical evaluation.
ii) Computers and data processing units mentioned in XII(i) of the Schedule II: Useful life is considered to be 3 years. Useful life of each asset is determined based on internal and external technical evaluation.

The useful life provided for different asset classes under Schedule II of the Act is as follows:

Asset class	Useful life (years)
Buildings	60
Plant and Machinery used in medical and surgical operations	13
Furniture and Fixtures	10
Vehicles	8
Office Equipment	5
Computer equipment (end user devices)	3

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

Depreciation on assets which are available for use during the year is charged on pro -rata basis from the date of their availability.

An item of Property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of a PPE is measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss ("SPL") when the asset is derecognised.

The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.





f. Goodwill and other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Other intangible assets are amortised on straight line basis over the estimated useful economic life. The estimated useful life of other intangible assets is mentioned below:

Asset	Useful life (years)
Software	3 to 5

Gains or losses arising from de-recognition of other intangible assets are measured as the difference between the net disposal proceeds and the carrying amounts of the assets and are recognised in the Statement of Profit and Loss ("SPL") when the assets are derecognised.

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over and is subsequently measured at cost less accumulated impairment losses, if any.

g. Borrowing cost

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

h. Leases

The Group as a lessee

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

At the date of commencement of the lease, the Group recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability

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whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option.

The Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

i. Inventories

Inventory of medical supplies, drugs, and other consumables are valued at lower of cost or net realizable value. Cost of medical supplies and drugs is determined on the basis of weighted average method except for Galaxy Care Multispeciality Hospital Private Limited and Ganga Care Hospital Limited determined on the basis of first-in-first-out method. Stores and spares and other consumables are valued on the basis of weighted average method except for Galaxy Care Multispeciality Hospital Private Limited and Ganga Care Hospital Limited determined on the basis of first-in-first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

Cost of inventories include purchase price, import duties and other taxes excluding taxes those are subsequently recoverable from the concerned authorities, freight inwards and other expenditure incurred in bringing the inventories to their present location and condition.

j. Impairment of non-financial assets

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

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

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

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

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of profit and loss.

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

k. Provision and contingencies

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss ("SPL") net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

Contingent liabilities is identified and disclosed with respect to following:

- a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

- a present obligation that arises from past events but is not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability.

Contingent assets are neither recognized nor disclosed, unless inflow of economic benefits is probable. However, when realization of income is virtually certain, related asset is recognized.

l. Employee benefits

Short term benefits

Short Term Employee Benefits are accounted for in the period during which the services have been rendered.

Post-employment benefits and other long term employee benefits

Provident Fund: Retirement benefit in the form of provident fund is a defined contribution scheme. The contributions to the provident fund administered by the Central Government under the Provident Fund Act, 1952, are charged to the Statement of Profit and Loss ("SPL") for the year in which the contributions are due. The Group has no obligation, other than the contribution payable to the provident fund.

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Gratuity: The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising mainly of actuarial gains and losses, are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Leave Encashment: Accrued liability for leave encashment including sick leave is determined on actuarial valuation basis using Projected Unit Credit (PUC) Method at the end of the year and provided completely in profit and loss account as per Ind AS - 19 "Employee Benefits".

m. Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

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

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

Debt instruments at amortised cost

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Statement of Profit and Loss ("SPL"). The losses arising from impairment are recognised in Statement of Profit and Loss ("SPL").

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

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Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Equity instruments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

De-recognition

A financial asset is primarily derecognised when:

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables, unbilled receivables and bank balances.
- Lease receivables under Ind AS 116

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables that do not contain a significant financing component.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Statement of Profit and Loss ("SPL"). The Balance Sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and borrowings.

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Subsequent measurement

Borrowings

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss ("SPL") when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in the Statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition

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

Offsetting of financial instruments

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

n. Earnings per equity share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o. Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Group. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non- cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

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For the purpose of Cash flow statement, cash and cash equivalents consist of cash on hand and balances with banks in current accounts, balances in cash credit accounts and short-term deposits with an original maturity of three months or less.

p. Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

q. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards/warrants granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards/ warrants. The amount recognised as expense is based on the estimate of the number of awards/ warrants for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards/warrants that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards/warrants with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

r. Measurement of profit/Earnings before interest, tax, depreciation and amortisation (EBITDA)

As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.

In its measurement of EBITDA, the Group includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

3B. Key accounting estimates and judgements

a. Defined benefit plans and other long-term benefit plan

The cost and present value of the defined benefit gratuity plan and leave encashment (other long-term benefit plan) are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation and other long-term benefits are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

b. Useful lives of depreciable and amortisable assets

The Group reviews the estimated useful lives and residual value of Property, plant and equipment and intangible assets at the end of each reporting period. The factors such as changes in the expected level of usage, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation and amortization charge could be revised and thereby could have an impact on the future years.





c. Impairment of Goodwill

Goodwill with indefinite life is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell.

The goodwill impairment test is performed at the level of the cash-generating unit which are benefiting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes. Market related information and estimates are used to determine the recoverable amount.

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

e. Share-based payments

The grant date fair value of employee stock options/warrants granted is recognised as an employee expense over the period that the employee/holder becomes unconditionally entitled to the options/warrants. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimation requires determination of the most appropriate inputs to the valuation model including the expected life of the share option/warrant, volatility, risk free interest rate and making assumptions about them.

f. Impairment of non-financial assets, apart from Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model.

g. Recognition and measurement of provisions

The recognition and measurement of provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known as at the Balance Sheet date. Therefore, the actual outflow of resources at a future date may vary.

h. Expected Credit Loss

The impairment provision for trade receivables and unbilled receivables is based on assumptions about risk of default and expected loss rates. The Group uses judgements in making certain assumptions and selecting inputs to determine impairment of these trade receivables, based on the Group's historical experience towards potential billing adjustments, delays and defaults at the end of each reporting period.

i. Deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

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j. Income Taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty.

k. Assessment of claims and litigations disclosed as contingent liabilities

There are certain claims and litigations which have been assessed as contingent liabilities by the Management which may have an effect on the operations of the Group should the same be decided against the Group.

The Management has assessed that no further provision / adjustment is required to be made in these Consolidated Financial Statements for the above matters, other than what has been already recorded, as they expect a favourable decision based on their assessment and the advice given by the external legal counsels / professional advisors.

l. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives.





4.1 (a) Property, plant and equipment*

Particulars	Leasehold land	Freehold land**	Buildings	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount										
Opening gross carrying amount as at 1 April 2020	114.41	368.38	2,768.16	892.94	2,967.27	150.55	108.50	100.59	30.71	7,501.51
Additions	-	-	7.33	11.41	101.20	3.39	11.38	33.14	2.29	170.14
Disposals	-	-	(0.01)	(201.43)	(4.41)	(0.01)	(0.03)	(0.40)	(1.40)	(207.69)
Closing gross carrying amount as at 31 March 2021	**114.41**	**368.38**	**2,775.48**	**702.92**	**3,064.06**	**153.93**	**119.85**	**133.33**	**31.60**	**7,463.96**
Additions	-	-	41.90	89.31	281.93	6.99	15.87	34.80	-	470.80
Disposals	-	-	-	(0.36)	(66.20)	(0.64)	(2.46)	(0.90)	(2.19)	(72.75)
Closing gross carrying amount as at 31 March 2022	**114.41**	**368.38**	**2,817.38**	**791.87**	**3,279.79**	**160.28**	**133.26**	**167.23**	**29.41**	**7,862.01**
Accumulated Depreciation										
Opening accumulated depreciation as at 1 April 2020	0.84	-	213.42	438.25	1,059.89	78.81	72.32	60.92	11.76	1,936.21
Depreciation charge during the year	0.10	-	68.42	83.53	249.39	14.62	12.69	16.13	4.30	449.18
On disposals	-	-	-	(183.68)	(2.80)	(0.01)	(0.03)	(0.14)	(1.17)	(187.83)
Closing accumulated depreciation as at 31 March 2021	**0.94**	**-**	**281.84**	**338.10**	**1,306.48**	**93.42**	**84.98**	**76.91**	**14.89**	**2,197.56**
Depreciation charge during the year	0.10	-	67.62	77.71	247.23	13.40	10.65	24.47	3.99	445.17
On disposals	-	-	-	(0.22)	(50.11)	(0.16)	(2.29)	(0.90)	(2.06)	(55.74)
Closing accumulated depreciation as at 31 March 2022	**1.04**	**-**	**349.46**	**415.59**	**1,503.60**	**106.66**	**93.34**	**100.48**	**16.82**	**2,586.99**
Net carrying amount as at 31 March 2021	**113.47**	**368.38**	**2,493.64**	**364.82**	**1,757.58**	**60.51**	**34.87**	**56.42**	**16.71**	**5,266.40**
Net carrying amount as at 31 March 2022	**113.37**	**368.38**	**2,467.92**	**376.28**	**1,776.19**	**53.62**	**39.92**	**66.75**	**12.59**	**5,275.02**

* Security- Refer note 4.14 and 4.11(a) for charge details on Property, plant and equipment.

** The title deeds of land aggregating to ₹105.55 (31 March 2021 : ₹105.55) are pending transfer to the Parent Company's name. Refer note 4.44 for further details.

4.1 (b) Right-of-use assets

Particulars	Category of Right-of-use assets				Total
	Buildings	Plant and machinery	Vehicles	Furniture and fixtures	
Balance as at 1 April 2020	**1,641.51**	**322.71**	**2.82**	**20.38**	**1,987.42**
Additions	151.46	-	-	-	151.46
Deletions	-	-	-	-	-
Other adjustments	(14.93)	-	-	-	(14.93)
Depreciation charge for the year	(241.70)	(125.80)	(1.81)	(1.93)	(371.24)
Balance as at 31 March 2021	**1,536.34**	**196.91**	**1.01**	**18.45**	**1,752.71**
Additions	82.48	11.43	-	-	93.91
Deletions	(59.91)	(0.81)	-	-	(60.72)
Other adjustments	(4.68)	-	-	-	(4.68)
Depreciation charge for the year	(278.66)	(112.07)	(1.01)	-	(391.74)
Balance as at 31 March 2022	**1,275.57**	**95.46**	**-**	**18.45**	**1,389.48**





4.2 Capital work in progress

4.2 (a) Aging of CWIP:

Particulars	Capital work-in-progress for									
	As on 31st March, 2022					As on 31st March, 2021				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	109.51	47.98	466.25	-	623.74	97.20	503.94	-	-	601.14
(ii) Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
Total	**109.51**	**47.98**	**466.25**	**-**	**623.74**	**97.20**	**503.94**	**-**	**-**	**601.14**

4.2 (b) Completion schedule for Capital work in progress whose completion is overdue is as below. There are no Capital work in progress which has exceeded its cost compared to its original plan:

Particulars	Capital work-in-progress for									
	To be completed in As on 31st March, 2022					To be completed in As on 31st March, 2021				
	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress										
Vizag Health City Project	564.17	-	-	-	564.17	-	476.74	-	-	476.74
(ii) Projects temporarily suspended										
NIL	-	-	-	-	-	-	-	-	-	-
Total	**564.17**	**-**	**-**	**-**	**564.17**	**-**	**476.74**	**-**	**-**	**476.74**

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4.3 Goodwill and Other intangible assets

Particulars	Goodwill	Software	Total
Gross carrying amount			
Opening gross carrying amount as at 1 April 2020	330.51	178.96	509.47
Additions	-	35.68	35.68
Closing gross carrying amount as at 31 March 2021	**330.51**	**214.64**	**545.15**
Additions	-	65.18	65.18
Closing gross carrying amount as at 31 March 2022	**330.51**	**279.82**	**610.33**
Accumulated amortisation			
Opening accumulated amortisation as at 1 April 2020	-	58.20	58.20
Amortisation charge for the year	-	48.82	48.82
Impairment charge	-	26.28	26.28
Closing accumulated amortisation as at 31 March 2021	-	**133.30**	**133.30**
Amortisation charge for the year		68.36	68.36
Closing accumulated amortisation as at 31 March 2022	-	**201.66**	**201.66**
Closing net carrying amount as at 31 March 2021	**330.51**	**81.34**	**411.85**
Closing net carrying amount as at 31 March 2022	**330.51**	**78.16**	**408.67**

4.4 Intangible assets under development

Aging of Intangibles under development:	Amounts in capital intangible assets under development for									
	As on 31st March, 2022					As on 31st March, 2021				
Particulars	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total	Less than one year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i) Projects in progress	-	-	-	-	-	16.74	9.85	-	-	26.59
Total	-	-	-	-	-	**16.74**	**9.85**	-	-	**26.59**





4.5 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Unquoted		
Investment in Joint venture - at cost		
- 5,000 (31 March 2021: 5,000) equity shares of ₹10 each in Quality Care Health Services India Private Limited	0.02	0.03
	0.02	**0.03**
Aggregate amount of unquoted investments (A)	**0.02**	**0.03**
(b) Current		
Investment in mutual funds - at fair value through Statement of Profit and Loss (FVTPL)		
Quoted		
- 176,889 (31 March 2021: 176,889) units IDFC Ultra Short Term Fund-Growth-(Direct Plan)	5.64	5.42
- 1,390 (31 March 2021: 1,390) units in IDFC Super Saver Income Fund-Medium-Term Plan-Growth.	0.06	0.05
- 23,33,355 (31 March 2021: NIL) units L&T Money Market Fund - Growth.	50.00	-
- 40,568 (31 March 2021: NIL) units UTI Money Market Fund - Growth.	100.10	-
- 2,63,003 (31 March 2021: NIL) units Nippon India Money Market Fund - Growth.	873.55	-
Total	**1,029.35**	**5.47**
Aggregate amount of quoted investments and market value thereof (B)	**1,029.35**	**5.47**
Aggregate amount of quoted & unquoted investments (A) + (B)	**1,029.37**	**5.50**

4.6 Other financial assets

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Unsecured, considered good		
Security deposits	139.86	192.47
Fixed deposits with banks with more than 12 months maturity*	42.39	9.41
Interest accrued on fixed deposits with banks	6.24	2.23
Total	**188.49**	**204.11**
(b) Current		
Unsecured, considered good		
Security deposits	51.58	6.83
Interest accrued on fixed deposits with banks	12.89	21.09
Unbilled receivables	133.57	116.85
Others	26.64	6.18
Total	**224.68**	**150.95**

*Includes ₹25.24 (31 March 2021: ₹2.98) which are given as margin money to banks or against bank guarantees.

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4.7 (a) Deferred tax assets (net)

The following is the analysis of deferred tax assets, net recognised in the Statement of Profit and Loss ("SPL") and Other Comprehensive Income (OCI)

Deferred tax assets/(liabilities) in relation to:	As at 1 April 2021	Charged/recognised to SPL	Charged/recognised to OCI	As at 31 March 2022
Property, plant and equipment	(1,048.25)	269.73	-	(778.52)
Borrowings measured at amortised cost	(12.55)	3.04	-	(9.51)
Provision for bad and doubtful trade receivables	179.72	29.58	-	209.30
Provision for bad and doubtful loans	23.00	-	-	23.00
Provision for employee benefits	88.17	21.48	2.19	111.84
Loss from specified business	1,408.24	(257.50)	-	1,150.74
Indexation benefit of land	-	87.25	-	87.25
Expenses allowable on deduction of TDS	-	21.25	-	21.25
Others	27.13	(27.37)	-	(0.24)
Total (A)	**665.46**	**147.46**	**2.19**	**815.11**
Right-of-use assets	(581.42)	130.70	-	(450.72)
Provision for lease liabilities	654.95	(114.36)	-	540.59
Total (B)	**73.53**	**16.34**	**-**	**89.87**
Total (A+B)	**738.99**	**163.80**	**2.19**	**904.98**

Deferred tax assets/(liabilities) in relation to:	As at 1 April 2020	Charged/recognised to SPL	Charged/recognised to OCI	As at 31 March 2021
Property, plant and equipment	(34.70)	(1,013.55)	-	(1,048.25)
Borrowings measured at amortised cost	(30.76)	18.21	-	(12.55)
Provision for bad and doubtful trade receivables	229.35	(49.63)	-	179.72
Provision for bad and doubtful loans	97.30	(74.30)	-	23.00
Provision for employee benefits	74.64	11.21	2.32	88.17
Loss from specified business	-	1,408.22	-	1,408.24
Others	-	27.13	-	27.13
Total (A)	**335.83**	**327.29**	**2.32**	**665.46**
Right-of-use assets	(655.04)	73.62	-	(581.42)
Provision for lease liabilities	687.95	(33.00)	-	654.95
Total (B)	**32.91**	**40.62**	**-**	**73.53**
Total (A+B)	**368.74**	**367.91**	**2.32**	**738.99**

Note:
The Parent Company has recognised deferred tax asset on carried forward business losses of earlier years from specified business, as defined under Section 35AD of the Income Tax Act, 1961. The Parent Company has earned profits on specified business in the current year and previous year. The management has concluded that such deferred tax assets will be recoverable using the estimated future taxable income based on approved business plans and budgets of the Parent Company. These losses can be carried forward for an indefinite period as per the provisions of Income Tax Act, 1961.

4.7 (b) Non-current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance income tax (net of provision for taxation)	688.33	645.46
Total	**688.33**	**645.46**

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4.8 Other assets

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Unsecured, considered good		
Statutory dues paid under protest	60.22	60.22
Capital advances	107.55	40.50
Prepaid expenses	3.46	4.08
Others	7.05	7.49
Total	**178.28**	**112.29**
(b) Current		
Unsecured, considered good		
Prepaid expenses	35.15	45.16
Advances to vendors	47.85	14.75
Others	2.80	3.01
Total	**85.80**	**62.92**

4.9 Inventories*

Particulars	As at 31 March 2022	As at 31 March 2021
Medical consumables and pharmacy items	149.51	133.96
Other consumables	3.02	9.16
Total	**152.53**	**143.12**

* Refer note 4.14 and 4.11(a) for details of inventories pledged as security/hypothecated, if any.

4.10 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Trade receivables from contract with customers – billed	1,666.76	1,666.05
Trade receivables from contract with customers – unbilled	133.57	116.85
Total	**1,800.33**	**1,782.90**
Less: Allowance for bad and doubtful trade receivables*	(494.15)	(537.99)
Total trade receivables and unbilled revenue	**1,306.18**	**1,244.91**
Trade receivables	1,172.61	1,128.06
Unbilled revenue recognised in other financial assets (refer note 4.6(b))	133.57	116.85

The movement in the allowance for bad and doubtful trade receivables for the year ended 31 March 2022 and 31 March 2021 is as follows:

	For the year ended	
	31 March 2022	31 March 2021
Opening balance at beginning of the year	537.99	726.34
Provision made during the year	105.78	136.16
Bad debts written off during the year	(149.62)	(324.51)
Closing balance at end of the year	**494.15**	**537.99**

Ageing of trade receivables and unbilled as at March 31, 2022

Particulars	Outstanding for following periods from due date							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-considered good	133.57	438.78	639.76	92.39	1.68	-	-	1,306.18
-which have significant increase in credit risk	-	74.00	130.51	66.37	92.46	65.84	64.97	494.15
-Allowance for bad and doubtful trade receivables	-	(74.00)	(130.51)	(66.37)	(92.46)	(65.84)	(64.97)	(494.15)
Total	**133.57**	**438.78**	**639.76**	**92.39**	**1.68**	**-**	**-**	**1,306.18**

Ageing of trade receivables and unbilled as at March 31, 2021

Particulars	Outstanding for following periods from due date							Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables and unbilled								
-considered good	116.85	423.74	575.39	119.95	8.98	-	-	1,244.91
-which have significant increase in credit risk	-	63.79	97.88	29.12	148.93	72.86	125.41	537.99
-Allowance for bad and doubtful trade receivables	-	(63.79)	(97.88)	(29.12)	(148.93)	(72.86)	(125.41)	(537.99)
Total	**116.85**	**423.74**	**575.39**	**119.95**	**8.98**	**-**	**-**	**1,244.91**





4.11 Cash and bank balances

Particulars	As at 31 March 2022	As at 31 March 2021
a) Cash and cash equivalents		
Balances with banks		
-in current accounts*	217.82	535.14
-in cash credit accounts**	88.94	139.84
Cash on hand	8.75	11.30
Total	**315.51**	**686.28**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months***	764.51	686.16
Earmarked balances with bank in current account*	14.09	14.09
Unpaid dividend account	0.14	0.21
	778.74	**700.46**
Total	**1,094.25**	**1,386.74**

*Balances in current account includes ₹14.09 (31 March 2020: ₹14.09) which are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Parent Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017.

**The Company has availed cash credit facilities amounting to ₹ Nil (31 March 2021: ₹ Nil) from Union Bank of India (formerly Andhra Bank). Cash credit is secured against first charge on inventory and trade receivables and second charge on Property, plant and equipment of the Company. The cash credit is repayable on demand and carries an interest rate of one year MCLR + 0.6% per annum (31 March 2022: Nil per annum; 31 March 2021: Nil per annum).

***Includes ₹32.43 (31 March 2021: ₹4.59) which are given as margin money to banks or against bank guarantees.

4.12 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Unsecured, significant increase in credit risk		
Loans to related parties	65.83	65.83
Less: Allowance for bad and doubtful loans	(65.83)	(65.83)
Total	-	-
Current		
Unsecured, considered good		
Advances to employees	0.41	1.13
Total	**0.41**	**1.13**

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4.13 (a) Equity share capital

Particulars	As at 31 March 2022	As at 31 March 2021
Authorised Share capital		
79,500,000 (31 March 2021: 79,500,000) Equity shares of ₹10 each	795.00	795.00
Total authorised share capital	**795.00**	**795.00**
Issued, subscribed and fully paid-up shares		
41,496,894 (31 March 2021: 41,496,894) Equity shares of ₹10 each	414.97	414.97
Total issued, subscribed and fully paid up shares	**414.97**	**414.97**

Notes:

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

Equity Shares

Particulars		As at 31 March 2022		As at 31 March 2021	
		Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
At the beginning of the year		41,496,894	414.97	41,496,894	414.97
Issued during the year		-	-	-	-
Balance at the end of the year		**41,496,894**	**414.97**	**41,496,894**	**414.97**

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	Amount (in millions)	Number of shares	Amount (in millions)
Touch Healthcare Private Limited, Mauritius	39,782,603	397.83	39,782,603	397.83

(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of shares	% holding	Number of shares	% holding
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the Balance Sheet

(vi) The Company has not issued any bonus shares or shares for consideration other than cash during the period of five years immediately preceding the last Balance

(vii) Equity shares reserved under the Employee Stock Option Plan and Share warrant plan: For details of shares reserved for issue under the employee stock option plan (ESOP) and share warrant plan of the Company, refer note 4.39 and 4.40.





(viii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	31 March 2022		31 March 2021		% Change during the year *
	Number of Shares	% holding	Number of Shares	% holding	
Touch Healthcare Private Limited, Mauritius	39,782,603	95.87%	39,782,603	95.87%	-
Total	**39,782,603**	**95.87%**	**39,782,603**	**95.87%**	-

* %.change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.13 (b) Other equity

Particulars	Reserves and surplus						Total reserves and surplus
	Securities premium	Debenture redemption reserve	Capital reserve	Share options outstanding account	Share warrants reserve	Retained earnings	
Balance at 1 April 2020	4,457.24	-	11.31	7.51	7.07	263.41	4,746.54
Profit for the year	-	-	-	-	-	655.49	655.49
Other comprehensive loss	-	-	-	-	-	(4.28)	(4.28)
Balance at 31 March 2021	**4,457.24**	-	**11.31**	**7.51**	**7.07**	**914.62**	**5,397.75**
Profit for the year	-	-	-	-	-	1,157.87	1,157.87
Stock option compensation for the year	-	-	-	(7.51)	(7.07)	-	(14.58)
Other comprehensive loss	-	-	-	-	-	(4.17)	(4.17)
Balance at 31 March 2022	**4,457.24**	-	**11.31**	-	-	**2,068.32**	**6,536.87**

Nature and purpose of reserves

Securities premium
Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act").

Capital reserve
Capital reserves comprises of:
(i) ₹4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the States of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2016.
(ii) ₹7.06 represents forfeited money received against share warrants in the earlier years.

Share options outstanding account
The fair value of the equity settled share based payment options is recognised to share options outstanding account over the vesting period of such options. The Company transfers the proportionate amounts, outstanding in this account, in relation to options exercised to securities premium on the date of exercise of such

Share warrants reserve
The fair value of the equity warrants is recognised to share warrants reserve over the vesting period of such warrants. The Company transfers the proportionate amounts, outstanding in this reserve, in relation to warrants exercised to securities premium on the date of exercise of such warrants.





4.14 Long-term borrowings

	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current*	Non-current	Current*
Secured - at amortised cost				
Term loans from banks				
- HDFC Bank term loan (refer note i)	300.09	118.59	420.68	117.65
- HDFC Bank term loan (refer note ii)	1.28	10.67	11.96	9.79
- HDFC Bank term loan (refer note iii)	-	2.11	2.12	2.19
- Axis Bank term loan (refer note v)	259.13	52.17	311.30	51.30
- Axis Bank term loan (refer note vi)	492.58	99.18	591.76	97.52
- HSBC - Term loan (refer note iv)	85.53	-	-	-
Term loans from banks (A)	**1,138.61**	**282.72**	**1,337.82**	**278.45**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited	720.49	140.90	861.38	137.48
Term loans from financial institutions (B)	**720.49**	**140.90**	**861.38**	**137.48**
Total (A+B)	**1,859.10**	**423.62**	**2,199.20**	**415.93**

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued**

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance as at beginning of the year	**2,615.13**	**2,772.36**
Proceeds from long term borrowings	85.53	1,075.86
Repayments of long term borrowings	(424.83)	(1,301.14)
Others	6.89	68.05
Closing balance as at end of the year	**2,282.72**	**2,615.13**

**Borrowings include current and non-current portions of term loans from banks and financial institutions.

Reconciliation of interest accrued on above borrowings

	For the year ended 31 March 2022	For the year ended 31 March 2021
Opening balance as at beginning of the year	**3.80**	**8.03**
Interest expense	207.59	324.76
Interest paid	(208.58)	(262.12)
Others	(0.06)	(66.87)
Closing balance as at end of the year	**2.75**	**3.80**

i HDFC Term Loan and Cash Credit Facility - The term loan and cash credit facility is secured by
(i) equitable mortgage of hospital land and building;
(ii) first exclusive charge on the entire assets (fixed assets/ movable assets) created out of bank finance both present and future excluding medical equipments specifically financed by another financier;
(iii) first and exclusive charge on all present and future current assets of the Company; and
(iv) personal guarantee of the Dr. Sandeep Dave to the extent of hospital building owned by him which was subsequently removed in FY 20
(v) certain personal properties of the doctors Dr. Sandeep Dave and Mrs. Samidha Dave which were mortgaged in 2019 were released by bank during FY 20.
The loan is repayable in 41 months and carries interest at rate of MCLR (1 year) plus 0.50% p.a.. As at 31 March 2022, the rate of interest is 7.20 p.a. (31 March 2021: 8.20 p.a.)

ii HDFC bank term loan : The loan is secured by
-first charge on the unencumbered fixed assets of the Company;
-first charge on the current assets of the Company;
-personal guarantee of Dr.Shailesh P.Puntambekar and N. Krishna Reddy (Earlier shareholder)
-comfort letter given by Quality Care India Limited to the extent of sanctioned limits;
As at 31 March 2022, the loan is repayable in 14 months with monthly equated instalments of ₹ 0.94 and carries an interest rate of bank base rate + 1.30 % spread. As at 31 March 2022, interest rate is 8.75% p.a. (31 March 2021: 8.75% p.a.).





4.14 Long term borrowings (continued)

iii HDFC bank term loan : The loan is secured by first charge on the medical equipment purchased out of the sanctioned facility. As at 31 March 2022, the loan is repayable in 11 months with monthly equated instalments of ₹ 0.2 lakhs and carries an interest rate of MCLR rate + 1.50 % spread. As at 31 March 2022, interest rate is 8.85% p.a. (31 March 2021: 9.35% p.a.).

iv HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future assets, second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities.
The loan is repayable in 8 years (Frequency of Repayment: Monthly) carries an interest rate of repo rate + 3% p.a (31 March 2022: 7.00% p.a.) (31 March 2021: Nil per annum) payable at monthly intervals and moratorium period of 2 years.

v Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 6 years and 7 months (frequency of repayment: monthly instalments ranging from ₹2.17 to ₹5.22) and carries an interest rate of repo rate + 3% p.a. (31 March 2022: 7.00% p.a.) (31 March 2021: 7% p.a) payable at monthly intervals.

vi Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company. The said loan is repayable in 6 years and 7 months (frequency of repayment: monthly instalments ranging from ₹4.13 to ₹9.92) and carries an interest rate of repo rate + 3% p.a. (31 March 2022: 7.00% p.a.) (31 March 2021: 7.00% p.a.) payable at monthly intervals.

vii NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company, excluding MRI machine exclusively charged to Siemens Financial Services Private Limited.
Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (frequency: monthly instalments ranging from ₹6.19 to ₹14.86) (As on 31 March 2022: 9.30% per annum, (31 March 2021: 9.30% per annum).





4.15 Employee benefit obligations

Particulars	As at 31 March 2022	As at 31 March 2021
Non-current		
Provision for employee benefits		
Gratuity (refer note 4.32(a))	119.01	121.57
Compensated absences	34.94	32.42
	153.95	**153.99**
Current		
Provision for employee benefits		
Gratuity (refer note 4.32(a))	71.01	52.87
Compensated absences	25.56	14.92
	96.57	**67.79**

4.16 Short term borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured - at amortised cost		
Current maturities of term loans from banks (refer note 4.14)	282.72	278.45
Current maturities of term loans from financial institutions (refer note 4.14)	140.90	137.48
	423.62	**415.93**

4.17 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Trade payable : Micro and small enterprises; (refer note 4.31)	30.54	27.32
Subtotal (a)	**30.54**	**27.32**
(b) Trade payable : others	1,377.20	1,217.64
(c) Trade payable to related parties; (refer note 4.33)	29.14	11.63
Subtotal (b+c)	**1,406.34**	**1,229.27**
Total trade payables	**1,436.88**	**1,256.59**

Aging of trade payables as on March 31, 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	-	27.19	3.19	0.16	-	-	30.54
Others	282.74	941.26	131.99	20.32	6.95	23.08	1,406.34
Total	**282.74**	**968.45**	**135.18**	**20.48**	**6.95**	**23.08**	**1,436.88**

Aging of trade payables as on March 31, 2021:

Particulars	Unbilled	Not due	Outstanding for following periods from the due date				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables							
Micro enterprises and small enterprises	0	5.35	21.97	-	-	-	27.32
Others	159.71	977.84	62.74	15.07	5.46	8.45	1229.27
Total	**159.71**	**983.19**	**84.71**	**15.07**	**5.46**	**8.45**	**1,256.59**





4.18 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
(a) Non-current		
Others	11.00	-
	11.00	-
(b) Current		
Capital creditors	22.85	25.29
Interest accrued but not due on borrowings	2.75	3.80
Employee related payables	110.32	72.66
Retention money and deposits	6.38	7.19
Other payables	19.57	39.44
	161.87	**148.38**

*Other payables includes ₹14.09 (31 March 2021: ₹14.09) payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017 (refer note 4.11).

4.19 Other liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Current		
Statutory dues payable	95.35	60.20
Unearned revenue (refer note 4.43)	40.54	86.38
Dividend payable to minority shareholders	0.14	0.21
Others	0.04	0.05
	136.07	**146.84**

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4.20 Revenue from operations

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from healthcare services	12,478.91	9,961.97
Revenue from outpatient pharmacy	665.51	531.72
Other operating revenue	37.19	38.97
Total	**13,181.61**	**10,532.66**

Revenue disaggregation geography wise is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
India	13,161.23	10,518.95
Other than India	20.38	13.71
	13,181.61	**10,532.66**

Reconciliation of contract price to revenue recognised from healthcare services is as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from healthcare services, gross	12,684.03	10,098.50
Less: Expected disallowances	(205.12)	(136.53)
Revenue from healthcare services	**12,478.91**	**9,961.97**

4.21 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
(a) Interest income		
on bank deposits	36.49	41.95
on income tax refund	0.20	25.36
on financial assets carried at amortised cost	9.81	7.53
(b) Other non-operating income		
Net gain arising on mutual funds designated at FVTPL	27.17	0.32
Lease remeasurement gain/loss	2.06	-
Government grant*	-	3.06
Miscellaneous income	18.70	29.82
(c) Income/liabilities written back from operating activities**	4.13	5.52
Total	**98.56**	**113.56**

*Government grant relates to reimbursement against expense incurred for Covid-19 related response. There are no unfulfilled conditions or other contingencies attached to these grants.

**Represents operating liabilities and provisions no longer required written back amounting to ₹4.13 (31 March 2021: ₹5.52). These operating expenses were adjusted in computation of the Group's EBIDTA for such years.

4.22 Changes in inventories of medical consumables and pharmacy items

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Inventory at the beginning of the year	143.12	255.95
Inventory at the end of the year	152.53	143.12
Total	**(9.41)**	**112.83**

4.23 Employee benefits expense*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	1,703.93	1,506.36
Share based compensation expense	68.32	-
Contribution to provident and other funds (refer note (a) below)	112.81	96.81
Gratuity and compensated absences	56.79	31.48
Staff welfare expenses	40.60	42.79
	1,982.45	**1,677.44**

*Net of amount capitalised (refer note 4.29)

(a) For the year ended 31 March 2022, the amount recognised as an expense towards contribution to provident fund aggregates to ₹100.57 (31 March 2021: ₹87.48) and towards employee state insurance scheme aggregates to ₹12.24 (31 March 2021: ₹9.33).

4.24 Other expenses*

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Power and fuel	268.25	255.60
Rent (refer note 4.38)	25.88	44.25
Repairs and Maintenance		
- Buildings	45.62	43.27
- Plant and machinery and others	373.42	237.72
Hospital maintenance	105.09	108.91
Housekeeping charges	361.43	316.15
Security charges	124.85	115.39
Insurance	8.36	11.08
Water charges	23.56	25.45
Books and periodicals	5.59	6.39
Rates and taxes, excluding taxes on income	146.20	165.70
Travelling and conveyance	42.47	22.95
Communication expense	33.58	30.57
Marketing and business promotion expense	283.85	160.58
Allowance for bad and doubtful trade receivables	105.78	136.16
Advances and loans written-off	-	2.10
Printing and stationery	42.75	34.27
Payments to the auditor (refer note (a) below)	7.00	7.13
Legal and professional charges	86.93	67.72
Catering charges, net	152.88	137.90
Diagnostics expenses	141.25	94.87
Contribution towards Corporate social responsibility (refer note (b) below)	2.03	2.41
Professional charges to doctors	3,098.91	2,445.08
Property, plant and equipment written-off	5.29	17.75
Loss on sale of Property, plant and equipment (net)	3.91	1.56
Bank charges	9.61	7.44
Miscellaneous expenditure	11.44	25.36
Total	**5,515.93**	**4,523.76**

*Net of amount capitalised (refer note 4.29)

Note (a): Details of payments to auditors

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
For audit	7.00	7.00
For reimbursement of expenses	-	0.13
	7.00	**7.13**

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Note (b):Details of Corporate Social Responsibility expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Contribution to Telengana Sikh Society - Eradicating Hunger by donation of food	0.52	-
Contribution to Annamrita Foundation	1.00	-
Contribution to Friends of Tribals Society	0.51	-
Contribution to Mahan Trust	-	0.18
Contribution to Vidarbha Sewa Samiti	-	0.40
Contribution to South India Education Society	-	0.80
Contribution to PM National Relief Fund	-	0.52
Contribution to National Defense Fund (Indian Army)	-	0.51
Total	**2.03**	**2.41**

Details of CSR expenditure under Section 135(5) of the Act in respect of other than ongoing projects

Balance as at 1st April, 2021	Amount deposited in specified fund of Schedule VII of the Act within 6 months	Amount required to be spent during the year	Amount spent during the year	Balance as at 31st March, 2022
NIL	NIL	2.03	2.03	NIL

4.25 Finance costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on borrowings calculated using effective interest method	207.59	324.76
Interest on lease liabilities (refer note 4.38)	173.01	186.50
Others	40.42	36.94
Total	**421.02**	**548.20**

4.26 Depreciation and amortisation expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on Property, plant and equipment	445.17	449.18
Amortisation on other intangible assets	68.36	48.82
Depreciation on Right-of-use assets	391.74	371.24
Total	**905.27**	**869.24**





4.27 Income tax expense

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Income tax expense reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	302.84	135.43
Income tax relating to earlier periods	22.15	45.69
Deferred tax expense/(benefit)	(164.44)	(367.91)
	160.55	**(186.79)**

Reconciliation of tax expense/ (benefit) and the accounting profit multiplied by India's tax rate:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	1,389.46	493.25
Tax at the Indian tax rate 34.944% (31 March 2021: 34.944%)	485.53	162.09
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Effect of income not subject to tax under the IT Act, 1961	(3.43)	(2.63)
Previously unrecognised tax losses from specified business, as defined under Section 35AD of the Income Tax Act, 1961, now recognised (net of deferred tax liability)	(257.45)	(371.85)
Effect of taxable profits from specified business, as defined under Section 35AD of the IT Act, 1961, adjusted against brought forward specified business tax losses	-	(94.37)
Adjustments for advance written-off not allowed under the Income Tax Act, 1961	-	74.30
Indexation benefit on land	(78.78)	-
Income tax pertaining to earlier years	22.15	45.69
Effect of difference in applicable tax rates to subsidiary companies	(22.00)	-
Other adjustments	14.53	(0.02)
Tax expense	**160.55**	**(186.79)**

4.28 Earnings per equity share (EPES)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit for the year attributable to equity shareholders of the Parent Company	1,157.87	655.49
Number of equity shares outstanding at the beginning of the year	41,496,894	41,496,894
Total number of equity shares outstanding at the end of the year	**41,496,894**	**41,496,894**
Weighted average number of equity shares considered in computation of Basic EPES	41,496,894	41,496,894
Dilutive effect of outstanding stock options and warrants	-	165,237
Weighted average number of equity shares considered in computation of Dilutive EPES	**41,496,894**	**41,662,131**
Basic Earnings per equity share in ₹ (absolute number)	**27.90**	**15.80**
Diluted Earnings per equity share in ₹ (absolute number)	**27.90**	**15.73**

Note:
Outstanding employee stock options and warrants has been settled during the year ended 31 March 2022.

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4.29 Incidental expenditure during the construction period

During the year ended 31 March 2022, the Group has capitalised the following amounts to the cost of Property, plant and equipment / Capital work in progress (CWIP). Consequently, amounts disclosed under the respective notes are after adjusting amounts capitalised by the Group.

Particulars	As at 31 March 2022	As at 31 March 2021
Opening Balance (A)	**187.18**	**183.36**
Employee benefits expense (refer note 4.23)		
Salaries and wages	0.26	-
Total (B)	**0.26**	-
Other expenses (refer note 4.24)		
Rates and taxes	2.58	2.60
Others	1.76	1.22
Total (C)	**4.34**	**3.82**
Total (D=A+B+C)	**191.78**	**187.18**
Amount capitalized to Property, plant and equipment (E)	-	-
Balance carried forward to Capital work in progress (F=D-E)	**191.78**	**187.18**

4.30 Segment Information

The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Group has only one reportable segment namely 'Medical and Health care services'.

Geographical information

Revenue disaggregation geography wise information has been disclosed under note 4.20 to the consolidated financial statements. Further 100% of Group's non-current assets as at 31 March 2022 and 31 March 2021 were located in India.

Major customers

The Group has no single customer who has contributed more than 10% of the Group's total revenue during the year ended 31 March 2022 and 31 March 2021.

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

The creditors covered by Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act, 2006") have been identified on the basis of information available with the Group. Disclosures in respect of the amounts payable to such parties are given below:

	Particulars	As at 31 March 2022	As at 31 March 2021
(i)	The principal amount remaining unpaid as at end of the year	30.54	27.32
(ii)	The amount of interest accrued and remaining unpaid on (i) above	-	-
(iii)	Amount of interest paid by the Group in terms of Section 16, of the MSMED Act, 2006 along with the amounts of payments made beyond the appointed date during the year	-	-
(iv)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-
v)	The amount of further interest remaining due and payable in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.	-	-

Notes:

(a) Explanation- The terms 'appointed day', 'buyer', 'enterprise', 'micro enterprise', 'small enterprise' and 'supplier', shall have the same meaning as assigned to them under clauses (b), (d), (e), (h), (m) and (n) respectively of section 2 of "the MSMED Act, 2006."

(b) This information required to be disclosed has been determined to the extent such parties have been identified on the basis of information available with the Group. The auditors have placed reliance on the information provided by the management.

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4.32 Employee benefits

Defined benefit plan

The Group provides its employees with benefits under a defined benefit plan, referred to as the "Gratuity Plan". The Gratuity Plan entitles an employee, who has rendered at least five years of continuous service, to receive 15 days salary for each year of completed service at the time of retirement/ exit in accordance with Payment of Gratuity Act, 1972. The plan is managed by Life Insurance Corporation of India. The Group accrues gratuity as per the provisions of the payment of Gratuity Act,1972 as applicable as at the balance sheet date and accordingly the maximum payment is restricted to ₹2 per employee.

a) Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's consolidated financial statements as at the reporting dates:

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation liability	197.36	180.12
Plan assets	(7.34)	(5.68)
Net defined benefit liability	**190.02**	**174.44**
Non-current	119.01	121.57
Current	71.01	52.87

b) Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

i) Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2022	As at 31 March 2021
Defined benefit obligation at the beginning of the year	180.12	166.37
Benefit payments from plan assets	(24.23)	(25.31)
Current service cost	24.01	23.12
Interest expense	11.61	10.47
Actuarial losses/(gains)		
- changes in demographic assumptions	0.16	-
- changes in financial assumptions	(0.69)	(0.49)
- experience adjustments	6.38	5.96
Defined benefit obligation at the closing of the year	**197.36**	**180.12**

ii) Reconciliation of fair value of plan assets

Particulars	As at 31 March 2022	As at 31 March 2021
Plan assets at the beginning of the year	5.68	4.50
Contributions	26.64	27.57
Benefits paid	(24.23)	(25.31)
Interest income	0.48	0.39
Actuarial losses	(1.23)	(1.47)
Plan assets at the closing of the year	**7.34**	**5.68**

c) Expense recognised in the Statement of profit and loss

Particulars	As at 31 March 2022	As at 31 March 2021
Current service cost	24.01	23.12
Interest cost, net	11.13	10.08
Total cost, included in 'employee benefits expense'	**35.14**	**33.20**

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4.32 Employee benefits (continued)

d) Remeasurements recognised in other comprehensive income (OCI)

Particulars	As at 31 March 2022	As at 31 March 2021
Actuarial (loss)/gain on defined benefit liability	(5.85)	(5.47)
Actuarial (loss)/gain on plan assets	(1.23)	(1.47)
Total cost recognised in the OCI outside Statement of Profit and loss	**(7.08)**	**(6.94)**

e) Actuarial assumptions

The following are the principal actuarial assumptions:

Particulars	As at 31 March 2022	As at 31 March 2021
Attrition rate	40.00%	23.5% to 35%
Discount rate	7.34%	6.91%
Salary escalation rate	5.00%	4% to 5%
Retirement age	58 years	58 years

Note:

a) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

f) Maturity profile of defined benefit obligation is as follows:

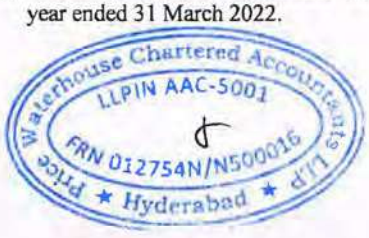
Particulars	As at 31 March 2022	As at 31 March 2021
Within 1 Year	71.00	52.87
2 to 5 years	126.82	114.48
6 to 10 years	33.60	43.98
	231.42	**211.33**

g) Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions, holding other assumptions constant, can affect the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2022 (%)	As at 31 March 2021 (%)
Discount rate (+ 1% movement)	(8.00)	(10.70)
Discount rate (- 1% movement)	8.40	11.50
Salary escalation (+ 1% movement)	10.00	13.10
Salary escalation (- 1% movement)	(9.60)	(12.30)

h) The Group expects to contribute ₹73.91 (31 March 2021: ₹ 172.81) as its contribution to gratuity within one year from the year ended 31 March 2022.





4.33 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Key Management Personnel (KMP)	Madhavi Darbha, Group Financial Officer (upto 31 October 2020)
	Dr. Raajiv Singhal, Group Chief Executive Officer (upto 15 October 2020)
	Jasdeep Singh, Chief Executive Officer (w.e.f 19 October 2020)
	Sandeep Kumar, Chief Financial Officer (w.e.f. 27 October 2020 and upto 24
	Vikas Rastogi, Chief Financial Officer (w.e.f. 24 May 2021)
	Gayathri Chandramoulieswaran, Company Secretary (w.e.f. 21 January 2021)
Holding Company and Ultimate Holding Company	Touch Healthcare Private Limited, Mauritius, Holding Company
	Evercare Health Fund, L.P, Cayman Islands, Ultimate Holding Company
Relatives of KMP	B. Kasi Raju (upto 12 April 2019)
	Ms. B Swathi Raju
Joint venture	Quality Care Health Services India Private Limited
Entities in which Director is interested	AKNA Medical Private Limited
Sister entity of ultimate holding company	Evercare Group Management Ltd

(b) Nature of transactions and year end balances

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Transactions during the year		
1 AKNA Medical Private Limited		
Purchase of drugs and consumables	4.07	0.78
2. Indian Medtronic Private Limited		
Purchase of drugs and consumables	43.38	25.71
3. Asia Healthcare Holding Advisory LLP		
Professional and business services	3.87	-
4. Dr. Raajiv Singhal		
Short term and post employment benefits*	-	27.89
5. Jasdeep Singh		
Short term and post employment benefits*	42.94	9.79
6. Sandeep Kumar		
Short term and post employment benefits*	6.52	5.04
7. Madhavi Darbha		
Short term and post employment benefits*	-	5.85
8. Vikas Rastogi		
Short term and post employment benefits*	7.64	-
9. Gayathri Chandramoulieswaran		
Short term and post employment benefits*	0.97	0.14
10. Evercare Group Management Ltd		
Revenue from professional services	17.50	20.03

(c) Balances outstanding from/ to the related parties

Particulars	As at 31 March 2022	As at 31 March 2021
Balances outstanding from/ to the related parties as at 31 Mar 2022		
1 Quality Care Health Services India Private Limited		
Loans receivable	65.83	65.83
2. Quality Care Jharsuguda Private Limited		
Advance receivable	-	0.01
3. AKNA Medical Private Limited		
Trade payable	0.14	0.74
4. Indian Medtronic Private Limited		
Trade payable	19.57	10.89
5. Evercare Group Management Ltd		
Trade receivables	3.56	-

* Short term and post employment benefits, disclosed above, does not include those benefits which are computed for the Group as a whole.

** The outstanding amount as at 31 March 2022 aggregating to ₹65.83 (31 March 2021: ₹65.83) is provided for in the books (refer note 4.12).

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4.34 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 March 2022			As at 31 March 2021		
	FVTPL*	FVTOCI#	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments	1,029.35	-	-	5.47	-	-
Trade receivables	-	-	1,172.61	-	-	1,128.06
Cash and cash equivalents	-	-	315.51	-	-	686.28
Other bank balances	-	-	778.74	-	-	700.46
Loans	-	-	0.41	-	-	1.13
Other financial assets	-	-	413.17	-	-	355.06
Total financial assets	**1,029.35**	**-**	**2,680.44**	**5.47**	**-**	**2,870.99**

	As at 31 March 2022			As at 31 March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	2,282.72	-	-	2,615.13
Trade payables	-	-	1,436.88	-	-	1,256.59
Lease liabilities	-	-	1,664.86	-	-	1,985.96
Other financial liabilities	-	-	172.87	-	-	148.38
Total financial liabilities	**-**	**-**	**5,557.33**	**-**	**-**	**6,006.06**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss**
#FVTOCI - Fair value through Other Comprehensive Income

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4.35 Financial instruments risk management

Financial Risk Management Framework

The Group's Board of Directors have an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors have established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Group's principal financial liabilities, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Group derives directly from its operations. The Group also holds FVTPL investments.

The Group is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

A. Credit

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investment, other balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk.

Exposure to credit risk:

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was ₹3,709.79 and ₹2,876.16 as at 31 March 2022 and 31 March 2021 respectively, being the total of the carrying amount of financial assets.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 March 2022 and 31 March 2021.

Financial assets that are past due but not impaired : Refer note 4.10 - Trade receivables

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to 12 months expected credit loss or at an amount equal to the life time expected credit losses if the credit risk on the financial assets have increased significantly since the initial recognition. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

4.35 Financial instruments risk management (continued)

B. Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that funds are available for meeting due obligation of the Group. The Group manages liquidity risk by maintaining adequate reserves, banking facilities, continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and financial liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 March 2022	Up to 1 year	More than 1 year	Total
Borrowings	423.62	1,859.10	**2,282.72**
Trade payables	1,436.88	-	**1,436.88**
Lease liabilities	282.88	1,381.98	**1,664.86**
Other financial liabilities	161.87	11.00	**172.87**
Total	**2,305.25**	**3,252.08**	**5,557.33**

As at 31 March 2021	Up to 1 year	More than 1 year	Total
Borrowings	415.93	2,199.20	**2,615.13**
Trade payables	1,256.59	-	**1,256.59**
Lease liabilities	390.27	1,595.69	**1,985.96**
Other financial liabilities	148.38	-	**148.38**
Total	**2,211.17**	**3,794.89**	**6,006.06**

C. Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rate of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

For the years ended 31 March 2022 and 31 March 2021, every 50 basis point decrease in the floating interest rate component applicable to the Group's borrowings would have decrease the loss before tax approximately by ₹9.91 and ₹13.08 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

The carrying amount of the Group's foreign currency denominated monetary items in ₹ as at 31 March 2022 and 31 March 2021 : NIL

4.36 Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group's policy is to keep the gearing ratio below 35%. The Group includes within net debt, borrowings (long and short term) , less cash and cash equivalents.

	As at	
	31 March 2022	**31 March 2021**
Borrowings (note 4.14 and 4.16)	2,282.72	2,615.13
Less: Cash and cash equivalents (note 4.11(a))	(315.51)	(686.28)
Less: Other bank balances (note 4.11(b))	(764.65)	(686.37)
Less: Investment in mutual funds (note 4.5(b))	(1,029.35)	(5.47)
Net debt (A)	**173.21**	**1,237.01**
Total equity (B)	7,472.72	6,263.28
Net debt and total equity (A) + (B)	7,645.93	7,500.29
Gearing ratio (%)	**2.27%**	**16.49%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. They has been no breaches in the financial covenants of any borrowings during the year ended 31 March 2022 and 31 March 2021.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

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4.37 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Claims against the Group not acknowledged as debts		
- Disputed disallowances, deemed dividend under Section 2(22)(e) and deemed income under Section 56(2)(viib) of the Income Tax Act, 1961	34.77	74.46
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	3.56	3.56
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed Luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	67.62
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	8.77	8.77
- Disputed tax levied on specific building of the Group under the Expenditure Tax Act, 1987	7.83	7.83
- Patient legal claims are pending with various Consumer Disputes Redressal Commission	307.50	176.50
- Other legal claims pending under the various Statutory Acts	99.68	79.13
Guarantees excluding financial guarantees	**197.41**	**7.39**

(b) Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
(i Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	435.28	183.65

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4.38 Leases

The Group has taken hospital buildings, plant and machinery and vehicles on operating lease having a term ranging from 1 year to 25 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain lease of building with lease terms of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 March 2022	As at 31 March 2021
Balance at the beginning of the year	1,985.96	2087.98
Additions during the year	93.91	151.46
Deletions during the year	(67.83)	-
Finance cost accrued during the year	173.01	186.5
Other adjustments	(27.50)	(14.93)
Payment of lease liabilities	(492.69)	(425.05)
Lease liabilities as at the end of the year	**1,664.86**	**1,985.96**
Current lease liabilities	282.88	390.27
Non-current lease liabilities	1,381.98	1,595.69

Following amounts have been recognised in the Consolidated Statement of Profit and Loss for the year ended 31 March 2022:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation on Right-of-use assets	391.74	371.24
Interest on lease liabilities	173.01	186.50
Total amount recognised in the Consolidated Statement of profit and loss	**564.75**	**557.74**

Details of the contractual maturities of lease liabilities as at 31 March 2022 on an undiscounted basis are as follows:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Less than one year	426.55	469.09
One to five years	1,271.40	1,396.93
More than five years	755.83	1,042.62
Total	**2,453.78**	**2,908.64**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expenses recorded for short-term leases was ₹25.88 for the year ended 31 March 2022 (31 March 2021: ₹44.25)





4.39 Employee Stock Option Plan

Pursuant to a special resolution passed by the members in their meeting held on 27 July 2013, the Parent Company instituted an Employee Stock Option Plan (the ESOP Scheme 2013). The said scheme has been formulated in consultation with the Board of Directors of the Parent Company, and accordingly the Parent Company had reserved 1,150,000 equity shares of ₹10 each. The options granted under the said scheme shall vest within a span of four years in the ratio of 10%, 20%, 30% and 40 % each year from the date of grant. These options can be exercised upon satisfaction of conditions attached to such issue and shall be equity settled.

In addition to above, pursuant to the resolution passed in the Compensation Committee in the meetings held on various dates during the year ended 31 March 2016, the Parent Company had granted 134,000 stock options to medical professionals.

Further, pursuant to a special resolution passed by the members in their meeting held on 20 February 2016, the Parent Company instituted an Employee Stock Option Scheme 2016. The Parent Company has reserved 1,000,000 equity shares of ₹10 each. No options were granted under the scheme.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the Parent Company approved the payment of an ex-gratia amount as per ESOP (Employee Stock Option) to each of the vested option-holders of 'EMPLOYEE STOCK OPTION SCHEME - 2013' as per the details mentioned below:

No. of Vested ESOPS	Exercise Price	Fair Market Value	Ex-gratia amount paid as per ESOP
303,880	₹ 212/-	₹ 452.30/-	₹ 240.30/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of options	Weighted average exercise price (₹)	Number of options	Weighted average exercise price (₹)
Outstanding at the beginning of the year	199,200	212	212,080	212
Forfeited during the year	-	-	12,880	212
Cancelled during the year	-	-	-	-
Exercised during the year	199,200	212	-	212
Outstanding at the end of the year	-	-	199,200	212
Vested and exercisable at the end of the year	-	-	-	-

The details of exercise price for stock options outstanding as at reporting dates:

The share options outstanding as at 31 March 2022 has an exercise price of ₹Nil (31 March 2021: ₹212), and a weighted average remaining contractual life of Nil years (31 March 2021: Nil years).

The fair value of options was estimated at the date of grant using the Black-Scholes-Merton model with the following assumptions:

Particulars	
Exercise price	Nil
Expected Volatility	Nil
Life of the options granted (Vesting and exercise period) in years	Nil
Average risk-free interest rate	Nil





4.40 Share warrants

On 30 April 2013, 20 February 2016, and 30 September 2016, the Parent Company established share warrant plans that entitle the warrant holders an option to convert the warrants into equity shares of the Parent Company at the relevant exercise price. The key terms and conditions related to the grants under these plans are as follows; all warrants are to be settled by the delivery of equity shares.

Further, pursuant to special resolution passed by the members in their meeting held on 25th March, 2022, the company approved the payment of consideration to each of the vested eligible share warrants further allotted under the 'SHARE WARRANTS 2016 SCHEME' as per the details mentioned below:

No. of Vested warrants	Exercise Price	Fair Market Value	Ex-gratia amount paid as per Warrant
436,000	₹ 430.40/-	₹ 452.30/-	₹ 21.90/-

The details of activity under the Plan have been summarised below:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Number of warrants	Weighted average exercise price (₹)	Number of warrants	Weighted average exercise price (₹)
Outstanding at the beginning of the year	712,330	430.40	726,050	430.40
Forfeited during the year	-	-	13,720	430.40
Cancelled during the year	276,330	430.40	-	-
Exercised during the year	436,000	430	-	430.40
Outstanding at the end of the year	-	-	712,330	430.40
Vested and exercisable at the end of the year	-	-	712,330	430.40

The details of exercise price for stock options outstanding as at reporting dates:

The warrants outstanding as at 31 March 2021 has an exercise price of ₹Nil (31 March 2021: ₹430.40) and a weighted average remaining contractual life of Nil years (31 March 2021: Nil years).

The fair value of warrants was estimated at the date of grant using the Black-Scholes-Merton model with the following assumptions:

Particulars	
Exercise price	Nil
Expected Volatility	Nil
Life of the options granted (Vesting and exercise period) in years	Nil
Average risk-free interest rate	Nil

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4.41 Transfer Pricing

The Parent Company has entered into commercial transactions with its associated enterprises which are subject to assessment and test of being transactions carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Parent Company has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length. Therefore, the legislation shall not have any impact on the consolidated financial statements.

4.42 Interest in joint venture

The Group has interest in a joint venture which, in the opinion of the Company's Board of Directors, is immaterial to the Group. The Group's share of the loss for the year and other comprehensive income is ₹0.01 (31 March 2021: ₹0.01) and ₹Nil (31 March 2021: ₹Nil) respective of such joint venture.

4.43 Unearned revenue

The following table discloses the movement in the unearned revenue during the year ended 31 March 2022 and 31 March 2021:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Balance at the beginning of the year	86.38	82.31
Revenue recognised during the year	(86.38)	(82.31)
Invoiced during the year	40.54	86.38
Balance at the end of the year	**40.54**	**86.38**

4.44 In 2009, the Parent Company had entered into an agreement with Andhra Pradesh Industrial Infrastructure Corporation Limited ("APIIC") to acquire a land parcel and development of a Health City along with allied infrastructure("Project") in Visakhapatnam, Andhra Pradesh. Pursuant to the terms of the said agreement, the APIIC has allotted 4.18 acres of land to the Parent Company upon payment of ₹105.55 and included in Property, plant and equipment [refer note 4.1 (a)] subjected to conditional registration of land in favor of the Company upon completion of the Project by 30 June 2020. The Parent Company has received extension of timeline from APIIC till December, 2023. Further the group has incurred sum aggregating Rs. 564.17 (31 March 2021: Rs. 476.64) towards land development and civil construction there on which are included in capital work-in-progress (refer note 4.2). Based on internal evaluation, the management of the group is confident of completing the project within stipulated timelines.

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4.45 Additional regulatory information required by Schedule III

i Details of benami property held

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

ii Borrowing secured against current assets

The group has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the group with banks and financial institutions are in agreement with the books of accounts.

iii Wilful defaulter

The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

iv Relationship with struck off companies

The group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

v Compliance with number of layers of companies

The group has complied with the number of layers prescribed under the Companies Act, 2013.

vi Utilisation of borrowed funds and share premium

The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

vii Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

viii Valuation of Property, plant and equipment, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

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4.46 Other regulatory information

(i) Title deeds of immovable properties not held in name of the Parent Company

The title deeds of all the immovable properties (other than properties where the Parent Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in note 4.1 (a) to the financial statements, are held in the name of the Parent Company except for land aggregating to ₹105.55. (Refer note 4.44 for further details)

(ii) **Utilisation of borrowings availed from banks and financial institutions**

The borrowings obtained by the group from banks and financial institutions have been applied for the purposes for which such loans were was taken.

(iii) The group has not given loans/advances in the nature of loans to directors, promoters, KMPs or any other related parties which are repayable on demand or without specifying terms & conditions of repayment.

4.47 Subsequent events

a. Subsequent to the year end the Company has acquired 95% shareholding in Convenient Hospitals Limited, Indore w.e.f June 29, 2022 for consideration of Rs. 3790 million and 76% shareholding in United Cilgma Institute of Medical Sciences Private Limited, Aurangabad w.e.f July 26, 2022 for a consideration of Rs. 3,805 million. Further the Company has also acquired one hospital in Hyderabad for a consideration of Rs. 200 million on slump sale basis w.e.f. April 25, 2022. The consideration for above acquisitions will be cash settled. These acquisitions are expected to add tremendously to the clinical depth and further strenghten the presence in non metro cities in India.

b. For the above acquisitions, subsequent to the year end the Company has issued 14,572,480 - 0.001% Compulsorily Convertible Preference Shares (CCPS) of face value of Rs. 10 each @ Rs. 452.30 per CCPS to the Holding Company amounting to Rs. 6,591 million which are convertible into equity shares on or before the end of 10 years.





4.48 Additional disclosure as required under paragraph 2 of 'General Instructions for the preparation of Consolidated Financial Statements' of the Schedule III to the Act

Name of the entity	For the year ended and as at 31 March 2022				For the year ended and as at 31 March 2021			
	Net assets		Share in profit or loss		Net assets		Share in profit or loss	
	As a % of consolidated net assets	Amount in millions	As a % of consolidated profit	Amount in millions	As a % of consolidated net assets	Amount in millions	As a % of consolidated loss	Amount in millions
Parent company								
Quality Care India Limited	93.89%	6,527.07	91.14%	1,055.25	94.44%	5,489.32	92.56%	606.70
Subsidiaries								
Ganga Care Hospital Limited	6.43%	446.88	2.54%	29.44	7.19%	418.05	8.02%	52.56
Ramkrishna Care Medical Sciences Private Limited	10.11%	702.52	12.65%	146.45	9.59%	557.27	4.57%	29.94
Galaxy Care Multispecialty Hospital Private Limited	2.52%	175.30	-0.19%	(2.23)	3.06%	177.69	-1.35%	(8.83)
Quality Care Jharsuguda Private Limited	0.00%	0.01	0.00%	(0.01)	0.00%	0.01	0.00%	(0.01)
Non-controlling interest	-7.49%	(520.88)	-6.14%	(71.04)	-7.75%	(450.56)	3.75%	(24.55)
Total	**105.45%**	**7,330.90**	**100.00%**	**1,157.86**	**106.53%**	**6,191.78**	**107.55%**	**655.81**
Consolidation adjustments	-5.45%	(379.06)	0.00	0.01	-6.52%	(379.06)	-	-
Net amount attributable to equity holders of Parent	**100.00%**	**6,951.84**	**100.0%**	**1,157.87**	**100.00%**	**5,812.72**	**100.00%**	**655.81**

The disclosure as above represents separate information for each of the consolidated entities before elimination of inter-company transactions. Based on the group structure, the management is of the view that the above disclosure is appropriate under the requirements of the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Sunit Kumar Basu
Partner
Membership No: 55000

Place: Hyderabad, India
Date: 25th August, 2022

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Massimiliano Colella
Director
DIN: 08729468
Place: Dubai, UAE

Date: 25th August, 2022

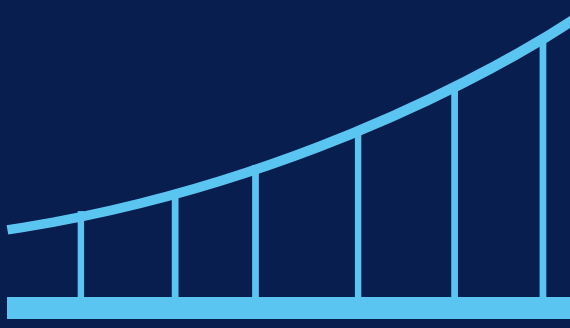
Jasdeep Singh
Director and Chief Executive Officer
DIN: 02705303
Place: Hyderabad

Vikas Rastogi
Chief Financial Officer
AFFPR8865M
Place: Hyderabad

Gayathri Chandramouliswaran
Company Secretary
AQSPC2418C
Membership No.: A41863
Place: Hyderabad
Date: 25th August, 2022

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Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT ON SPECIAL PURPOSE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors
M/s. Quality Care India Limited
6-3-248/2, Road No.1,
Banjara Hills, Hyderabad
Telangana, India, 500034

1. This report is issued in accordance with the terms of our agreement dated November 1, 2024.

Opinion

2. We have audited the accompanying Special Purpose Interim Condensed Consolidated Financial Statements of Quality Care India Limited (hereinafter referred to as the "Holding Company" or the "Parent Company" or the "Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (refer Note 2(a)(v) to the Special Purpose Interim Condensed Consolidated Financial Statements), which comprise the Special Purpose Interim Condensed Consolidated Balance Sheet as at August 31, 2024, the Special Purpose Interim Condensed Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Interim Condensed Consolidated Statement of Cash Flows and the Special Purpose Interim Condensed Consolidated Statement of Changes in Equity for the five months period ended on that date, and notes to the Special Purpose Interim Condensed Consolidated Financial Statements, including material accounting policy information and other explanatory information.

3. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying Special Purpose Interim Condensed Consolidated Financial Statements give a true and fair view of the state of affairs of the Group, and its joint venture as at August 31, 2024, and of its results of operations and its cash flows for the five months period ended on that date in accordance with the Basis of Preparation set out in Note 2(a)(i) to the Special Purpose Interim Condensed Consolidated Financial Statements.

Basis for Opinion

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Interim Condensed Consolidated Financial Statements' section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Price Waterhouse Chartered Accountants LLP, Unit - 2B, 8th Floor, Octave Block, Block E1, Parcel - 4, Salarpuria Sattva Knowledge City, Raidurg, Hyderabad, Telangana - 500081
T: +91 (40) 44246740

Registered office and Head office: 11-A, Vishnu Digamber Marg, Sucheta Bhawan, New Delhi - 110002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no. LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Emphasis of Matter

5. We draw attention to the following:

   a) Note 2(a)(i) to the Special Purpose Interim Condensed Consolidated Financial Statements, which describes the Basis of Preparation. The Special Purpose Interim Condensed Consolidated Financial Statements are prepared in accordance with Indian Accounting Standard 34 - Interim Financial Reporting (Ind AS 34) prescribed under section 133 of the Act in connection with the proposed scheme of merger of the Company with Aster DM Healthcare Limited (the Transferee Company). As a result, the Special Purpose Interim Condensed Consolidated Financial Statements may not be suitable for any other purpose.

   b) Note 4.42 to the Special Purpose Interim Condensed Consolidated Financial Statements, which describes the Holding Company having layers of subsidiaries beyond the limit prescribed under Section 2(87) of the Act read with the Companies (Restriction on Number of Layers) Rules, 2017 and the remedial steps being taken by the management.

   Our opinion is not modified in respect of the above matters.

Management's Responsibility for the Special Purpose Interim Condensed Consolidated Financial Statements

6. The Board of Directors of the Holding Company is responsible for the preparation and presentation of the Special Purpose Interim Condensed Consolidated Financial Statements that give a true and fair view of the state of affairs, results of operations and cash flows of the Group including its joint venture in accordance with the Basis of Preparation as set out in Note 2(a)(i) to the Special Purpose Interim Condensed Consolidated Financial Statements; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Special Purpose Interim Condensed Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Special Purpose Interim Condensed Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for assessing the Group's including its joint venture ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group including its joint venture or to cease operations, or has no realistic alternative but to do so.

8. The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the Group and its joint venture financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Interim Condensed Consolidated Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim Condensed Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Interim Condensed Consolidated Financial Statements.



10. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Holding Company's internal control.

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

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

- Evaluate the overall presentation, structure and content of the Special Purpose Interim Condensed Consolidated Financial Statements, including the disclosures, and whether the Special Purpose Interim Condensed Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the Special Purpose Interim Condensed Consolidated Financial Statements.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the Special Purpose Interim Condensed Consolidated Financial Statements of which we are the independent auditors 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.

12. 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, actions taken to eliminate threats or safeguards applied.

Other Matter

13. The Special Purpose Interim Condensed Consolidated Financial Statements are not the statutory financial statements of the Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Act, as those are not considered relevant by the Management and the intended users of the Special Purpose Consolidated Financial Statements for the purposes for which those have been prepared.



14. The comparative financial information for the period April 1, 2023 to August 31, 2023 included in the Special Purpose Interim Condensed Consolidated Financial Statements is neither audited nor reviewed by us. As set out in Note 2(a)(i) of the accompanying Special Purpose Interim Condensed Consolidated Financial Statements, these figures have been furnished by the Management of the Holding Company.

    Our opinion is not modified in respect of the above matters.

Restriction on Use

15. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have or may have had as auditor of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we have or may have had in our capacity as auditor of the Company.

16. This report has been issued at the request of the Board of Directors of the Company to whom it is addressed, to enable the Company to share the Special Purpose Interim Condensed Consolidated Financial Statements along with our Report thereon with the Appointed Valuer (the 'Valuer') for preparation of the valuation report and with the Transferee Company for onward submission to Securities Exchange Board of India, National Stock Exchange, Bombay Stock Exchange and National Company Law Tribunal solely for the purpose of approval of the Scheme and should not be used by any other person and for any other purpose.

17. It is understood that the reading of our report is not a substitute/ replacement for any diligence that the Transferee Company or the Valuer needs to perform while considering any decision that they may make or decide not to make.

18. Further, the Company shall not disclose the report or refer to the contents of the report or the findings of our work to anyone else in any manner whatsoever. Price Waterhouse Chartered Accountants LLP does not accept or assume any liability or any duty of care for any other purpose or to any person other than the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Srikanth Pola
Partner
Membership Number: 220916
UDIN: 24220916BKCUWB6154

Place: Hyderabad
Date : November 27, 2024

Quality Care India Limited
Special Purpose Interim Condensed Consolidated Balance Sheet
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	As at 31 August 2024	As at 31 March 2024
ASSETS			
A. Non-current assets			
(a) Property, plant and equipment	4.1	34,253.27	34,918.00
(b) Right-of-use assets	4.2	1,547.93	1,456.32
(c) Capital work-in-progress		1,153.95	532.20
(d) Investment property	4.3	157.54	158.72
(e) Goodwill	4.4	24,569.79	24,569.79
(f) Other intangible assets	4.4	9,258.97	9,348.87
(g) Intangible assets under development		95.56	86.73
(h) Investments	4.5 (a)	0.37	0.37
(i) Financial assets			
(i) Loans	4.12	13.89	6.31
(ii) Other financial assets	4.6 (a)	792.15	959.82
(j) Deferred tax assets (net)	4.7 (a)	927.55	1,028.57
(k) Non-current tax assets (net)	4.7 (b)	841.61	797.88
(l) Other non-current assets	4.8 (a)	667.44	405.40
Total non-current assets (A)		**74,280.02**	**74,268.98**
B. Current assets			
(a) Inventories	4.9	1,003.62	883.48
(b) Financial assets			
(i) Investments	4.5 (b)	6.62	6.42
(ii) Trade receivables	4.10	3,909.73	3,099.30
(iii) Cash and cash equivalents	4.11 (a)	1,516.44	1,448.33
(iv) Bank balances other than (iii) above	4.11 (b)	2,183.31	1,796.03
(v) Loans	4.12	6.43	9.31
(vi) Other financial assets	4.6 (b)	105.78	74.16
(c) Other current assets	4.8 (b)	459.50	384.32
(d) Assets classified as held for sale	4.41	1,220.00	1,215.00
Total current assets (B)		**10,411.43**	**8,916.35**
Total assets (A+B)		**84,691.45**	**83,185.33**
EQUITY AND LIABILITIES			
Equity			
A. Equity			
(a) Equity share capital	4.13 (a)	3,809.21	952.30
(b) Other equity			
(i) Reserves and surplus	4.13 (b)	40,007.06	41,991.12
Equity attributable to the owners of the Company		**43,816.27**	**42,943.42**
(c) Non-controlling interest	4.13 (b)	15,107.31	15,177.80
Total equity (A)		**58,923.58**	**58,121.22**
Liabilities			
B. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	4,768.97	4,439.91
(ii) Lease liabilities	4.35	1,602.94	1,504.76
(iii) Other financial liabilities	4.17 (a)	4,963.94	4,803.60
(b) Employee benefit obligations	4.15 (a)	272.49	254.99
(c) Deferred tax liabilities (net)	4.7 (a)	4,788.82	5,285.39
Total non-current liabilities (B)		**16,397.16**	**16,288.65**
C. Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	4.14	2,529.73	1,730.35
(ii) Lease liabilities	4.35	288.08	283.19
(iii) Trade payables			
(a) total outstanding dues of micro and small enterprises	4.16 (a)	318.26	126.72
(b) total outstanding dues other than (iii) (a) above	4.16 (b)	3,209.34	3,455.75
(iv) Other financial liabilities	4.17 (b)	2,020.38	2,068.96
(b) Employee benefit obligations	4.15 (b)	323.33	298.91
(c) Other current liabilities	4.18	408.84	535.83
(d) Current tax liabilities (net)	4.7 (b)	272.75	275.75
Total current liabilities (C)		**9,370.71**	**8,775.46**
Total liabilities (B+C)		**25,767.87**	**25,064.11**
Total equity and liabilities (A+B+C)		**84,691.45**	**83,185.33**

The accompanying notes are an integral part of the special purpose interim condensed consolidated financial statements.

This is the Special Purpose Interim Condensed Consolidated Balance Sheet referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No. 220916

Place: Hyderabad
Date: 27 November 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place: Hyderabad

Jasdeep Singh
Director and Chief Executive Officer
DIN: 10705313
Place: Hyderabad

[illegible]ish Khanna
Chief Financial Officer
PAN:AEGPK9126R
Place : Hyderabad

Date: 27 November 2024

Gayathri Chandramouleeswaran
Company Secretary
Membership No : 41863
Place: Hyderabad

Date: 27 November 2024

Quality Care India Limited
Special Purpose Interim Condensed Consolidated Statement of Profit and Loss
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	Notes	For the five months period ended 31 August 2024	31 August 2023
I Revenue from operations	4.19	16,185.51	7,483.39
II Other income	4.20	53.05	94.88
III Total income (I+II)		16,238.56	7,578.27
IV Expenses			
(i) Purchases of medical consumables and pharmacy items		4,051.87	1,777.06
(ii) Changes in inventories of medical consumables and pharmacy items	4.21	(120.14)	(14.53)
(iii) Employee benefits expense	4.22	2,696.57	1,124.41
(iv) Other expenses	4.23	6,390.60	3,282.29
Total expenses (IV)		**13,018.90**	6,169.23
V Earnings before interest, tax, depreciation and amortisation (EBITDA) (III-IV)		3,219.66	1,409.04
(i) Finance costs	4.24	493.36	186.99
(ii) Depreciation and amortisation expense	4.25	998.84	355.80
VI Profit before share of loss of a joint venture		1,727.46	866.25
(i) Share of loss of a joint venture accounted for using the equity method		-	-
VII Profit before tax		1,727.46	866.25
VIII Income tax expense/(credit):			
(i) Current tax expense	4.26	615.29	166.33
(ii) Deferred tax expense	4.26	(411.10)	182.83
Total tax expense		204.19	349.16
IX Profit for the period (VII-VIII)		1,523.27	517.09
X Other comprehensive income			
(i) Items that will not be reclassified to Statement of Profit and Loss			
(a) Gain/(loss) on remeasurement of post-employment benefit obligations		(63.87)	(6.07)
(b) Fair value measurement of unquoted equity shares		5.00	-
Income tax relating to these items		16.62	1.52
(ii) Items that will be reclassified subsequently to profit or loss			
(a) Exchange differences on translation of foreign operations		(355.13)	-
Other Comprehensive income for the period, net of tax		(397.38)	(4.55)
XI Total comprehensive income for the period (IX+X)		1,125.89	512.54
XII Profit for the year attributable to:			
Owners of the parent		1,079.08	433.96
Non-controlling interests		444.19	83.13
XIII Other comprehensive income attributable to:			
Owners of the parent		(244.46)	(4.35)
Non-controlling interest		(152.92)	(0.20)
XIV Total comprehensive income attributable to:			
Owners of the parent		834.66	429.61
Non-controlling interests		291.23	82.93
Earnings per equity share (Nominal value of equity share ₹10 (31 August 2023 : ₹10))			
Basic earnings per equity share (in ₹)	4.27	2.83	2.61
Diluted earnings per equity share (in ₹)		2.83	2.61

The accompanying notes are an integral part of the special purpose interim condensed consolidated financial statements.

This is the Special Purpose Interim Condensed Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad

Date: 27 November 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN: AEGPK9126H
Place : Hyderabad

Date: 27 November 2024

Jasdeep Singh
Director and Chief Executive Officer
DIN: 09575303
Place : Hyderabad

Gayatri Chandramouleeswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 27 November 2024

Quality Care India Limited
Special Purpose Interim Condensed Consolidated Statement of Cash Flows
(All amounts in ₹ millions, except share data and where otherwise stated)

Particulars	For the five months period ended	
	31 August 2024	31 August 2023
Cash flow from operating activities		
Profit before tax	**1,727.46**	**866.25**
Adjustments:		
Changes in fair value of financial assets at fair value through profit or loss	(0.20)	(10.67)
Depreciation and amortisation expense	998.84	355.80
Expected credit loss	80.69	5.00
Loss/(profit) on sale of property, plant and equipment	4.32	(0.45)
Loss on fair valuation of financial liability	69.90	-
Share based compensation expense	19.96	-
Interest income	(101.21)	(35.21)
Finance costs	493.36	186.99
Change in operating assets and liabilities:	**3,293.12**	**1,367.71**
(Increase) in inventories	(120.14)	(14.53)
(Increase) in trade receivables	(891.12)	(340.29)
Decrease in loans	(4.70)	1.06
(Increase)/decrease in other assets	(112.17)	323.35
(Increase) in other financial assets	(63.95)	(17.62)
Increase/(decrease) in trade payables	(48.64)	216.91
Increase/(decrease) in provisions	(20.12)	5.86
(Decrease) in other financial liabilities	(32.16)	(165.34)
(Decrease) in other liabilities	(126.99)	(18.02)
Cash generated from operations	**1,873.13**	**1,359.09**
Income tax (paid)/refund, net	(668.73)	(254.48)
Net cash inflow from operating activities (A)	**1,204.40**	**1,104.61**
Cash flow from investing activities		
Payments for property, plant and equipment and intangible assets	(1,522.23)	(672.06)
Proceeds from sale of property, plant and equipment	18.29	0.45
Sale of mutual funds	(0.00)	313.06
Proceeds from sale of investment in subsidiaries	-	100.00
Payment for acquisition of subsidiaries	(343.50)	(325.01)
Interest received on fixed deposits	105.86	24.44
Interest received on income tax refund	-	7.43
Movement in other bank balances, net	(191.42)	123.09
Net cash outflow from investing activities (B)	**(1,933.00)**	**(428.60)**
Cash flow from financing activities		
Proceeds from borrowings	1,746.34	300.18
Repayments of borrowings	(484.81)	(194.97)
Interest paid	(256.12)	(103.95)
Payment of lease liabilities	(196.70)	(642.98)
Net cash inflow from financing activities (C)	**808.71**	**(641.72)**
Net increase in cash and cash equivalents(A + B + C)	**80.11**	**34.29**
Cash and cash equivalents at the beginning of the year	1,448.33	545.54
Effects of exchange rate changes on cash and cash equivalents	(12.00)	-
Cash and cash equivalents at the end of the year (note 1)	**1,516.44**	**579.83**

	As at	
	31 August 2024	31 August 2023
Note 1:		
Cash and cash equivalents as per above comprise of the following		
Included in cash and cash equivalents (refer note 4.11(a))		
Cash on hand	51.14	13.97
Balances with banks in current accounts	487.06	356.27
Deposits with original maturity upto 3 months	978.24	209.59
Balances as per Statement of Cash Flows	**1,516.44**	**579.83**

This is the Special Purpose Interim Condensed Consolidated Statement of Cash Flows referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad

Date: 27 November 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 27 November 2024

Jaideep Singh
Director and Chief Executive Officer
DIN: 07070309
Place : Hyderabad

Gayathri Chandramouliswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 27 November 2024

Quality Care India Limited
Special Purpose Interim Condensed Consolidated Statement of Changes in Equity
(All amounts in ₹ millions, except share data and where otherwise stated)

A. Share capital

Equity share capital

Particulars	Notes	Number of shares	Amount
Balance as at 1 April 2023		**4,14,96,894**	**414.97**
Changes in equity share capital	4.13 (a)	5,37,33,244	537.33
Balance as at 31 March 2024		**9,52,30,138**	**952.30**
Changes in equity share capital	4.13 (a)	28,56,90,414	2,856.91
Balance as at 31 August 2024		**38,09,20,552**	**3,809.21**

B. Other equity

Particulars	Attributable to owners of Parent Company						Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Reserves and surplus							
	Securities premium	Capital reserve	Share options outstanding account	Equity component of CCPS	Foreign Currency Translation Reserve	Retained earnings		
Balance as at 1 April 2023	**4,457.24**	**11.31**	-	**434.24**	-	**2,921.61**	**7,824.40**	**1,988.26**
Profit/(loss) for the year	-	-	-	-	-	(140.83)	(140.83)	329.24
Other comprehensive income, net of tax	-	-	-	-	216.52	(16.23)	200.29	139.21
On account of disposal of stake in Galaxy Care Multispecialty Hospital Private Limited	-	-	-	-	-	(59.98)	(59.98)	(41.63)
Transactions with non-controlling interest	-	-	-	-	-	51.42	51.42	(3,101.84)
Transaction costs incurred adjusted towards other equity	-	-	-	-	-	(222.11)	(222.11)	-
Non-controlling interests on acquisition of subsidiaries [refer note 4.36 and 4.4(a)(i)]		-	-	-	-	-	-	15,864.56
Fresh issue of equity shares at premium	27,846.80	-	-	-		-	27,846.80	-
Conversion of 1,45,72,480 CCPS into 100,00,540 Equity Shares	6,491.13	-	-	-		-	6,491.13	-
Balance as at 31 March 2024	**38,795.17**	**11.31**	-	**434.24**	**216.52**	**2,533.88**	**41,991.12**	**15,177.80**
Profit for the period	-	-	-	-	-	1,079.08	1,079.08	444.19
Other comprehensive income, net of tax	-	-	-	-	(213.50)	(30.96)	(244.46)	(152.92)
Transactions with non-controlling interest			-	-	-	18.26	18.26	(361.76)
Issue of 28,56,90,414 Bonus Shares @3:1 [refer note 4.13(a)(v)]	(2,856.90)	-	-	-	-	-	(2,856.90)	
Share based compensation expense (refer note 4.43)	-	-	19.96	-	-	-	19.96	-
Balance as at 31 August 2024	**35,938.27**	**11.31**	**19.96**	**434.24**	**3.02**	**3,600.26**	**40,007.06**	**15,107.31**

The accompanying notes are an integral part of the special purpose interim condensed consolidated financial statements.

This is the Special Purpose Interim Condensed Consolidated Statement of changes in equity referred to in our report of even date

For **Price Waterhouse Chartered Accountants LLP**
Firm's Registration No: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad
Date: 27 November 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shahlat Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Jasdeep Singh
Director and Chief Executive Officer
DIN: 02[illegible]03
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN: AEGPK9126H
Place : Hyderabad

Date: 27 November 2024

Gayathri Chandramouleeswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 27 November 2024

Quality Care India Limited

Notes to the special purpose interim condensed consolidated financial statements

(All amounts in ₹ millions, except share data and where otherwise stated)

1) Corporate information

Quality Care India Limited ("the Company" or "QCIL" or "Parent Company" or "Parent") is a public company domiciled in India and is incorporated under the erstwhile provisions of the Companies Act, 1956 applicable in India. The registered office of the Company is located at #6-3-248/2, Road no. 1, Banjara Hills, Hyderabad - 500034.

The Parent Company and its subsidiaries (collectively referred to as "Group") and a joint venture are primarily engaged in providing healthcare and related services. The Group has a network of multi-speciality hospitals across various cities in India and Bangladesh.

2) Material Accounting Policies

a) Statement of compliance

(i) Basis of preparation

The special purpose interim condensed consolidated financial statements have been prepared in accordance with Indian Accounting Standards 34 - Interim Financial Reporting (Ind AS 34) prescribed under section 133 of the Companies Act, 2013 in connection with the proposed scheme of merger of the Company with Aster DM Healthcare Limited.

The accounting policies adopted in these special purpose interim condensed consolidated financial statements are consistent with the latest audited annual financial statements for the year ended 31 March 2024.

The comparative figures for the five months ended 31 August 2023 were not subjected to audit or review by the auditors of the Company and have been prepared by the management for comparative purposes only.

These special purpose interim condensed consolidated financial statements are approved for issue by the Board of Directors on 27 November 2024.

(ii) Historical cost convention

The special purpose interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities measured at fair value ;
- Assets held for sale - measured at fair value less cost to sell
- Defined benefit plan - plan assets measured at fair value.
- Share-based payments

(iii) New and amended standards adopted by the Group

The Ministry of Corporate Affairs had vide notification dated March 31, 2023, notified Companies (Indian Accounting Standards) Amendment Rules, 2023 which amended certain accounting standards, and are effective April 01, 2023:

- Disclosure of accounting policies – amendments to Ind AS 1
- Definition of accounting estimates – amendments to Ind AS 8
- Deferred tax related to assets and liabilities arising from single transaction – amendments to Ind AS 12

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods. Specifically, no changes would be necessary as a consequence of amendments made to Ind AS 12 as the Group's accounting policy already complies with the now mandatory treatment.

(iv) Critical estimates and judgements:

The preparation of financial information requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

This note provides an overview of the areas that involved a high degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial information.

The area involving critical estimates or judgements are:

- Useful lives of property, plant and equipment, right-of-use assets and intangible assets
- Estimation of defined benefit obligations and other long-term benefit plan
- Estimated impairment of financial assets and non-financial assets
- Provision for expected credit loss
- Provisions and contingent liabilities
- Allocation of consideration over the fair value of assets and liabilities acquired in a business combination

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(v) Basis of consolidation

The special purpose interim condensed consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries and a joint venture.

List of subsidiaries and joint venture included in the consolidated financial statement is as under:

Particulars	Relationship	Principal place of business	Effective interest held by the Group		Principal activities
			As at 31 August 2024	As at 31 March 2024	
Ganga Care Hospital Limited	Subsidiary	India	74.13%	74.13%	Hospital services
Ramkrishna Care Medical Sciences Private Limited	Subsidiary	India	56.33%	56.33%	Hospital services
Quality Care Jharsuguda Private Limited	Subsidiary	India	100.00%	100.00%	Hospital services
Convenient Hospitals Limited	Subsidiary	India	100.00%	100.00%	Hospital services
Heart Care Institute And Research Centre (Indore) Pvt Ltd	Step down subsidiary	India	100.00%	100.00%	Hospital services
United CIGMA Institute of Medical Sciences Private Limited	Subsidiary	India	76.00%	76.00%	Hospital services
United Cigma Hospitals Healthcare Private Limited	Step down subsidiary	India	76.00%	76.00%	Hospital services
Cigma Institute of Medical Sciences Private Limited	Step down subsidiary	India	76.00%	76.00%	Hospital services
Condis India Healthcare Private Limited (CIHPL)	Subsidiary	India	90.34%	89.37%	Works contract services
KIMS Healthcare Management Limited (KHML)	Step down subsidiary	India	79.26%	78.25%	Hospital services
KIMS Kollam Multispeciality Hospital India Private Limited	Step down subsidiary	India	79.26%	78.25%	Hospital services
KIMS Bellerose Institute of Medical Sciences Private Limited	Step down subsidiary	India	79.26%	78.25%	Hospital services
KIMS Nageroil Institute of Medical Sciences Private Limited	Step down subsidiary	India	79.26%	78.25%	Hospital services
Spiceretreat Hospitality Services Private Limited	Step down subsidiary	India	79.26%	78.25%	Hospitality services
KIMSHEALTH Executive Leisure Private Limited	Step down subsidiary	India	79.26%	78.25%	Hostel services
KIMS Al Shifa Healthcare Private Limited	Step down subsidiary	India	39.91%	39.91%	Hospital services
Chemistry Intermediary holdings Limited (CIHL)	Subsidiary	Mauritius	100.00%	100.00%	Investment entity
STS Holdings Limited	Step down subsidiary	Bangladesh	60.12%	60.12%	Hospital services
STS Hospital Chittagong Limited	Step down subsidiary	Bangladesh	60.12%	60.12%	Hospital services
Quality Care Health Services India Private Limited	Joint venture	India	50.00%	50.00%	Hospital services

QUALITY CARE INDIA LIMITED

The Parent Company has acquired controlling stake in Condis India Healthcare Private Limited, KIMS Health Care Management Limited on 23 January 2024 and Chemistry Intermediary holdings Limited, Mauritius on 14 January 2024. The special purpose interim condensed consolidated financial statements includes the financial information of the above subsidiaries from the date of respective acquisitions. As a result, the comparative figures for the period 1 April 2023 to 31 August 2023 are not directly comparable to those of current period 1 April 2024 to 31 August 2024.

b) Property, plant and equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on the basis of straight line method, except for Ramkrishna Care Medical Sciences Private Limited where depreciation is provided on the basis of written down value method. Depreciation is provided using the useful lives and in the manner prescribed below:

Asset description	Life of the asset (in years)
Buildings	31 - 60
Plant and Machinery used in medical and surgical operations	3 - 13
Furniture and fixtures	4 - 10
Vehicles	5 - 8
Office Equipment	5 - 10
Computers (end user devices)	3
Books	1 - 4

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit and loss.

c) Investment Properties

Investment properties, principally land and office buildings, are held for long-term rental yields and are not occupied by the group. They are carried at cost.

Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Investment properties (buildings) has useful life of 53 years.

Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

d) Intangible Assets

(i) Goodwill

Goodwill arising on business combination is recorded at excess of the consideration paid over the fair value of the net assets taken-over. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

(ii) Other intangible assets

Other intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, other intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

The Group amortizes other intangible assets with a finite useful life using the straight-line method over the following periods:

Asset description	Life of the asset (in years)
Software	3 - 5

An item of intangible asset is derecognised when no future economic benefit are expected to arise from the continued use of the asset or upon disposal. Any gain or loss on disposal of an item of intangible assets is recognised in profit or loss.

(iii) Brands and trademarks

Trademarks and brands acquired in a business combination are recognised at fair value at the acquisition date. The management has considered life of brand and trademark having an indefinite life because there is no foreseeable limit of the asset and it is expected to contribute the net cash inflows indefinitely.

In accordance with Ind AS 36, the group to test an intangible asset with an indefinite useful life for impairment by comparing its recoverable amount with its carrying amount (a) annually, and (b) whenever there is an indication that the intangible asset may be impaired.

Review of useful life assessment: The useful life of an intangible asset that is not being amortized shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8.

In accordance with Ind AS 36, reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired. As a result, the entity tests the asset for impairment by comparing its recoverable amount, determined in accordance with Ind AS 36, with its carrying amount, and recognizing any excess of the carrying amount over the recoverable amount as an impairment loss.

e) Revenue recognition

Revenue primarily comprises fees charged under contract for inpatient and/or outpatient hospital services and includes sale of products comprising medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory, pharmaceutical goods among others, used in treatments provided to the patients.

Contracts with customers could include promises to transfer multiple services/ products to a customer. The Group assesses the product/ services promised in a contract and identifies distinct performance obligation in the contract. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered, and goods sold is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract including claims. Further, the Group also determines whether the performance obligation is satisfied at a point in time or over a period of time. These judgments and estimations are based on various factors including contractual terms and historical experience.

Revenue from healthcare services and related activities

Revenue is recognised at the transaction price when each performance obligation is satisfied at a point in time when inpatient/ outpatients has actually received the service except for few specific services where the performance obligation is satisfied over a period of time.

Other operating revenue comprises revenue from various ancillary revenue generating activities such as clinical research, income from outsourced facilities and academic/training services which is recognised over the period of time, in accordance with the terms of the relevant agreements, as and when services are performed.

Revenue from sale of pharmacy

In respect of sale of pharmaceutical products, where the performance obligation is satisfied at a point in time, revenue is recognised when the control of goods is transferred to the customer.

Trade receivables are amounts due from customers for the sale of products or services in the ordinary course of business and reflects Group's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

f) Share based payments

Equity settled share options

The Parent Company has granted employee stock options to the eligible employees of the Group. As per the scheme, on fulfilling of the vesting conditions the Parent Company will issue shares to the eligible employees of the Group.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest.

Share appreciation rights

Liabilities for the Group share appreciation rights are recognised as employee benefit expense over the relevant service period based on the estimated number of rights that are expected to vest. The liabilities are presented as employee benefit obligations and remeasured to fair value at each reporting date, with any measurement changes recognised in profit or loss as employee benefit expense. In estimating the fair value, market conditions and non- vesting conditions are taken into account Where share appreciation rights are forfeited due to a failure by the employee to satisfy the service conditions, the liability is derecognised and expenses previously recognised are reversed.

g) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date The group recognises any non- controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non- controlling interests proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred
- amount of any non-controlling interest in the acquired entity
- acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Common control business combinations

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the preceding period in the financial statements or, if later, at the date that common control was established; for this purpose comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the standalone financial statements of the Group in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

h) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity where the group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The Group combines the financial statements of the parent company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income, expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides an evidence of impairment of the transferred asset. Accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the group.

Non controlling interests in the results and equity of subsidiaries are shown separately in the special purpose interim consolidated statement of profit and loss, special purpose interim condensed consolidated statement of changes in equity and balance sheet respectively

(ii) Joint ventures

Interest in joint ventures are accounted for using the equity method (see iv below), after initially being recognised at cost in the special purpose interim condensed consolidated balance sheet.

(iii) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of adjustment to non-controlling interests and consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction In the carrying amount of the investment.

Where the group's share of losses an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, thee group does not recognise further losses, unless it has incurred obligations or rnade payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred Accounting policies of equity accounted investees have been changed where necessary to ensure consistency With the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 2(e) below.

3) Summary of other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest two decimal places of millions as per the requirement of Schedule III, unless otherwise stated.

b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity f they relate to qualifying cash tow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future IS considered as a part of the entities net investment in that foreign operation.

Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.



(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

c) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and unused losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the Balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax base of investments in subsidiaries, branches and associates and interest in join arrangements where the group is able to control the timing of the reversal of temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

d) Leases

As a lessee:

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

If a readily observable amortizing loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

As a lessor:

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

e) Impairment of assets

Goodwill and other Intangible assets which has indefinite useful life are not subject to amortisation and tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and cash credit facility availed from banks. Cash credit facility availed from banks are shown within borrowings in current liabilities in the balance sheet.

g) Inventories:

Inventory of medical supplies, drugs and other consumables are valued at the lower of cost and net realisable value. Cost of medical supplies, drugs and other consumables comprises cost of purchases and are determined on the basis of weighted average method. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within credit period after recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

i) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in statement of profit and loss under other income.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of financial statements for issue, not to demand payment as consequence of the breach.

j) Borrowings costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

k) Provisions, Contingent Assets and Contingent Liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

The Group does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable.

l) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. Therefore these obligations are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the government bond yield rates at the end of the reporting period that have terms approximating to the terms of the related obligations. Remeasurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

(a) Defined benefit plans - gratuity; and

(b) Defined contribution plans - provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligations at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and change in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

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Defined contribution plans - provident fund

The Group pays provident fund contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

(iv) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where contractually obliged or where there is a past practice that has created a constructive obligation.

m) Contributed equity

Equity shares are classified as equity.

n) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

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

(ii) Diluted earnings per share

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

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

p) Current or Non- current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when:

i) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle

ii) it holds the asset primarily for the purpose of trading

iii) it expects to realise the asset within twelve months after the reporting period or

iv) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets shall be classified as non-current.

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Liabilities

An entity shall classify a liability as current when:

i) it expects to settle the liability in its normal operating cycle

ii) it holds the liability primarily for the purpose of trading

iii) the liability is due to be settled within twelve months after the reporting period or

iv) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

q) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of The Group or the counterparty.

r) Other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, The Group measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.





Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- *Amortised cost:* Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of profit and loss.

- *Fair value through other comprehensive income (FVOCI):* Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in statement of profit and loss. Interest income from these financial assets is included in other income using the effective interest rate method.

- *Fair value through profit or loss:* Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all other equity investments which are in scope of Ind AS 109 at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, The Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if The Group has not retained control of the financial asset. Where The Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.





(iv) Dividend and Income recognition

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from financial assets at fair value through profit or loss is disclosed as interest income within other income. Interest income on financial assets at amortised cost and financial assets at FVOCI is calculated using the effective interest method is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

s) Measurement of earnings before interest, tax, depreciation and amortisation (EBITDA)

As permitted by the Guidance Note on division II – Ind AS Schedule III to the Act, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of profit and loss.

In its measurement of EBITDA, the Group includes other income but does not include depreciation and amortisation expense, impairment losses, finance cost and tax expense.

t) Non current asset held for sale

The Group classifies non-current assets held for sale if their carrying amounts will be principally recovered through a sale rather than through continuing use of assets and action required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets held for sale are measured at the lower of carrying amount and the fair value less cost to sell. Non-current assets are not depreciated or amortised

u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The CODM (Chief Operating Decision Maker) decided to have only one reportable segment as at the August 31, 2024, in accordance with IND AS 108 "Operating Segments"

v) Cash flow statement

The cash flow statement is prepared as per the Indirect Method. Cash Flow Statements present the cash flows by operating, financing and investing activities of the Group. Operating cash flows are arrived by adjusting profit or loss before tax for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

w) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of the assets and liabilities, the disclosure of the contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of these changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

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4.1 Property, plant and equipment

Particulars	Freehold land	Buildings (Refer note b and c below)	Leasehold improvements	Plant and machinery	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
Gross carrying amount									
Opening gross carrying amount as at 1 April 2023	**2,006.13**	**3,450.00**	**677.60**	**4,596.93**	**489.61**	**132.20**	**177.89**	**21.70**	**11,552.06**
Additions	29.10	1,092.02	52.82	1,849.66	37.81	18.04	106.52	11.46	3,197.43
Additions on account of business combination (refer note 4.36)	7,519.00	10,543.60	10.27	4,363.89	748.95	282.60	117.21	66.70	23,652.22
Disposals	-	-	-	(676.68)	(116.97)	(29.26)	(27.37)	(7.74)	(858.02)
Exchange differences	23.35	289.06	0.17	288.24	29.42	27.78	26.48	3.44	687.94
Closing gross carrying amount as at 31 March 2024	**9,577.58**	**15,374.68**	**740.86**	**10,422.04**	**1,188.82**	**431.36**	**400.73**	**95.56**	**38,231.63**
Additions	40.96	78.02	7.43	467.65	13.30	10.49	40.91	4.49	663.25
Disposals	-	-	-	(61.09)	(3.49)	(1.27)	-	(3.42)	(69.27)
Exchange differences	(22.64)	(285.54)	(0.16)	(289.27)	(28.69)	(27.19)	(26.20)	(3.59)	(683.28)
Closing gross carrying amount as at 31 August 2024	**9,595.90**	**15,167.16**	**748.13**	**10,539.33**	**1,169.94**	**413.39**	**415.44**	**93.04**	**38,142.33**
Accumulated depreciation									
Opening accumulated depreciation as at 1 April 2023	-	**432.05**	**386.63**	**1,765.23**	**159.76**	**88.39**	**132.31**	**11.88**	**2,976.25**
Depreciation charge during the year	-	129.84	52.49	535.11	76.83	19.35	51.24	5.20	870.06
On disposals	-	-	-	(576.26)	(113.39)	(26.91)	(27.00)	(6.47)	(750.03)
Exchange differences	-	38.87	0.11	129.26	13.91	11.08	20.90	3.22	217.35
Closing accumulated depreciation as at 31 March 2024	-	**600.76**	**439.23**	**1,853.34**	**137.11**	**91.91**	**177.45**	**13.83**	**3,313.63**
Depreciation charge during the period	-	145.43	19.86	529.93	51.48	41.38	46.83	10.44	845.35
On disposals	-	-	-	(41.00)	(2.85)	(1.08)	-	(1.73)	(46.66)
Exchange differences	-	(39.76)	(0.12)	(132.50)	(14.32)	(11.81)	(21.68)	(3.07)	(223.26)
Closing accumulated depreciation as at 31 August 2024	-	**706.43**	**458.97**	**2,209.77**	**171.42**	**120.40**	**202.60**	**19.47**	**3,889.06**
Net carrying amount as at 31 March 2024	**9,577.58**	**14,773.92**	**301.63**	**8,568.70**	**1,051.71**	**339.45**	**223.28**	**81.73**	**34,918.00**
Net carrying amount as at 31 August 2024	**9,595.90**	**14,460.73**	**289.16**	**8,329.56**	**998.52**	**292.99**	**212.84**	**73.57**	**34,253.27**

(a) Refer note 4.14 for charge details on Property, plant and equipment.

(b) Includes 14.53 (31 March 2024: 16.68) net carrying amount and the title deeds of the Hospital Building is in the name of Promoter of United CIIGMA Institute of Medical Sciences Private Limited, Mr.Unmesh Vidyadhar Takalkar (hereinafter called as "Lessor") and not in the name of United CIIGMA Institute of Medical Sciences Private Limited. As per the agreement with lessor, the hospital building including land is leased at a nominal value for a period 1 August 2022 to 31 July 2025 and further extended to 31 March 2027.

(c) i) Land and building amounting carrying value of ₹ 65.61 and ₹ 121.06 has been transferred to investment properties during the previous year related to KIMS Healthcare Management Limited
ii) Include buildings constructed on leasehold land having Net block 21.88 (31st March 2024: ₹ 19.82) and lease period is 77 years from 9 December 2016.

(d) Borrowing cost capitalised during the period is ₹ 5.71 (31 March 2024: ₹ 0.13).

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4.2 Right-of-use assets

Particulars	Category of Right-of-use assets				Total
	Buildings	Plant and machinery	Furniture and fixtures	Leasehold land	
Balance as at 1 April 2023	**1,624.83**	**274.90**	**15.65**	**8.36**	**1,923.74**
Additions	148.78	-	-	-	148.78
Additions on account of business combination (refer note 4.36)	95.90	8.35	-	-	104.25
Deletions	(159.70)	(257.10)	-	-	(416.80)
Exchange differences	6.09	-	-	-	6.09
Depreciation charge for the year	(271.20)	(36.52)	(1.93)	(0.09)	(309.74)
Balance as at 31 March 2024	**1,444.70**	**(10.37)**	**13.72**	**8.27**	**1,456.32**
Additions	235.25	-	-	-	235.25
Deletions	(1.04)	-	-	-	(1.04)
Exchange differences	(5.77)	-	-	-	(5.77)
Depreciation charge for the period	(136.31)	-	(0.48)	(0.04)	(136.84)
Balance as at 31 August 2024	**1,536.83**	**(10.37)**	**13.24**	**8.23**	**1,547.93**

4.3 Investment property

Particulars	Land	Building	Total
Gross carrying amount			
Opening gross carrying amount as at 1 April 2023	-	-	-
Additions on account of business combination (refer note 4.36)	65.61	95.25	160.86
Closing gross carrying amount as at 31 March 2024	**65.61**	**95.25**	**160.86**
Closing gross carrying amount as at 31 August 2024	**65.61**	**95.25**	**160.86**
Accumulated amortisation			
Opening accumulated amortisation as at 1 April 2023	-	-	-
Depreciation for the year	-	2.14	2.14
Closing accumulated amortisation as at 31 March 2024	-	**2.14**	**2.14**
Depreciation for the period	-	1.18	1.18
Closing accumulated amortisation as at 31 August 2024	-	**3.32**	**3.32**
Closing net carrying amount as at 31 March 2024	**65.61**	**93.11**	**158.72**
Closing net carrying amount as at 31 August 2024	**65.61**	**91.93**	**157.54**

(i) Investment property comprises of a land and building that are leased out to KIMS Health Education and Research Foundation for a period of 99 years, with lock in terms of 30 years, cancellable by either parties, to earn rental income. KHML was operating and managing nursing college under the name of KIMS College of Nursing. KHML has transferred land and building pertaining to KIMS college of Nursing to KIMS Health Education and Research Foundation for operating and managing colleges and schools relating to medical courses by the approval of board of directors and audit committee, dated 15 January 2024. The aforesaid transactions is not in the ordinary course of business and not at an arm length price.

(ii) Amount recognised in Statement of Profit and Loss for investment properties.

Particulars	For the period ended 31 August 2024	For the year ended 31 March 2024
Rental Income	0.50	0.25
Property tax	-	(0.67)
Depreciation	(1.18)	(2.14)
(Loss) arising from investment properties before indirect expenses	(0.68)	(2.56)





(iii) There are no contractual obligations for purchase of investment properties as on 31 August 2024 and previous year ended 31 March 2024.

(iv) Measurement of fair value

a) Fair valuation hierarchy

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. These valuers are registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement of the investment property has been categorised as Level 3 fair value based on inputs to the fair value technique used. Management believes that there is no material change in the fair value from 31 March 2024.

b) Valuation techniques used and key inputs to valutaion on investment property:

Valuation technique	Significant inputs	31 August 2024	31 March 2024
Market Approach as per Ind AS 113 for fair value Measurement	Market Approach	461.25	461.25

c) Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value would increase/ (decrease) if:

- Estimated Rental value per sq.ft per month were higher/ (lower)
- Rent growth were higher/ (lower)
- Discount rate was lower/ (higher)

4.4 Goodwill and Other intangible assets

Particulars	Goodwill	Trademark	Brand	Software	Total
Gross carrying amount					
Opening gross carrying amount as at 1 April 2023	**6,042.19**	**649.75**	**-**	**292.22**	**6,984.16**
Additions	-	-	-	14.01	14.01
Additions on account of Business combination (refer note 4.36 and note (i) below)	18,556.99	252.05	8,277.45	11.87	27,098.36
Deletions	(29.39)	-	-	-	(29.39)
Exchange differences	-	2.89	94.86	0.22	97.97
Closing gross carrying amount as at 31 March 2024	**24,569.79**	**904.69**	**8,372.31**	**318.32**	**34,165.11**
Additions	-	-	-	21.85	21.85
Exchange differences	-	-	(96.31)	-	(96.31)
Closing gross carrying amount as at 31 August 2024	**24,569.79**	**904.69**	**8,276.00**	**340.17**	**34,090.65**
Accumulated amortisation					
Opening accumulated amortisation as at 1 April 2023	-	-	-	**222.16**	**222.16**
Amortisation charge for the year	-	-	-	24.29	24.29
Closing accumulated amortisation as at 31 March 2024	-	-	-	**246.45**	**246.45**
Amortisation charge for the period	-	-	-	15.44	15.44
Closing accumulated amortisation as at 31 August 2024	-	-	-	**261.89**	**261.89**
Closing net carrying amount as at 31 March 2024	**24,569.79**	**904.69**	**8,372.31**	**71.87**	**33,918.66**
Closing net carrying amount as at 31 August 2024	**24,569.79**	**904.69**	**8,276.00**	**78.28**	**33,828.76**

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(i) The Group controls the investment in KIMS Holding B.S.C, which is classified as an asset held for sale pursuant to the obligation under the share purchase agreement entered for the acquisition of a subsidiary. The difference between the fair value of the investment and the expected liabilities, NCI is adjusted in Goodwill of 305.

Management reviews the carrying value of indefinite useful life assets such as Goodwill, Trademark and Brand annually to determine whether there has been any impairment. The group has allocated the value of Goodwill to a Cash Generating Unit (CGU). The Group has identified each hospital unit as CGU for this purpose. The Group has allocated the Goodwill to respective CGU which benefits from the synergies of the acquisition and represents the lowest level at which goodwill is monitored for internal management purposes.

Impairment analysis was carried by management during the period. The recoverable amount as determined using value in use of the cash generating units. The recoverable amount exceeds the carrying value, accordingly no impairment loss were identified for the period ended 31 August 2024.

Value in use i.e. the enterprise value of each CGU is aggregate of cash flow projections, for five years and terminal cash flows as approved by the Management. The cash flow beyond five years are extrapolated using the estimated growth rate.

Key assumptions used for value in use calculations as follows	Range
Revenue growth rate	9.36% - 17.6%
Terminal growth rate	5%
Discount rate	12.28% - 13.80%

The Management believes that any reasonably possible change in the above key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determine values
Sales volume	Average annual growth rate over the five-year forecast period, based on past performance and management's expectations of market development.
Sales price	Average annual growth rate over the five-year forecast period, based on current industry trends and including long-term inflation forecasts for each territory.
Long-term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rates	Reflect specific risks relating to the relevant CGU's and the countries in which they operate.

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4.5 Investments

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Non-current		
Unquoted		
Investment in Joint venture- accounted for using the equity method		
- 5,000 (31 March 2024: 5,000) equity shares in Quality Care Health Services India Private Limited	0.02	0.02
Investments in Corpus Fund of KIMS Trust	0.35	0.35
Aggregate amount of unquoted investments (A)	**0.37**	**0.37**
(b) Current		
Quoted		
Investment in mutual funds at FVTPL		
176,889 (176,889 as at 31 March 2024) units in Bandhan (Earlier IDFC) Ultra Short Term Fund-Growth-(Direct Plan)	6.56	6.36
1,390 (1,390 as at 31 March 2024) units in Bandhan (Earlier IDFC) Super Saver Income Fund-Medium-Term Plan-Growth	0.06	0.06
Aggregate amount of quoted investments and market value thereof (B)	**6.62**	**6.42**
Aggregate amount of quoted & unquoted investments (A) + (B)	**6.99**	**6.79**

4.6 Other financial assets

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Non-current		
Unsecured, considered good		
Security deposits	282.34	258.24
Fixed deposits with banks with remaining maturity of more than 12 months	477.44	673.30
Advance to related party	0.60	-
Interest accrued on fixed deposits with banks	31.77	28.28
Unsecured, considered doubtful		
Security deposits	25.00	25.00
Less: Allowances for expected credit loss	(25.00)	(25.00)
Total	**792.15**	**959.82**
(b) Current		
Unsecured, considered good		
Security deposits	37.82	16.25
Interest accrued on fixed deposits with banks	23.39	31.53
Advance to related party	-	0.60
Others	44.57	25.78
Total	**105.78**	**74.16**

4.7 (a) Deferred tax assets/(liabilities)

Particulars	As at 31 August 2024	As at 31 March 2024
Deferred tax assets	927.55	1,028.57
Deferred tax liabilities	(4,788.82)	(5,285.39)
Net Deferred tax assets/(liabilities)	**(3,861.27)**	**(4,256.82)**

Movement in temporary differences

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2024	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	Charged/(credited) to other comprehensive income	Others	Exchange differences	As at 31 August 2024
Expected credit loss	103.45	-	(7.07)	-	-	-	96.38
Lease liabilities	578.95	-	(108.79)	-	-	(1.46)	468.70
Provision for employee benefits	202.16		(42.10)	16.62		(3.61)	173.07
Expenses allowable on payment of TDS	34.69		(34.69)	-		-	0.00
Indexation of land	23.96		(23.98)	-	-	-	(0.02)
Right of use asset	(470.19)	-	86.45	-	-	1.50	(382.24)
Property, plant and equipment	(4,998.68)	-	234.13	-	-	38.09	(4,726.46)
Deemed equity on account of interest free loan given to subsidiary	91.30	-	-	-	-	-	91.30
Interest on loan given to subsidiary	(8.33)	-	(2.09)	-	-	-	(10.42)
MAT credit	53.76	-	(5.17)	-	-	-	48.59
Unabsorbed depreciation and business losses	1,111.27	-	4.27	-	-	(66.68)	1,048.86
On account of management fee	(0.98)	-	0.98	-	-	-	-
Other disallowances	27.35		(1.02)	-		-	26.33
Borrowings measured at amortised cost	(3.88)		1.71	-		-	(2.17)
Provision for bad and doubtful loans	23.00		(6.43)	-		-	16.57
Investment in subsidiary [refer note 4.4(a)(i)]	(260.23)	-	62.35	-	-	-	(197.88)
On equity component of loan	(91.30)	-	-	-	-	-	(91.30)
On interest expense of loan	8.33	-	2.09	-	-	-	10.42
On fair valuation of land	(534.96)	-	197.34	-	-	-	(337.62)
On fair valuation of investment	(146.50)	-	54.06	-	-		(92.44)
Finance cost on management fee	-	-	(0.94)	-	-		(0.94)
Net Deferred Tax Assets/(Liabilities)	**(4,256.82)**	**-**	**411.10**	**16.62**	**-**	**(32.16)**	**(3,861.27)**

Movement in temporary differences

(i) Deferred tax assets/(liabilities) in relation to:	As at 1 April 2023	Additions on account of business combination	(Charged)/credited to Statement of Profit and Loss	Charged/(credited) to other comprehensive income	Others	Exchange differences	As at 31 March 2024
Expected credit loss	115.53	-	(12.08)	-	-	-	103.45
Lease liabilities	709.62	18.51	(150.78)	-	-	1.60	578.95
Provision for employee benefits	111.56	83.57	(4.57)	7.37	-	4.23	202.16
Expenses allowable on payment of TDS	36.00	-	(1.31)	-	-	-	34.69
Indexation of land	104.52	-	(80.56)	-	-	-	23.96
Right of use asset	(604.07)	(19.18)	154.72	-	-	(1.66)	(470.19)
Property, plant and equipment	(762.85)	(4,203.53)	6.56	-	-	(38.86)	(4,998.68)
Deemed equity on account of interest free loan given to subsidiary	91.30	-	-	-	-	-	91.30
Interest on loan given to subsidiary	(3.31)	-	(5.02)	-	-	-	(8.33)
MAT credit	108.62	-	(54.86)	-	-	-	53.76
Unabsorbed depreciation and business losses	47.82	1,021.90	(23.77)	-	-	65.32	1,111.27
On account of management fee	-	(1.15)	0.17	-	-	-	(0.98)
Other disallowances	-	33.61	(6.26)	-	-	-	27.35
Borrowings measured at amortised cost	(6.23)	-	2.35	-	-	-	(3.88)
Provision for bad and doubtful loans	23.00	-	-	-	-	-	23.00
Loss from specified business (refer note (i))	810.38	-	(810.38)	-	-	-	-
Investment in subsidiary [refer note 4.4(a)(i)]	-	-	-	-	(260.23)	-	(260.23)
On equity component of CCPS	(233.24)	-	-	-	-	-	(233.24)
On interest expense of CCPS	131.10	-	102.15	-	-	-	233.25
On equity component of loan	(91.30)	-	-	-	-	-	(91.30)
On interest expense of loan	3.31	-	5.02	-	-	-	8.33
On fair valuation of land	-	(534.96)	-	-	-	-	(534.96)
On fair valuation of investment	-	(146.50)	-	-	-	-	(146.50)
Net Deferred Tax Assets/(Liabilities)	**591.76**	**(3,747.73)**	**(878.62)**	**7.37**	**(260.23)**	**30.63**	**(4,256.82)**

Note:
The management has concluded that such deferred tax asset will be recoverable using the estimated future taxable income based on approved business plans and budgets of the group.

(b) Income Tax assets/Liabilities (net)

Particulars	As at 31 August 2024	As at 31 March 2024
Advance income tax (net of provision for taxation)	841.61	797.88
Total	**841.61**	**797.88**
Provision for income tax (net of advance tax)	272.75	275.75
Total	**272.75**	**275.75**

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4.8 Other assets

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Non-current		
Unsecured, considered good		
Amounts paid under protest	58.66	74.67
Capital advances	351.49	126.44
Employee benefit fund, net	12.28	63.21
Other advances	118.67	114.93
Prepaid expenses	30.51	16.82
Others	95.83	9.33
Total	**667.44**	**405.40**
(b) Current		
Unsecured, considered good		
Prepaid expenses	167.89	101.73
Advances to vendors	244.13	189.11
Employee benefit fund, net	0.18	0.18
Others	47.30	93.30
Total	**459.50**	**384.32**

4.9 Inventories*

Particulars	As at 31 August 2024	As at 31 March 2024
Medical consumables and pharmacy items	921.67	787.92
Other consumables	81.95	95.56
Total	**1,003.62**	**883.48**

*Refer note 4.14 for details of inventories pledged as security/hypothecated, if any.

4.10 Trade receivables

Particulars	As at 31 August 2024	As at 31 March 2024
Trade receivables considered good - billed	4,068.13	3,252.93
Trade receivables considered good - unbilled	341.00	282.71
Total	**4,409.13**	**3,535.64**
Less: Expected credit loss*	(499.40)	(436.34)
Total trade receivables and unbilled revenue	**3,909.73**	**3,099.30**
Trade receivables	3,577.45	2,823.49
Unbilled revenue	332.28	275.81

*The movement in the expected credit loss on trade receivables is as follows:

	For the period ended 31 August 2024	For the year ended 31 March 2024
Opening balance at beginning of the period/year	436.34	373.18
Provision made during the year (refer note 4.20 and 4.23)	80.69	13.28
Bad debts written off during the year	(17.63)	(82.70)
Additions on account of business combination	-	132.58
Closing balance at end of the period/year	**499.40**	**436.34**

Ageing of trade receivables and unbilled as at 31 August 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables and unbilled								
-Considered good	341.00	942.51	2,000.25	531.31	376.48	88.75	128.83	4,409.13
-Expected credit loss rate	3%	5%	7%	15%	20%	50%	84%	11%
-Expected credit loss	(8.72)	(46.60)	(130.95)	(78.67)	(76.32)	(49.01)	(108.21)	(499.40)
Total	**332.28**	**895.91**	**1,869.30**	**452.64**	**300.15**	**38.82**	**20.62**	**3,909.73**

Ageing of trade receivables and unbilled as at 31 March 2024

Particulars	Unbilled	Not due	Outstanding for following periods from the due date					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables and unbilled								
-Considered good	282.71	1,028.65	1,410.69	543.08	236.35	24.84	9.32	3,535.64
-Expected credit loss rate	2%	8%	10%	17%	37%	82%	100%	12%
-Expected credit loss	(6.90)	(77.84)	(143.81)	(91.03)	(87.10)	(20.34)	(9.32)	(436.34)
Total	**275.81**	**950.81**	**1,266.88**	**452.05**	**149.25**	**4.50**	-	**3,099.30**

4.11 Cash and bank balances

Particulars	As at 31 August 2024	As at 31 March 2024
a) Cash and cash equivalents		
Balances with banks		
-in current accounts	487.06	620.78
Cash on hand	51.14	36.10
Deposits with original maturity upto 3 months	978.24	791.45
	1,516.44	**1,448.33**
b) Other bank balances		
Deposits with maturity of more than 3 months but less than 12 months	2,055.60	1,763.62
Earmarked balances with bank in current account (refer note below)	-	14.09
Deposit towards margin money against bank guarantee	123.32	12.77
Unclaimed dividend account	4.39	5.55
	2,183.31	**1,796.03**
Total	**3,699.75**	**3,244.36**

Note
Balances are restrictive in nature as they are earmarked funds payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017 (Also refer note 4.17(b)).

4.12 Loans

Particulars	As at 31 August 2024	As at 31 March 2024
Non-Current		
Unsecured, significant increase in credit risk		
Loans to related parties	73.91	65.83
Loans to others	5.81	6.31
	79.72	72.14
Less: Loss allowance	(65.83)	(65.83)
Total	**13.89**	**6.31**
Current		
Unsecured, considered good		
Advances to employees	6.43	9.31
Total	**6.43**	**9.31**

4.13 (a) Equity share capital

Particulars	As at 31 August 2024	As at 31 March 2024
Authorised Share capital		
430,500,000 (31 March 2024: 132,000,000) Equity shares of ₹10 each	4,305.00	1,320.00
3,500,000 (31 March 2024: 3,500,000) Preference shares of ₹10 each	35.00	35.00
Total authorised share capital	**4,340.00**	**1,355.00**
Issued, subscribed and fully paid up equity shares		
Total issued, subscribed and fully paid-up equity shares*	**3,809.21**	**952.30**

*Includes Bonus shares issued during the current period, CCPS conversion and fresh issue of equity shares through private placement during the previous year ended 31 March 2024.

Notes:

(i) Reconciliation of the shares outstanding at the beginning of the year and end of the reporting period

Equity Shares

Particulars	As at 31 August 2024		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	9,52,30,138	952.30	4,14,96,894	414.97
Issued during the year	28,56,90,414	2,856.91	5,37,33,244	537.33
Balance at the end of the year	38,09,20,552	3,809.21	9,52,30,138	952.30

(ii) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Where dividend is proposed by the Board of Directors, it is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Equity shares held by the Holding Company

Particulars	Category of Shares	As at 31 August 2024		As at 31 March 2024	
		Number of shares	Amount	Number of shares	Amount
BCP Asia II Topco IV Pte. Ltd, Singapore	Equity	27,36,63,300	2,736.63	6,84,15,825	684.16

(iv) Particulars of shareholders holding more than 5% equity shares

Particulars	As at 31 August 2024		As at 31 March 2024	
	Number of shares	% holding	Number of shares	% holding
BCP Asia II Topco IV Pte. Ltd, Singapore	27,36,63,300	71.84%	6,84,15,825	71.84%
Camella Mauritius Holdings Limited	9,12,21,100	23.95%	2,28,05,275	23.95%

(v) The Company has not bought back any equity shares during the period of five years immediately preceding the balance sheet date.

(vi) On 2 July 2024, the Parent Company had allotted 285,690,414 bonus shares of ₹ 10 each fully paid up in the proportion of 3 bonus shares for every 1 fully paid up equity share to eligible shareholders whose names appeared in the Register of Members as on 1 July 2024, being the record date fixed for this purpose, in accordance with approval received from the Members in the extra ordinary general meeting held on 14 June 2024. The said bonus shares rank pari passu in all respects with the existing equity shares of the Parent Company, including dividend. As a result of the bonus issue, the paid-up capital of the Parent Company increased to ₹ 3,809.21 from ₹ 952.30. The aforementioned on account of bonus issue of ₹ 2,856.90 has been appropriated from securities premium.

Other than as disclosed above, no shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date.

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(vii) Details of shareholdings by the Promoter/Promoter Group

Promoter/Promoter Group Name	As at 31 August 2024		As at 31 March 2024	
	Number of Shares	% holding	Number of Shares	% holding
BCP Asia II Topco IV Pte. Ltd, Singapore	27,36,63,300	71.84%	6,84,15,825	71.84%
Total	**27,36,63,300**	**71.84%**	**6,84,15,825**	**71.84%**

* % change during the year has been computed on the basis of the number of shares at the beginning of the year.

4.13 (b) Other equity

Particulars	Reserves and surplus						Total other equity attributable to equity holders of Parent Company	Non-controlling interest (NCI)
	Securities premium	Capital reserve	Share options outstanding account	Equity component of CCPS	Foreign Currency Translation Reserve	Retained earnings		
Balance as at 01 April 2023	**4,457.24**	**11.31**	**-**	**434.24**	**-**	**2,921.61**	**7,824.40**	**1,988.26**
Profit for the year	-	-	-	-	-	(140.83)	(140.83)	329.24
Other comprehensive income, net of tax	-	-	-		216.52	(16.23)	200.29	139.21
Non-controlling interests on acquisition of subsidiaries [refer note 4.36 and 4.4(a)(i)]	-	-	-		-	-	-	15,864.56
Transaction costs incurred adjusted towards other equity	-	-	-		-	(222.11)	(222.11)	-
Conversion of 1,45,72,480 CCPS into 100,00,540 Equity Shares	6,491.13	-	-		-	-	6,491.13	-
Fresh issue of equity shares at premium	27,846.80	-	-	-	-	-	27,846.80	-
On account of disposal of stake in Galaxy Care Multispecialty Hospital Private Limited	-	-	-			(59.98)	(59.98)	(41.63)
On account of further stake acquisition in Condis & KHML	-	-	-		-	-	-	-
Transactions with non-controlling interest	-	-	-		-	51.42	51.42	(3,101.84)
Balance at 31 March 2024	**38,795.17**	**11.31**	**-**	**434.24**	**216.52**	**2,533.88**	**41,991.12**	**15,177.80**
Profit for the period	-	-	-	-	-	1,079.08	1,079.08	444.19
Other comprehensive income, net of tax	-	-	-	-	(213.50)	(30.96)	(244.46)	(152.92)
Transactions with non-controlling interest	-	-		-	-	18.26	18.26	(361.76)
Issue of 28,56,90,414 Bonus Shares @3:1 [refer note 4.13(a)(vi)]	(2,856.90)	-		-	-	-	(2,856.90)	-
Share based compensation expense (refer note 4.43)	-	-	19.96	-	-	-	19.96	-
Balance at 31 August 2024	**35,938.27**	**11.31**	**19.96**	**434.24**	**3.02**	**3,600.26**	**40,007.06**	**15,107.31**

Nature and purpose of reserves

Securities premium
Securities premium is used to record the premium on issue of equity shares. It is utilised in accordance with provisions of the Companies Act, 2013 ("the Act")

Capital reserve
Capital reserves comprises of:
(i) ₹4.25 towards excess of net assets taken over the consideration paid as part of business combination. This was created in accordance with the composite scheme of amalgamation, sanctioned by the High Court for the State of Telangana and Andhra Pradesh vide its Order dated 18 August 2016, for the amalgamation of Quality Care Hi-tech City Private Limited, wholly owned subsidiary, with the Company during the year ended 31 March 2

(ii) ₹7.06 represents forfeited money received against share warrants in the earlier years.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity.

4.14 Long-term borrowings

	As at 31 August 2024		As at 31 March 2024	
	Non-current	Current	Non-current	Current
Secured - at amortised cost				
Term loans/overdraft facilities from banks				
- HDFC Bank term loan - I (refer note i)	-	48.66	9.42	119.45
- Axis Bank - Term loan III (refer note ii)	681.60	193.20	143.10	183.20
- HSBC - Term loan (refer note iii)	1,210.41	75.95	1,250.63	48.94
- Axis Bank - cash credit	-	757.36	-	-
- Andhra Bank - cash credit	-	24.19	-	-
- IndusInd Bank- Term Loan - I (refer note iv)	399.82	51.19	413.20	49.97
- IndusInd Bank- Term Loan - III (refer note iv)	201.13	28.88	208.35	28.22
- The South Indian Bank Ltd.(refer note v)	179.55	29.00	187.06	26.25
- Axis Bank - Term loan (refer note vii)	620.25	160.14	700.47	160.14
- UBI - Vehicle loan (refer note viii)	0.02	0.09	0.05	0.11
-HDFC - Vehicle loan (refer note ix)	2.11	2.14	3.20	2.07
-HDFC - Term Loan (refer note x)	78.76	44.78	95.25	50.29
- Canara Bank - Term Loan (refer note xi)	37.52	63.60	67.10	64.20
- HDFC - Term Loan (refer note xii)	272.23	-	27.35	-
- Standard Chartered Bank - Term Loan (refer note xiii)	-	29.89	10.54	42.78
- Standard Chartered Bank - Term Loan (refer note xiv)	326.08	194.36	404.42	216.34
- Dutch-Bangla Bank Limited - Term Loan (refer note xv)	426.25	85.17	507.98	80.49
- Overdraft facilities from Bank	-	562.74	-	491.16
Term loans/overdraft facilities from banks (A)	**4,435.73**	**2,351.35**	**4,028.12**	**1,563.61**
Term loans from financial institutions				
- NIIF Infrastructure Finance Limited (refer note vi)	333.24	178.38	411.79	166.74
Term loans from financial institutions (B)	**333.24**	**178.38**	**411.79**	**166.74**
Total (A+B)	**4,768.97**	**2,529.73**	**4,439.91**	**1,730.35**

Notes:

Reconciliation of liabilities arising from financial activities excluding interest accrued**

	For the period ended 31 August 2024	For the year ended 31 March 2024
Opening balance at beginning of the year	6,149.27	3,491.47
Additions on account of business combination	-	2,764.09
Proceeds from borrowings	1,746.34	1,056.71
Repayments of borrowings	(484.81)	(1,289.70)
Exchange differences	(123.75)	126.70
Closing balance at end of the year	**7,287.05**	**6,149.27**

**Borrowings include current and non-current portions of term loans from banks and financial institutions

Reconciliation of interest accrued on above borrowings

	For the period ended 31 August 2024	For the year ended 31 March 2024
Opening balance at beginning of the year	20.99	2.10
Interest expenses	246.78	306.70
Interest paid	(256.12)	(287.81)
Closing balance at end of the year	11.65	20.99

i Ramkrishna Care Medical Sciences Private Limited

The HDFC Term Loan and unutilised cash credit facility are secured by

(a) equitable mortgage of hospital land and building;

(b) first exclusive charge on the entire assets (fixed assets/ movable assets) created out of bank finance both present and future excluding medical equipment's specifically financed by another financier;

(c) first and exclusive charge on all present and future current assets;

The loan is repayable in 5 months and carries interest at rate of MCLR (1 year) plus 0.65% p.a.

ii **Quality Care India Limited**
Axis Bank term loan - Secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company and also hypothecation of entire movable fixed assets both present and future of the Company.
Second pari passu charge over all present and future current asset of the Company The said loan is repayable in 3 years and 8 months and carries an interest rate of repo rate + 1.95% p.a (31 August 2024: 8.45% p.a.) (31 March 2024: 8.45% p.a.) payable at monthly intervals.

iii **Quality Care India Limited**
HSBC Bank Term Loan- Secured by first pari passu charge on immovable & movable Property, plant and equipment all present and future asset.
Second pari passu charge on stocks & receivables all present and future assets towards overdraft and working capital loan facilities
The loan is repayable in 10 years (including moratorium period of 2 years) carries an interest rate of T bill rate + 1.58% p.a with an average rate of (31 August 2024 : 8.37% to 9.16%)(31 March 2024 : 8.50% to 9.23%).

iv **United Cligma Institute of Medical Sciences Private Limited**
IndusInd Bank- Term Loan - I & III: Secured by first and exclusive charge on all movable and currents assets and collateral charge on hospital land and building. The loans are repayable in 6 to 7 years carries an interest rate of 8.85% p.a. (31 March 2024: 9.36% p.a) against term loan 1 and 8.43% p.a (31 March 2024: 8.35% p.a) against term loan 3.

v **United Cligma Institute of Medical Sciences Private Limited**
South Indian Bank Ltd - Secured by first and exclusive charge on all movable and currents assets and collateral charge on hospital land and building. The loan is repayable in 7 years carries an interest rate of 8.56% (31 March 2024: 8.56% p.a.).

vi **Quality Care India Limited**
NIIF Infrastructure Finance Limited - The loan is secured by first pari passu charge over all movable and immovable property, plant and equipment, present and future of the Company excluding MRI machine exclusively charged to Siemens Financial Services Private Limited. Second pari passu charge over all present and future current assets of the Company. The loan carries an interest rate of five year NIIF IFL benchmark rate + 0.4% (As on 31 August 2024: 7.30% per annum) (As on 31 March 2024: 7.30% per annum).

vii **KIMS Healthcare Management Limited**
Axis Term Loan- Exclusive charge on project assets created / to be created out of the term loan which includes EM on 2.25 acres land at PB No.1, Anayara P.O in Trivandrum, together with the building thereon, present and future. Exclusive charge on the present and future movable and immovable fixed assets of the KIMS East Project in Trivandrum. The loan carries interest rate '10 bps above 1 year MCLR and repayable in 120 months.

viii **KIMS Healthcare Management Limited**
Secured by hypothecation of vehicles purchased using the loan and carries interest 8.80% to 10.01% (31 March 2024: 7.15%-9.90%) which repayable in 60 months.

ix **KIMS Healthcare Management Limited**
Secured by hypothecation of vehicles purchased using the loan and carries interest 7.15% - 9.90% (31 March 2024: 7.15%-9.90%) which repayable in 60 months.

x **KIMS Kollam Multispeciality Hospital India Private Limited**
Term loan from HDFC bank is secured by equitable mortgage on hospital land and building and existing collateral securities with the Bank, letter of comfort from parent company and hypothecation of the current assets of the Company. The rate of interest ranges between 8% to 9% per annum (31 March 2024 8 to 9 %). Loans are repayable in 10 years with principal repayment in every quarter starting from 26 May 2021

xi **KIMS Al Shifa Healthcare Private Limited**
Secured by hypothecation of medical equipments and furniture's, Project Assets and Collateral of 15 Cents of Land with building at Perinthalmanna and one loan carries interest 0.6% above MCLR rate suject to maximum of 9.25% which repayable in 48 months and another loan carries interest 10% p.a. which repayable in 96 months.





xii KIMS Nagercoil Institute of Medical Sciences Private Limited

Term loan from bank are secured by exclusive charge on the collateral Property and fixed assets. The rate of interest ranges between 7.79% to 8.10% per annum (31 March 2024; 7.79% to 8.10%). Loans are repayable in instalments over a period of 10 years with moratorium of 3 years and repayment in 84 equal instalments and to be paid on or before the last day of March 2034.

xiii STS Holdings Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Demand Promissory Note and Letter of Continuation for BDT 770, Registered hypothecation over plant and machinery (medical equipment) on Pari Passu basis with other lenders where Standard Chartered Bank's share would be at least BDT 770 and Registered hypothecation (first charge) for floating charge over stocks, and book debts on Pari Passu basis with other lenders where Standard Chartered Bank's share would be at least BDT 770.

c) Tenure - To be repaid in 12 equal quarterly installments.

xiv STS Hospital Chittagong Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Demand Promissory Note and Letter of Continuation for BDT 2,540, Registered hypothecation over machineries, medical equipments, stocks and book debts of STS Hospital Chittagong Limited for BDT 2,540, Corporate guarantee from STS Holdings Limited favoring STS Hospital Chittagong Limited for BDT 2,540, Pledge over entire shares of STS Hospital Chittagong Limited owned by STS Holdings Limited. Registered mortgage over 1.43 acre land and buildings of STS Hospital Chittagong Limited located in Ananya Residential Area in Chittagong for BDT 1,400. Registered mortgage over 180 katha land of STS Hospital Chittagong Limited for BDT 1,150.

c) Tenure - To be repaid in 6 years

xv STS Hospital Chittagong Limited

a) Interest rate - Floating interest rate as determined by bank time to time.

b) Security - Registered hypothecation over fixed and floating assets of STS Hospital Chittagong Limited under parri -passu security sharing agreement with Dutch-Bangla Bank Limited , Standard Chartered Bank & HSBC, Corporate guarantee from STS Holdings Limited favoring STS Hospital Chittagong Limited and Registered mortgage of 1.43 acres land and building of STS Hospital Chittagong Limited under parri -passu security sharing agreement with Dutch-Bangla Bank Limited , Standard Chartered Bank & HSBC.

c) Tenure - To be repaid in 5 years

4.15 Employee benefit obligations

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Non-current		
Provision for employee benefits		
Gratuity	225.31	213.64
Compensated absences	47.18	41.35
Total	**272.49**	**254.99**
(b) Current		
Provision for employee benefits		
Gratuity	123.36	113.45
Compensated absences	199.97	185.46
	323.33	**298.91**

4.16 Trade payables

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Trade payable : Micro and small enterprises	318.26	126.72
(b) Trade payable : others	3209.34	3455.75
	3527.60	**3582.47**

4.17 Other financial liabilities

Particulars	As at 31 August 2024	As at 31 March 2024
(a) Non-current		
Purchase consideration payable**	4,947.45	4,775.89
Deferred government grant	0.20	0.23
Others - Retention Money	16.29	16.75
Other Payable	-	10.73
Total	**4,963.94**	**4,803.60**

Particulars	As at 31 August 2024	As at 31 March 2024
(b) Current		
Capital creditors	165.94	156.24
Dues to related parties	0.17	56.62
Employee benefit payables	270.46	251.47
Retention money and deposits	33.70	32.45
Purchase consideration payable*	1,128.83	1,225.03
Other payables**	421.28	347.15
Total	**2,020.38**	**2,068.96**

* Balance represents deferred purchase consideration payable to the seller for acquiring Brand. The deferred consideration is classified as financial liability and measured at fair value in accordance with Indian Accounting Standards (Ind AS).

**As on 31 March 2024: ₹14.09 payable to the minority share holders of Care Institute of Medical Sciences Limited, which was amalgamated with the Company with effect from 1 April 2016 in accordance with the terms of the scheme of amalgamation sanctioned by the National Company Law Tribunal, Hyderabad vide its Order dated 5 May 2017. The company has transferred the amount to investor education and protection fund on 16 August 2024. Also, includes payable of ₹396.16 (31 March 2024: ₹326.56) towards expected liability pursuant to the share purchase agreement entered for acquisition of subsidiary.

4.18 Other liabilities

Particulars	As at 31 August 2024	As at 31 March 2024
Current		
Statutory dues payable	262.95	393.39
Unearned revenue*	116.55	110.61
Dividend payable to minority shareholders	0.07	0.07
Others	29.27	31.76
	408.84	**535.83**
* Movement in the unearned revenue is as follows:		
Balance at the beginning of the period/year	110.61	46.02
Revenue recognised during the period/year		(46.02)
Unearned revenue during the period/year		110.61
Balance at the end of the period/year	**116.55**	**110.61**

4.19 Revenue from operations

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Revenue from healthcare services	14,879.20	7,085.50
Revenue from outpatient pharmacy	1,006.27	367.84
Other operating income	300.04	30.05
Total	**16,185.51**	**7,483.39**

Revenue disaggregation geography wise is as follows:

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
India	13,346.77	7,481.24
Other than India	2,838.74	2.15
	16,185.51	**7,483.39**

Reconciliation of contract price to revenue recognised from healthcare services is as follows:

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Revenue from healthcare services, gross	15,171.84	7,192.28
Less: Expected disallowances	(292.64)	(106.78)
Revenue from healthcare services	**14,879.20**	**7,085.50**

4.20 Other income

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
(a) Interest income		
On financial assets (bank deposits) measured at amortised cost	97.50	24.44
On income tax refund	-	7.43
On financial assets carried at amortised cost	3.71	3.34
(b) Other gains and losses		
Net gain arising on mutual funds designated at FVTPL	0.20	10.67
Loss on sale of investment in subsidiaries	-	(2.70)
Lease remeasurement gain	-	42.14
Movement in Expected credit loss	5.85	-
Loss on fair valuation of financial liability	(69.90)	-
(c) Other non-operating income		
Profit on sale of fixed assets		(0.47)
Miscellaneous income	15.69	10.03
Total	**53.05**	**94.88**

4.21 Changes in inventories of medical consumables and pharmacy items

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Inventory at the beginning of the period	883.48	266.73
Inventory at the end of the period	1,003.62	281.26
Total	**(120.14)**	**(14.53)**

4.22 Employee benefits expense

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Salaries, wages and bonus	2379.15	1004.98
Share based compensation expense (refer note 4.43)	19.96	-
Contribution to provident and other funds	131.29	54.29
Gratuity and compensated absences	102.01	16.30
Staff welfare expenses	64.16	48.84
Total	**2,696.57**	**1,124.41**

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4.23 Other expenses

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Power and fuel	359.37	175.54
Rent (refer note 4.35)	120.43	64.56
Repairs and maintenance		
- Buildings	37.63	15.65
- Plant and machinery and others	372.47	214.93
Hospital maintenance	139.78	60.72
Housekeeping charges	251.10	181.17
Security charges	217.90	52.16
Insurance	15.29	8.46
Water charges	26.14	12.81
Books and periodicals	4.45	3.91
Rates and taxes, excluding taxes on income	47.64	37.21
Travelling and conveyance	43.26	21.78
Communication expense	29.48	18.42
Marketing and business promotion expense	276.93	189.48
Expected credit loss	86.54	5.00
Advances and loans written off	-	0.07
Printing and stationery	71.00	27.20
Payments to the auditors*	25.93	17.05
Legal and professional charges	144.33	40.29
Catering charges, net	161.69	83.69
Diagnostics expenses	112.26	56.85
Contribution towards corporate social responsibility	27.28	1.35
Professional charges to doctors	3,724.63	1,969.53
Loss on sale of property, plant and equipment net	4.32	(0.92)
Bank charges	43.33	16.71
Miscellaneous expenditure	47.42	8.67
Total	**6,390.60**	**3,282.29**

*Payment to the auditors of the Parent Company towards audit of special purpose interim condensed consolidated financial statements 16 and provision towards auditors of subsidiaries is 9.93.

4.24 Finance costs

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Interest on borrowings*	246.78	102.93
Interest on lease liabilities (refer note 4.35)	74.35	83.37
Interest on deferred consideration payable	171.56	-
Others	0.67	0.69
Total	**493.36**	**186.99**

*Net of amount capitalised.

4.25 Depreciation and amortisation expense

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Depreciation on property, plant and equipment	846.56	**199.09**
Amortisation on other intangible assets	15.44	**20.94**
Depreciation on right-of-use assets	136.84	**135.77**
Total	998.84	**355.80**

4.26 Income tax expense/(credit)

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Income tax expense/(credit) reported in the Statement of Profit and Loss		
Tax expense comprises of:		
Current tax expense	615.29	166.33
Deferred tax expense/(credit)	(411.10)	182.83
Total	**204.19**	**349.16**

4.27 Earnings per equity share (EPES)

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Profit/(Loss) for the period	1,079.08	433.96
Number of equity shares outstanding at the beginning of the year	9,52,30,138	4,14,96,894
Add: Issue of the bonus shares*	28,56,90,414	12,44,90,682
Total number of equity shares outstanding at the end of the year	**38,09,20,552**	**16,59,87,576**
Weighted average number of equity shares considered in computation of Basic EPES	38,09,20,552	16,59,87,576
Basic earnings/loss per equity share in ₹ (absolute number)	**2.83**	**2.61**
Diluted earnings/loss per equity share in ₹ (absolute number)	**2.83**	**2.61**

*Pursuant to approval given by its shareholders, the Company has during the period ended 31 August 2024 issued 285,690,414 equity shares of ₹10 each as fully paid-up bonus shares in the ratio of 3 bonus shares for every 1 fully paid up equity share. The bonus shares attributable to outstanding equity shares at the beginning of previous period have been considered in computing the weighted average number of equity shares. Accordingly, earnings per share has been adjusted for previous period and presented in accordance with Ind AS 33, Earnings Per Share. Also, refer note 4.13(a)(vi).

Note:
There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

4.28 Segment Information

Based on the "management approach" as defined in Ind AS 108, operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 "Operating Segment" ("Ind AS 108") and believes that the Group has only one reportable segment namely 'Medical and Health care services'.

Geographical information

The Group operates in India and Bangladesh which have been identified based on the location of the customers.

Particulars	For the five months period ended 31 August 2024		For the five months period ended 31 August 2023	
	India	Bangladesh	India	Bangladesh
Revenue	13,346.77	2,838.74	7,483.39	Nil

Particulars	As at 31 August 2024		As at 31 March 2024	
	India	Bangladesh	India	Bangladesh
Non-Current Assets*	65,743.70	6,790.45	64,839.56	7,371.51

*excluding financials assets, deferred tax assets and employee benefit assets.

Major customers

The Group has no single customer who has contributed more than 10% of the Group's total revenue during the year ended 31 August 2024 and 31 August 2023.

4.29 Related party disclosure

(a) Name of related parties and nature of relationship

Nature of relationship	Names
Holding Company and Ultimate Holding Company	BCP Asia II Topco IV Pte. Ltd, Singapore, Holding Company (w.e.f. 27 October 2023) BCP Asia II Holdco IV Pte. Ltd, Singapore, Ultimate Controlling Party (w.e.f 27 October 2023) BCP Asia II Holding Co Pte. Ltd, Entity exercising joint control on BCP Asia II Holdco IV Pte. Ltd (w.e.f. 27 October 2023) BCP VIII Holding Co Pte Ltd, Entity exercising joint control on BCP Asia II Holdco IV Pte. Ltd (w.e.f. 27 October 2023) Touch Healthcare Private Limited, Mauritius, Holding Company (w.e.f 29 Jun 2022 to 26 October 2023) TPG Capital, L.P, Ultimate Controlling Party (w.e.f 29 June 2022 to 26 October 2023)
Key Management Personnel (KMP) of Parent Company	Jasdeep Singh, Chief Executive Officer Vikas Rastogi, Chief Financial Officer (upto 12 January 2024) Varun Shadilal Khanna, Managing Director (w.e.f 10 April 2024) Deepak Khanna, Chief Financial Officer (w.e.f 30 May 2024) Gayathri Chandramouleswaran, Company Secretary
Key Management Personnel (KMP) or Director or Relatives of KMP/Director of Subsidiaries with whom transactions exists	Dr.M.I Sahadulla, Managing Director Dr.G.Vijayaraghavan, Director Mr.E.M.Najeeb Mr.E.Iqbal Ms. Sysha Suresh Kumar, Company Secretary Ms. Harifa Muhammed, Chief Financial Officer Ms. Reshmi Aysha Mr. Samer Sahadulla Mr. Safar Iqbal Dr. Sandeep Dave, Managing Director Dr. Manisha Takalkar, Director Dr. Unmesh Takalkar, Managing Director Dr. Zuhara P M Dr. Saffia P M Mr Sheriff Sahadulla
Directors of Parent Company	Vishal Bali (Non-Executive Director) Jasdeep Singh (Executive Director) Ekta Bahl (Independent Non-Executive Director) Kewal Kundanlal Handa (Independent Non-Executive Director) Mahadevan Narayanamoni (Non-Executive Director) Himanshu Dodeja (Non-Executive Director) Ganesh Mani (Non-Executive Director) Ayshwarya Vikram (Non-Executive Director) Tejas Naphade (Non-Executive Director) Aniket Damle (Non-Executive Director)
Entities in which Directors of the Group are interested	Asia Healthcare Holding Advisory LLP Air Travel Enterprises India Limited, India KIMS Trust Kameda Infologics Private Limited Chrysalis Communications Private Limited KIMSHEALTH Education and Research Foundation Datafort Limited Society for Continuing Medical Education and Research (SOCOMER)
Entities having significant influence on the Company	Centella Mauritius Holdings Limited (w.e.f. 27 October 2023)
Sister entity of ultimate holding company	Evercare Group Management Ltd (upto 18 January 2024)
Joint venture	Quality Care Health Services India Private Limited

(b) Transactions

Particulars	For the five months period ended 31 August 2024	For the five months period ended 31 August 2023
Transactions during the year		
1 Professional and business services		
Asia Healthcare Holding Advisory LLP	-	2.21
2 Payments to KMP/ Relatives of KMP/ Directors		
Remuneration/ professional fee *	208.61	59.19
Rent #	8.07	7.14
3 Loan given		
Varun Shadilal Khanna	8.09	-
4 Reimbursement		
KIMSHEALTH Education and Research Foundation#	0.50	-
5 Travel and clearing and forwarding expense		
Air Travel Enterprises India Limited	2.37	-
6 Advertisement and promotion		
Chrysalis Communications Private Limited	5.72	
7 Repairs and maintenance		
Kameda Infologics Private Limited	0.94	-
8 Data archiving expenses		
Datafort Limited	6.29	-
9 Purchase of equity shares		
Air Travel Enterprises India Limited	199.99	-

* The amounts does not include provision for gratuity and compensated absences as the same is determined based on actuarial valuation.

#KITVL has transferred land and building pertaining to KIMS college of Nursing to KIMS Health Education and Research Foundation for operating and managing colleges and schools relating to medical courses by the approval of board of directors and audit committee, dated 15 January 2024. The aforesaid transaction is not in the ordinary course of business and not at arm's length price.

(c) Balances outstanding from/ to the related parties

Particulars	As at 31 August 2024	As at 31 March 2024
Balances outstanding from/ to the related parties		
1 **Loans receivable**		
Quality Care Health Services India Private Limited**	65.83	65.83
Varun Shadilal Khanna	8.09	-
2 **Professional fee payable**	-	6.11
3. **SOCOMER**	0.02	1.82
4. **KIMSHEALTH Education and Research Foundation**	0.11	0.11
5. **KIMS Trust**	1.54	0.84
6. **Air Travel Enterprises India Limited**	-	0.13
7. **Kameda Infologics Private Limited**	56.47	1.83
8. **Chrysalis Communications Private Limited**	0.04	3.54
9. **Datafort Limited**	2.43	-

* Short-term and post employment benefits, disclosed above, does not include those benefits which are computed for the Group as a whole.

** The outstanding amount as at 31 August 2024 aggregating to 65.83 (31 March 2024: 65.83) is provided for in the books (refer note 4.12).

4.30 Categories of financial instruments and their fair values

The carrying amount of all financial assets and financial liabilities appearing in the financial statements are reasonable approximation of their fair values.

Categories of financial instruments

	As at 31 August 2024			As at 31 March 2024		
	FVTPL*	FVTOCI*	Amortised cost	FVTPL*	FVTOCI*	Amortised cost
Financial assets						
Assets held for sale	-	1,220.00	-	-	1,215.00	-
Investments	6.62	-	-	6.42	-	-
Trade receivables	-	-	3,909.73	-	-	3,099.30
Cash and cash equivalents	-	-	1,516.44	-	-	1,448.33
Other bank balances	-	-	2,183.31	-	-	1,796.03
Loans	-	-	20.32	-	-	15.62
Other financial assets	-	-	897.93	-	-	1,033.98
Total financial assets	**6.62**	**1,220.00**	**8,527.73**	**6.42**	**1,215.00**	**7,393.26**

	As at 31 August 2024			As at 31 March 2024		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings	-	-	7,298.70	-	-	6,170.26
Trade payables	-	-	3,527.60	-	-	3,582.47
Lease liabilities	-	-	1,891.02	-	-	1,787.95
Other financial liabilities	-	-	6,984.32	-	-	6,872.56
Total financial liabilities	-	-	**19,701.64**	-	-	**18,413.24**

The fair value of the financial assets and financial liabilities is included at an amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

***FVTPL - Fair value through Profit and Loss and FVTOCI- Fair value through Other Comprehensive Income**

Fair value measurement

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Particulars	Valuation technique and key input	Fair value hierarchy	Fair value as at (in ₹)	
			As at 31 August 2024	As at 31 March 2024
Financial assets				
Investment in mutual funds	Based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at balance sheet date. (quoted prices in active market)	Level 1	6.62	6.42
Assets held for sale	The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments. Discounted cash flows consider the present value of the net cash flows expected to be generated from the facility, taking into account the budgeted EBITDA growth rate and budgeted capital expenditure growth rate; the expected net cash flows are discounted using a risk-adjusted discount rate.	Level 3	1,220.00	1,215.00

The quantitative sensitivity analysis of the significant unobservable inputs used in the fair value measurement of level 3 is as follows:

Particulars	As at 31 August 2024		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Volatility (10% movement)	(130.00)	180.00	(140.00)	180.00
EBITDA growth rates (10% movement)	110.00	(105.00)	110.00	(115.00)
Risk free rate (1% movement)	(110.00)	165.00	(110.00)	175.00

There are no transfers between Level 1, Level 2 and Level 3 during the period.

The fair value hierarchy of financial assets and financial liabilities of the Group except for investment in mutual funds is Level

Refer note 4.3 for the fair value of investment property.

4.31 Financial instruments risk management

Financial Risk Management Framework

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Groups's Board of Directors have an overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, and cash and bank balances that the Group derives directly from its operations. The Group also holds FVTPL investments.

The Group is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in interest rates and foreign currency rates), which may adversely impact the fair value of its financial instruments. The Group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Group.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk arises primarily from financial assets such as trade receivables, investments, balances with banks, loans and other receivables.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of the credit risk.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including fixed deposits, were either past due or impaired as at 31 August 2024. Credit risk on cash and cash equivalents, including fixed deposits is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Financial assets that are past due but not impaired

Ind AS requires expected credit losses to be measured through a loss allowance. The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets are impaired. Expected credit losses are measured at an amount equal to the life time expected credit losses. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due. Management monitors the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at each hospital level in accordance with practice set by the Group.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

As at 31 August 2024	Up to 1 year	1 to 5 Years	More than 5 Years	Total
Borrowings	2,529.73	3,742.81	1,026.16	7,298.70
Trade payables	3,527.60	-	-	3,527.60
Lease liabilities	425.18	1,097.36	860.86	2,383.40
Other financial liabilities	2,020.38	4,963.94	-	6,984.32
Total	**8,502.89**	**9,804.11**	**1,887.02**	**20,194.02**
As at 31 March 2024	**Up to 1 year**	**1 to 5 Years**	**More than 5 Years**	**Total**
Borrowings	1,730.35	3,608.49	831.42	6,170.26
Trade payables	3,582.47	-	-	3,582.47
Lease liabilities	438.08	1,219.80	919.78	2,577.66
Other financial liabilities	2,068.96	4,803.60	-	6,872.56
Total	**7,819.86**	**9,631.89**	**1,751.20**	**19,202.95**

4.32 Financial instruments risk management

Market risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, such as foreign currency denominated receivables and payables and variable interest rates of short-term and long-term borrowings. Market risk comprises two types of risk: interest rate risk and currency risk.

i. Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument shall fluctuate because of changes in the market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 31 August 2024	As at 31 March 2024
Fixed rate instruments		
Financial assets	3,511.28	3,228.37
Variable rate instruments		
Financial liabilities	7,298.70	6,170.26

The Group's investments are in deposits with reputed banks and therefore do not expose the Group to significant interest rates risk.

Sensitivity analysis

For the years ended 31 August 2024 and 31 March 2024, every 50 basis point decrease in the floating interest rate component applicable to the Group's borrowings would have increased the profit before tax approximately by ₹36.49 and ₹30.85 respectively. A 50 basis point increase in floating interest rate would have led to an equal but opposite effect.

ii. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure shall fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense including capital expenditure is denominated in a foreign currency). The exposure of entity to foreign currency risk is very limited on account of limited transactions in foreign currencies.

4.33 Capital risk management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholders value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payments to the shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt. The Group includes within net debt, borrowings (long and short term), less cash and cash equivalents.

	As at	
	31 August 2024	31 March 2024
Borrowings (note 4.14)	7,298.70	6,170.26
Less: Cash and cash equivalents (note 4.11(a))	(1,516.44)	(1,448.33)
Less: Other bank balances (note 4.11(b))	(2,183.31)	(1,796.03)
Less: Investment in mutual funds (note 4.5(b))	(6.62)	(6.42)
Net debt (A)	**3,592.33**	**2,919.48**
Total equity (B)	58,923.58	58,121.22
Net debt and total equity (A) + (B)	62,515.91	61,040.70
Gearing ratio (%)	5.75%	4.78%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. Breaches in meeting the financial covenants would permit the lenders to immediately call back the borrowings. In the previous year ended 31 March 2024, debt service coverage ratio was not satisfied and the Parent Company has taken waiver from the lenders.

No changes were made in the objectives, policies or processes for managing the capital during the period/year ended 31 August 2024 and 31 March 2024.





4.34 Contingent liabilities and commitments

(a) Contingent liabilities

Particulars	As at 31 August 2024	As at 31 March 2024
Claims against the Group not acknowledged as debts		
- Disputed cases under Income Tax Act, 1961	379.48	361.30
- Disputed levy of sales tax on medical supplies under the Andhra Pradesh General Sales Tax Act, 1957	125.59	128.12
- Disputed wages of specific employees under the Minimum Wages Act, 1948	3.19	3.19
- Disputed custom duties	-	37.34
- Disputed luxury tax levied on bed charges under the Telangana Tax on Luxuries Act, 1987	117.22	117.22
- Disputed levy of service tax on clinical research, cosmetic surgeries, health care services rendered to specific categories of patients and other services and disputed availment of input credit on certain items under the Finance Act, 1994	68.15	68.15
- Disputed levy of Employee state insurance provisions on certain employees under the Employees' State Insurance Act, 1948	1.26	1.26
- Disputed levy of Provident fund provisions on certain employees under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	12.34	12.34
- Disputed tax levied on specific building of the Group under the Expenditure Tax Act, 1987	7.83	7.83
Patient legal claims pending with various Consumer Disputes Redressal Commission	288.65	327.49
Other legal claims pending under the various Statutory Acts	546.74	447.18
Legal claims from third party	-	189.38

Based on the facts of the case and legal counsel view, the Group believes no provision is required in the financial statements for the above claims.

(b) Commitments

Particulars	As at 31 August 2024	As at 31 March 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,087.39	748.50
Other Commitments	133.12	140.88

Also refer note 4.17 (a) for deferred consideration and note 4.17 (b) for payables towards expected liability

4.35 Leases

The Group has taken hospital buildings, plant and machinery and vehicles on operating lease having a term ranging from 1 year to 15 years. The lease has an escalation clause in the range of 5% to 10% per annum. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain lease of building with lease terms of 12 months or less. The Group applies the 'short term lease' recognition exemption for these leases.

Carrying amount of lease liabilities and movement during the year

Particulars	As at 31 August 2024	As at 31 March 2024
Balance at the beginning of the year	1,787.95	2,244.41
Additions on account of business combination	-	109.68
Additions during the year	231.03	147.67
Deletions during the year	(5.61)	(458.90)
Finance cost accrued during the year	74.35	179.37
Other adjustments	-	(3.44)
Payment of lease liabilities	(196.70)	(430.84)
Lease liabilities as at the end of the year	**1,891.02**	**1,787.95**
Current lease liabilities	288.08	283.19
Non-current lease liabilities	1,602.94	1,504.76

The effective interest rate for lease liabilities is 9.55% with maturity between 2020-2034.

Following amounts have been recognised in the Statement of Profit and Loss:

Particulars	For the five months Period ended 31 August 2024	For the five months Period ended 31 August 2023
Depreciation on Right-of-use assets	136.84	135.77
Interest on lease liabilities	74.35	83.37
Total amount recognised in the Statement of profit and loss	**211.19**	**219.14**

Details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

Particulars	As at 31 August 2024	As at 31 March 2024
Less than one year	425.18	438.08
One to five years	1,097.36	1,219.80
More than five years	860.80	930.78
Total	**2,383.34**	**2,588.66**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities when they fall due.

The expense recorded for short-term leases was ₹120.43 for the period ended 31 August 2024 (31 August 2023: ₹64.56).

4.36 Business combinations

a) On 23 January 2024, the Parent Company has acquired 80.19% and 69.71% effective equity stake in Condis India Healthcare Private Limited and KIMS Health Care Management Limited respectively, which is primarily engaged in providing healthcare and related services. The acquisition is expected to strengthen the Group's presence in Kerala. Management expects the acquisition will create synergies and accordingly, the difference between consideration and net identifiable assets acquired is recognised as goodwill.

The assets and liabilities acquired are as follows.

Particulars	Amount
Assets	
Property Plant and equipment including investment properties	13,013.20
CWIP	216.40
Brand	7,021.00
ROU Assets	33.90
Intangible Assets including under development	53.36
Investment	0.40
Other financial Assets	112.12
Deferred tax Assets Net	179.92
Income tax assets (Net)	224.79
Other Non current Assets	225.07
Inventories	308.80
Trade receivables	540.68
Cash and cash equivalents	1,093.57
Bank Balances	835.91
Other financial assets	28.96
Liabilities	
Borrowings	(1,302.92)
Lease liabilities	(35.92)
Other financial liabilities	(248.41)
Provisions	(160.86)
Deferred tax liabilities (Net)	(3,787.12)
Trade payables	(1,215.66)
Other current liabilities	(172.54)
Non Controlling Interest (KIMS Al Shifa Healthcare Private Limited)	(1,484.70)
Net identifiable assets acquired	**15,479.95**
Non controlling interest	10,263.90
Purchase consideration (also refer note (i) below)	23,819.10
Goodwill recognised	**18,603.05**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition.

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of 4,660.69 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

The Fair value of acquired trade receivables is 540.68. The gross contracted amount for trade receivables due is 667.04 with a loss allowance of 126.36.

The Non-controlling interest as at the acquisition date is 10,263.90 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Cost approach using Depreciated Replacement Cost Method to arrive at fair value of the buildings and reproduction cost method to arrive at fair value of the Furniture & Fittings which was classified under building
Plant and machinery, Furniture & Fittings	Cost approach using reproduction cost method to arrive at fair value of the Plant and machinery, Furniture & Fittings.
Brand	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Book value of the assets as on 22 January 2024 has been adopted as Fair Value.

i) Details of Purchase consideration is as follows:

Cash Paid	23,642.36
Acquisition related costs*	176.74
Total	**23,819.10**

*Acquisition-related costs incurred on behalf of the acquiree 176.74 is considered as part of purchase consideration.

b) On 14 January 2024, the Parent Company has acquired 100% equity stake in Chemistry Intermediary holdings Limited, Mauritius, which is primarily engaged in providing healthcare and related services through it's subsidiaries. The acquisition is expected strengthen the Group's presence in Bangladesh. Management expects the acquisition will create synergies and accordingly, the difference between consideration and net identifiable assets acquired is recognised as goodwill.

The assets and liabilities acquired:

Particulars	Amount
Assets	
Fixed Assets	10,639.02
CWIP	103.01
Intangible assets	40.49
ROU Assets	70.35
Other Assets	141.42
Deferred tax assets	507.01
Inventories	286.58
Brand and Trademark	1,508.50
Trade receivables	41.73
Other financial assets	180.94
Cash and cash equivalents	104.43
Liabilities	
Long term loan	(896.14)
Lease liabilities	(67.88)
Deferred tax liabilities (Net)	(154.55)
Other financial liabilities	(73.09)
Trade payables	(590.41)
Current tax liabilities	(204.52)
Other current liability	(90.45)
Short term loan	(565.03)
Employee benefit obligations	(110.38)
Liability for brand and trademark	(1,127.28)
Deferred tax liability on fair value of PPE and intangible assets	(493.00)
Total net assets	**9,250.75**
Non controlling interest	3,792.31
Purchase consideration including deferred consideration (refer note (i) below)	5,716.98
Goodwill recognised	**258.54**

Also refer note 4.1 for the details of Property, plant and equipment acquired during the year as a part of this acquisition

The above mentioned assets and liabilities are acquired at fair value as on acquisition date and there is an amount of 5,209.30 gain attributable on fair value of property, plant and equipment. The goodwill recognised is not deductible for tax purposes.

The Fair value of acquired trade receivables is 41.54. The gross contracted amount for trade receivables due is 47.26 with a loss allowance of 5.72.

The Non-controlling interest as at the acquisition date is 3,792.31 and it is measured at fair value.

The valuation techniques used for measuring the fair value of assets acquired were as follows:

Assets acquired	Valuation technique
Land	Market Approach has been adopted for estimating the Fair Value of Land.
Building	Cost approach using Depreciated Replacement Cost Method to arrive at fair value of the buildings
Plant and machinery, Furniture & Fittings	Cost approach using reproduction cost method to arrive at fair value of the Plant and machinery Furniture & Fittings
Brand	Relief from Royalty method under Income Approach
Property, plant and equipment Other than above	Book value of the assets as on 13 February 2024 has been adopted as Fair Value.

(i) Details of Purchase consideration is as follows:

Cash Paid	991.38
Deferred Consideration (refer note 4.17)	4,725.60
Total	**5,716.98**

4.37 The Country (Bangladesh) has experienced an outbreak of public revolt which has led to political unrest following which the ruling Government demised. As a result, the country was under complete curfew for few days, during this period the Company was unable to perform its business operations but post the uplift of curfew, the operations were resumed as usual in Bangladesh with no material impact on the business operations or its assets.

The management has assessed the impact on business operations and the recoverability of its assets. Considering that the Company is providing Healthcare services which is an essential service and also considering the scale of business operations post uplift of curfew, the management has assessed no impact on the recoverability of its assets and business operations.

As the country is still experiencing political instability, the management will continue to closely monitor any material changes to future economic conditions.

4.38 In an earlier year, KIMS Bellerose Institute of Medical Sciences Private Limited (KBIMSPL) received a preliminary finding letter from the Registrar of Companies (ROC) regarding non-compliance with certain provisions of the Act. KBIMSPL has filed compounding applications under Section 441 of the Act, of which compounding order was passed for few applications and the penalty was fully provided. The applications pending adjudication are related to matters such as failure to affix name and address of registered office, missing details on the letterhead, delays to fill the casual vacancy in KMP/ independent directors. The management believes these pending applications will not materially affect the special purpose interim condensed consolidated financial statements or have any adverse impact on the functioning of KBIMSPL.

4.39 **Transactions with Non controlling interests**

The effect on the equity attributable to the owners of Quality Care India Limited on account of acquisition of additional stake is summarised as follows:

Particulars	For the period ended 31 August 2024	For the year ended 31 March 2024	
	KIMS Healthcare Management Limited (Effective interest)	KIMS Healthcare Management Limited (Effective interest)	Convenient Hospitals Limited
Additional stake acquired	1.01%	8.55%	5.00%
Carrying amount of existing non-controlling interest immediately prior to purchase of additional stake (a)	361.76	2,896.88	204.96
Consideration paid to non-controlling interests (b)	343.50	2,896.88	153.53
Deficit consideration paid recognised in retained earnings within equity (c) = (a) - (b)	18.26	-	51.43

4.40 **Transfer pricing**

The Group has entered into commercial transactions with its associated enterprises which are subject to assessment and test of transactions being carried out at an "arm's length price," in accordance with the provisions of chapter X of the Income Tax Act, 1961.

The Group has established a comprehensive system of maintenance and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Management is of the opinion that its transactions with associated enterprises are at arm's length and no material adjustments are expected to arise on the special purpose interim condensed consolidated financial statements for the period ended 31 August 2024.

4.41 **Assets classified as held for sale**

Pursuant to the share purchase agreement entered by the Parent Company, the equity investment in KIMS Holding B.S.C is expected to be sold and hence classified as held for sale.

4.42 **Compliance with number of layers of companies**

During the previous year, the Parent Company acquired a majority stake in Condis India Healthcare Private Limited (CIHCPL). As of acquisition date, CIHCPL had subsidiaries upto two layers. However, after the acquisition, the number of layers of subsidiaries of the Company exceed beyond two layers limit prescribed in Section 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017. As a remedial measure, the Company, through its subsidiaries, has taken necessary steps and approved a scheme of amalgamation of intermediate companies CIHCPL with KIMS Healthcare Management Limited in their respective board meetings held on June 26, 2024. Upon the orders sanctioning the scheme and post amalgamation, the number of layers of subsidiaries of the Parent Company is expected to be within the limits prescribed under the Act.

4.43 Share Based Payments

During the period, the shareholders of the Parent Company approved the 'Quality Care India Limited Employee Stock Option Plan' (ESOP Plan). As per the ESOP Plan, the Parent Company has granted employee stock options to eligible employees of the Group subject to fulfilment of vesting conditions. The vesting conditions are service and/ or performance based.

The expense recognised for employee services received during the year is shown in the following table:

Particulars	For the five months period ended 31 August 2024
Expense arising from Equity-settled Share-Based Payment transactions	19.96

Movements during the period

Option exercisable at the beginning of the period	-
Number of options granted during the period	89,71,150
Number of options forfeited / expired during the period	-
Number of options exercised during the period	-
Number of options expired during the period	-
Number of options exercisable at the end of the period	89,71,150
Share price for options exercised during the year	Not applicable
Remaining contractual life	4.83 Years

The Parent Company has estimated fair value of options with service conditions using Black Scholes Model and options with performance condition using Monte Carlo simulation. The following assumptions were used for calculation of fair value of options granted.

Assumption factor	For the five months period ended 31 August 2024
Dividend Yield (%)	0%
Risk free interest rate (%)	7.20%
Expected life of share option (Years)	5 years
Expected volatility (%)	32% to 32.2%
Weighted Average Share price	162

Expected volatility of the underlying of the equity shares of the Company during the expected life of the option is estimated using the historical volatility of the observed market returns of the comparable companies during the period equivalent to the expected life of the option from the grant date.

4.44 Previous period figures have been regrouped and reclassified wherever necessary to correspond to the current period's presentation.

For **Price Waterhouse Chartered Accountants LLP**
Firm registration number: 012754N/N500016

Srikanth Pola
Partner
Membership No: 220916

Place: Hyderabad

Date: 27 November 2024

For and on behalf of Board of Directors of
Quality Care India Limited
CIN: U85110TG1992PLC014728

Varun Shadilal Khanna
Managing Director
DIN: 03584124
Place : Hyderabad

Jaideep Singh
Director and Chief Executive Officer
DIN: 10277303
Place : Hyderabad

Deepak Khanna
Chief Financial Officer
PAN:AEGPK9126H
Place : Hyderabad

Date: 27 November 2024

Gayathri Chandramoulieswaran
Company Secretary
Membership No.: 41863
Place: Hyderabad

Date: 27 November 2024