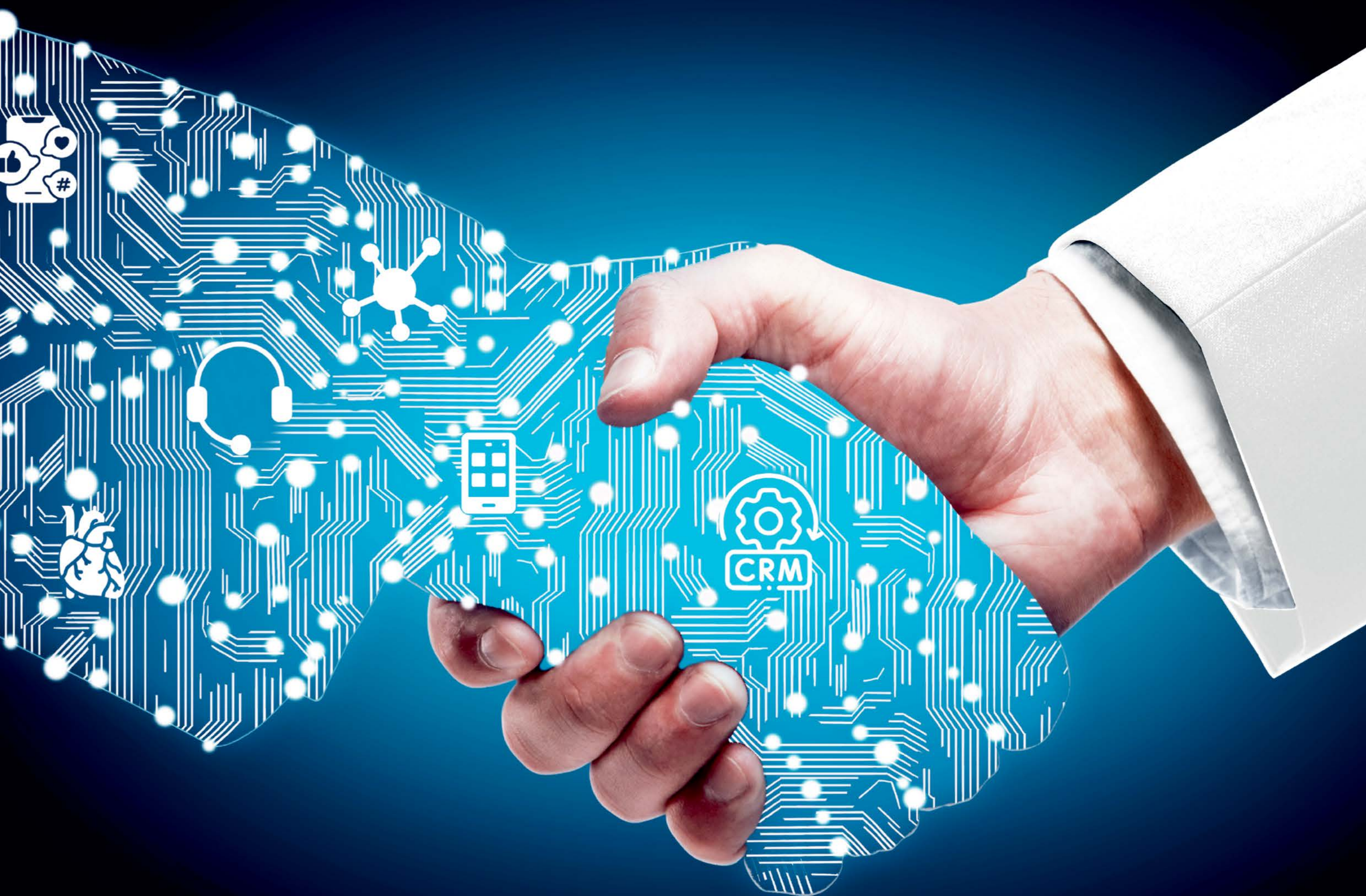

DIGITAL TRANSFORMATION

FOR A HEALTHY BHARAT

ANNUAL REPORT 2022-2023

Scan above QR code to know more about us

Inside this Report

Corporate Overview

Statutory Reports

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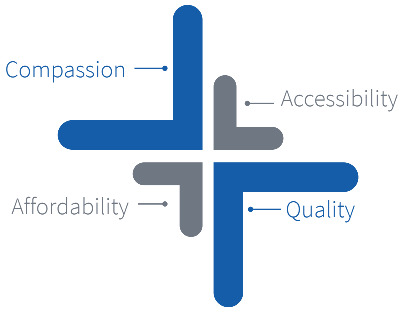
A new identity - Paras Health

As we unveil our evolved identity at Paras Healthcare, now known as Paras Health, we are reaffirming our commitment to building a healthy Bharat. The launch of our new brand identity and logo, in March 2023, reflects our commitment to our vision. Our new visual identity has evolved around our brand values of Compassion, Accessibility, Affordability and Quality. Our efforts in this endeavour will be channelised through a focus on

- Enterprise technology to better collate, analyse and implement data driven operations
- Acquisition of the latest in medical technology to promote patient health and treatment accuracy
- Strategically ramping up our bed count to make quality healthcare accessible
- Professional development of our clinicians through regular training programs

These points of action will enable Paras Health to deliver on its commitment to driving better patient outcomes without financially straining our lesser served communities.



"Our commitment to offer affordable and quality healthcare has been the driving force behind our expansion strategy, while our excellence in operational execution has made our vision a reality."

Dr. Dharminder Kumar Nagar
Managing Director, Paras Health

DIGITAL TRANSFORMATION FOR A HEALTHY **BHARAT**

Our story began in 2006, when we set up our flagship hospital in the bustling city of Gurugram.

We were led by a noble mission—to make specialised tertiary medical care accessible to areas in need of the same.

The cost of advanced medical care is often beyond the reach of the common man. Recognising this, we endeavoured to deliver affordable patient-centric care and make it available, especially in the rural and remote corners of the country.

With a sharp focus on digital transformation, we embarked on our transformative journey. We knew that integrating technology into our healthcare services would not only enhance the quality and affordability of our services, but also enable us to reach more people in need.

With each milestone achieved, our mission to build a healthy Bharat grew stronger. To serve patients in diverse regions, where quality healthcare often remained a distant dream, we began our expansion journey. We expanded our footprint in cities like Patna, Darbhanga, Udaipur and Panchkula, bringing hope and healing to the doorsteps of many. In addition, we invested in building an integrated IT infrastructure, promoting information accessibility and streamlining operations across our growing network of hospitals.

Our efforts bore fruit as we continued to make a difference in the lives of millions of patients. Our extensive medical expertise and deployment of advanced technology became synonymous with hope, trust and compassion.

However, our journey does not end here. Determined to make comprehensive and patient-centric care a reality for all, we have set an ambitious target of growing our network to 3,500 beds by 2030.

As we continue to evolve, we will continue to introduce innovative healthcare services, staying true to our vision of building a healthy Bharat.

MD's Message

As we look towards strategically expanding our footprint across Bharat and growing our network revenue, our focus is on improving performance, achieving operational excellence and optimal financial viability.

Dear Shareholders,

I take great pleasure in presenting our Annual Report for the year ended March 31, 2023, through which I wish to share our journey, the progress we have made and our future endeavors.

We commenced operations as Paras Healthcare in 2006 with our flagship unit in Gurugram, Haryana. Our commitment to offer affordable and quality healthcare has been the driving force behind our expansion strategy, while our excellence in operational execution has made our vision a reality. Today, we offer seven hospitals accounting for ~1,700 beds, across 5 states. These state-of-the-art Hospitals specialise in offering our patients the very best in tertiary care with a strong and unwavering focus on our four values, i.e., Compassion, Accessibility, Affordability and Quality.

The years 2020 to 2022 were extremely challenging times that pushed the Indian healthcare system to its limits. Nevertheless, our medical staff professionally and seamlessly maintained its commitment towards India by being one of the few hospitals treating acute care cases, while providing medical care to those affected by COVID. During this period, we adopted technology to seamlessly offer our patients access to healthcare services, e.g., adopting video-consultation (VC) to drive accessibility. Our unique and fluid approach to healthcare during the pandemic formed the foundation of our future operational strategies and overall brand identity, thereby transforming Paras Healthcare into an all-encompassing healthcare provider.

As we emerged from the pandemic, we felt the need to evolve our brand identity to reflect our renewed commitment and zeal towards medical care. Therefore, In March 2023, Paras Healthcare unveiled its new brand identity and launched its new logo to reflect our commitment towards building a healthy Bharat. Now re-christened as Paras Health, our new visual identity emphasises four brand values – Compassion, Accessibility, Affordability and Quality; converging to make our vision a reality for the people of Bharat. Further stressing on our commitment to providing high-quality affordable healthcare, Paras Health is proud to announce its foray into pathology laboratories via Paras Labs, initially with centralisation of our reference laboratory. This will allow greater operational streamlining, while delivering high quality and prompt testing services at competitive prices to our patients.

Our learnings during the pandemic helped us understand the change in dynamics towards patient interaction, thereby sowing the seeds for a complete Digital Transformation. Needless to say, digital technology will play a key role in enabling internal operations to drive accessibility, quality and patient experience. From integrating vital statistics into device applications to creating Electronic Medical Records (EMR) and multiple Digital Care Touchpoints, we have taken effective steps to encompass curative and preventive care for our patients from not only the hospital but from the comfort of their homes.

It is my belief that a comprehensive IT infrastructure is imperative to deliver higher quality healthcare services and to achieve better patient care outcomes. To this end, we continue to invest significantly in our digital platforms; which offer us capabilities to efficiently manage operations across multiple business services. For enhancing Patient Experience our Website Patient Portal and Patient Mobile App helps manage OPD appointments, schedule in-person and video consultations, digital payments, and patient relations. Our recently launched centralised call center and CRM platform will strengthen patient interactions and accessibility. Moreover, a digitised EMR and upgraded Health Information System (HIS), provides an ever-ready access to patient medical history and will be instrumental in driving better Clinical Experiences. Complete digitisation of administrative and procurement processes will drive further efficiencies and help improve cash flow management, operational stakeholder relations and overall productivity.

Adhering to the highest benchmarks in patient care is fundamental to fulfill our vision of imparting quality care. Our operations are guided by a well-defined process of quality assessment and data collection. These capabilities are facilitated by the adoption of an enterprise-wide interoperable system that records information at every step of the way.

Similar to the ideology driving our investments in Information technology, acquisition of modern high-end medical equipment and continuing academic accessibility for our clinicians is a high priority for us. We invest in cutting-edge medical equipment and conduct DNB programs at our Gurugram and Patna Hospitals, these investments and initiatives help drive positive outcomes and better patient care. DNB programs will be rolled out across our other hospitals soon. We have also provided limitless digital access of Wolters Kluwer health publications, a global benchmark in research publication, to all our doctors. Access to this repository of readily available information allows our clinicians to adopt best practices from a global stage.

Paras Health is focused on its mission to make affordable and quality health-care accessible to regions that lack such services. We are ramping up our bed count, while balancing our obligations towards both our patients' health-care and our stakeholders. We expect to end FY 24 with eight hospitals and ~2,100 beds. Beyond our existing pipeline, we have plans to expand into Jammu and Ludhiana with new units and to further expand our bed capacity in Panchkula. These expansions shall offer an additional bed capacity of ~725 beds in the near future

Financial Performance

Paras Health recorded a consolidated net income of ₹936 Crore in FY23, a YoY growth of 18% over FY22. EBITDA grew by ~10% over FY22, settling in at ~ ₹141 Crore – translating to an EBIDTA margin of 15%. We ended the financial year at an ARPOB of ~ ₹41,000, with IP accounting for 83% of the revenue, and a network occupancy of 51% (Gurugram Hospital recorded 65% occupancy and Patna and Panchkula Hospitals recording 61% and 55% respectively).

As we look towards strategically expanding our footprint across Bharat and growing our network revenue, our focus is on improving performance, achieving operational excellence and optimal financial viability. On the business side, we continue to develop and improve our payor mix in more established units and focus on developing the business pipeline to promote occupancy in our newer units. We also envision our newly launched 'Paras Labs' vertical to generate significant operational and business synergies, which will be leveraged to further strengthen the overall performance. The course we have mapped out for ourselves offers numerous possibilities and will put Paras Health in a position to change the landscape of the country's healthcare system.

We look forward to your support as we venture towards bolder goals.

Dr. Dharminder Kumar Nagar

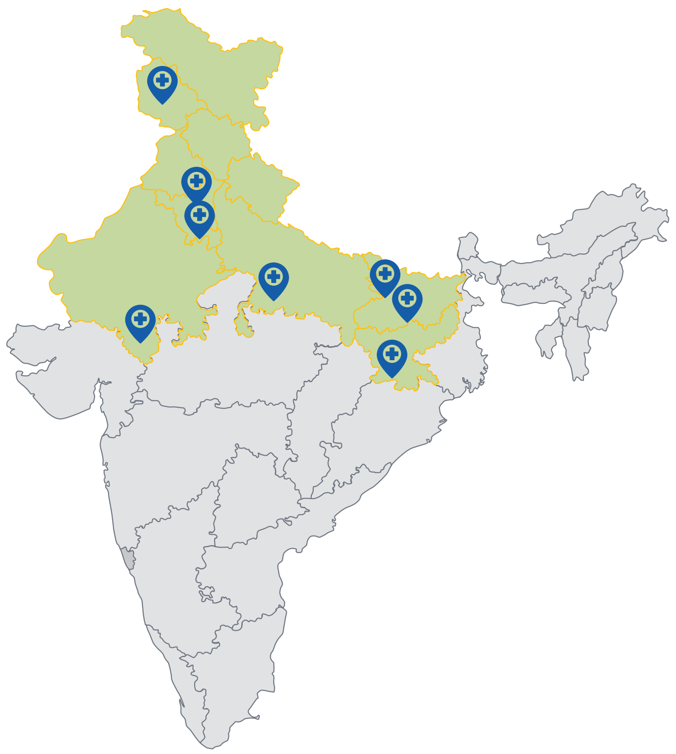
Managing Director, Paras Health

Introducing
Paras Health

Delivering high-quality healthcare services

For over 15 years, we at Paras Health are committed to delivering high-quality healthcare services. Our core focus rests on providing specialised tertiary medical care, while striking a balance between excellence and affordability.

Paras Health offers a widespread network of hospitals strategically located across North India's underserved regions, with renowned services across a number of specialties. Furthermore, we employ a well-tailored integrated IT infrastructure, which promotes information accessibility and streamlined Operations, along with a strong inventory of state-of-the-art medical technology. The combination of a wide service reach and strong technological capabilities allows us to address our patients' medical needs with precision and effectiveness. Thus, promoting a healthcare environment that is both comprehensive and patient-centric.



FY 23 in snapshot

8* Hospitals

4,588+ Employees

30+ Medical specialities offered

~443k Outpatients served

~70k Inpatients served

650+ Clinicians

51% Occupancy

~₹41,000 ARPOB

*Srinagar launched in Q1 FY24 and Kanpur unit on track for launch in the current financial year

~1,700 Beds

₹936Crore Net Income

18% Growth in Income

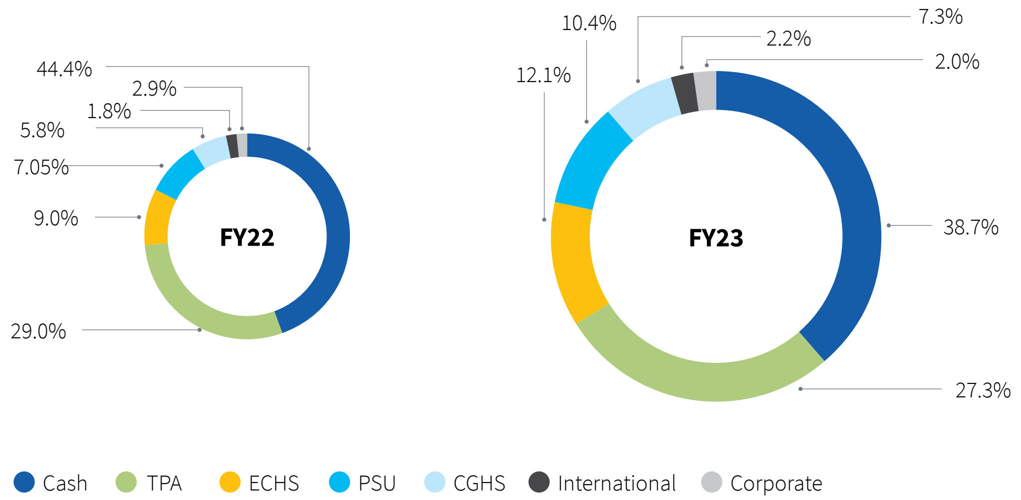
141Crore EBITDA

1.7X Net Debt to EBITDA

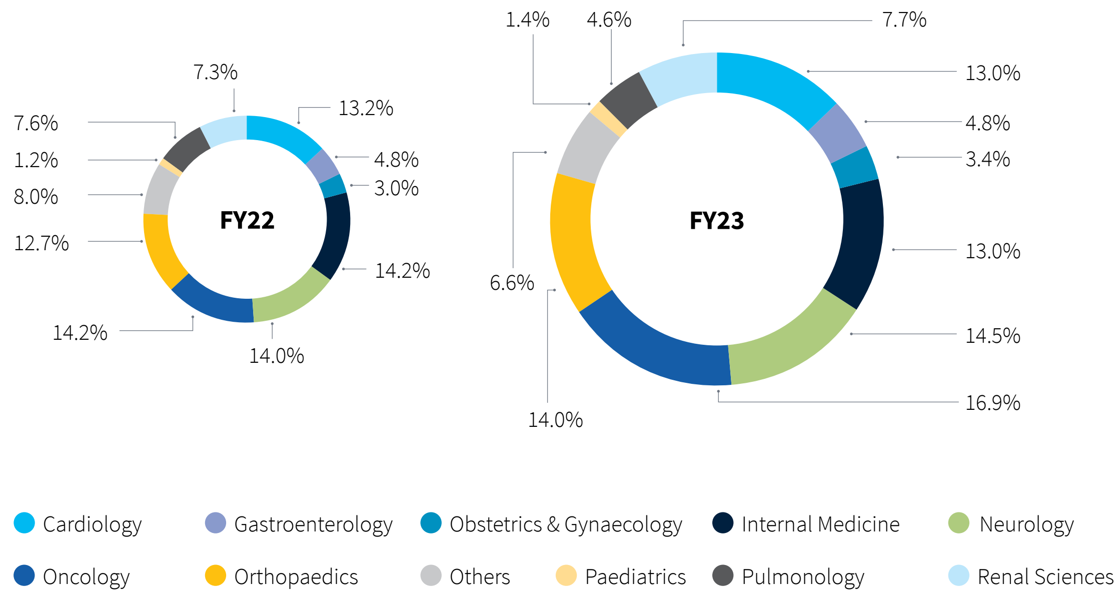
17.8% ROCE**

**Cap Employed excludes fair value change of financial liabilities

Payor Mix



Revenue By Speciality



Introducing Paras Health (Contd...)

Mission

To make affordable and quality tertiary health accessible to our patients we serve with compassion

We believe that everyone deserve the highest standards of healthcare, regardless of their financial capacity. Our mission goes beyond providing medical services – we aim to act as compassionate partners, prioritising the needs of our patients and their families. We are steadfast in our goal to bridge the gap between advanced healthcare and the people we serve.

Vision

Partner for a healthy Bharat

We envisage an India where quality healthcare is not a luxury, but a standard available to everyone. We aim to be the most trusted partner that empowers the citizens of Bharat to improve their health and wellness. We want to be part of India's journey towards a healthy future.

Our Value Pillars

Compassion - ***Caring for patients' medical needs as partners***

We see ourselves not just as healthcare providers, but as partners in our patients' health journeys. We strive to empathise with our patients' situations, understanding their needs and concerns, and delivering care with warmth and respect.

Affordability - ***Driven to provide affordable healthcare services***

We believe that everyone should have access to quality healthcare, regardless of their financial circumstances. We continuously work to keep our services affordable, aiming to strike the right balance between cost and quality.

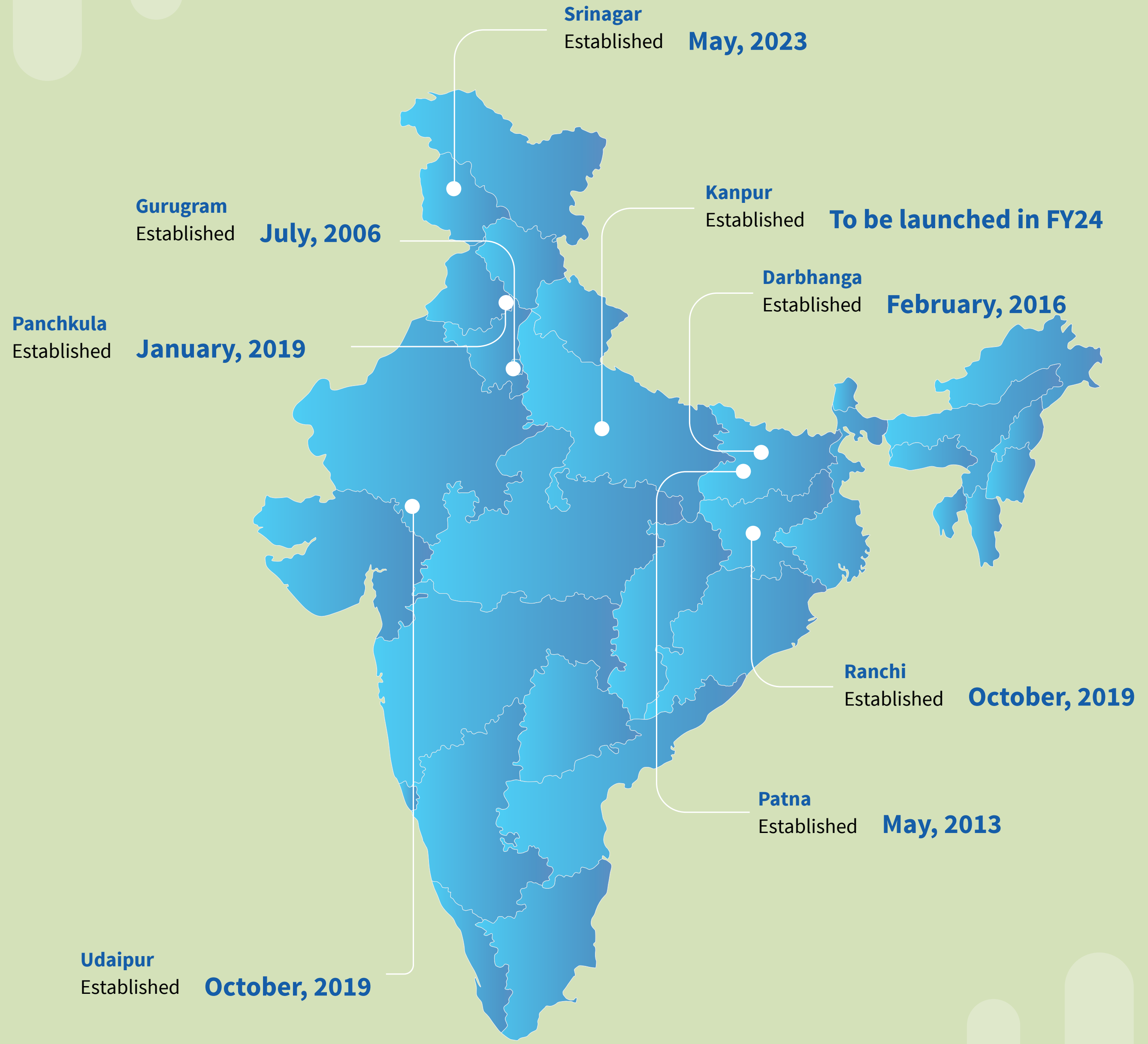
Accessibility - ***Taking healthcare services closer to places where there is a need***

We are committed to bringing healthcare services closer to the communities that need them. This means extending our reach to rural areas and under-served regions, either by our physical presence or via technology e.g. Video consultations, ensuring that geographical location is not a barrier to receiving quality healthcare.

Quality - ***Clinical outcomes as per international standards in patient care based on best practices.***

Upholding clinical outcomes as per international standards is fundamental to our operations. We aim to integrate and adhere to best practices in patient care, implement strong technological capabilities, maintain a consistent focus on quality and continuously seek ways to improve our service delivery.

Our Geographic Footprint



Our
Journey

Reinforcing the foundation of quality medical care by leveraging technology

2006

Started operations of our 1st hospital in Gurugram

2009

First hospital in Haryana to receive the NABH accreditation

2013

Commenced operations at Bihar with Paras HMRI Hospital, Patna. Became the 1st comprehensive care hospital in the state of Bihar, including offering the 1st PET CET between Delhi and Kolkata

2015

Received NABH accreditation in Patna, the first in the state of Bihar

2016

Began operations at Paras Global Hospital in Darbhanga

2017

Investment received from Creador private equity

2019

Commenced operations of three new hospitals:

- Paras Hospital, Panchkula
- Paras HEC Hospital, Ranchi
- Paras Hospital, Udaipur

2021

Implemented plans to integrate an enterprise wide digital infrastructure and commenced investments

2022

Expanded Paras HEC Hospital, Ranchi to 300 beds and additional tertiary care

2023

Expanded our footprint in Uttar Pradesh and Kashmir

Our
Facilities

Blending medical capabilities with digital platforms to improve reach and service delivery

Our focus on quality healthcare revolves around promoting accessibility and affordability. Although our journey started in 2006, our presence has evolved in line with the roadmap we charted out for ourselves at the very beginning. We continue to provide services that cater to the population of our regional presence and improve our technological capabilities to project these services to a wider regional audience.

Taking a closer look at our facilities

Gurugram

Established July, 2006

300 Bed capacity

90 ICU beds

- This unit is our first flagship hospital and is Haryana's first private hospital to be accredited by both NABH* and NABL*
- The unit offers service across super specialities
- The Gurugram unit is the first hospital to offer standalone image-guided tumour navigation surgery technology and to perform India's first successful day-care angioplasty
- The unit has a 3 Tesla functional MRI, a critical tool for Neurosurgeons

**NABH - National Accreditation Board for Hospitals, NABL - National Accreditation Board for Testing and Calibration Laboratories*

Patna

Established May, 2013

350 Bed capacity

106 ICU beds

- Paras Hospital Patna is the first corporate hospital in Bihar, offering 350 beds and services across super specialties and the first to receive an NABH accreditation in Bihar
- It draws patients from around 30 different districts within Bihar and from Assam
- Paras Hospital Patna offers a comprehensive Cancer Care programme, inclusive of Bone Marrow Transplant (BMT) and latest in oncology treatments

Darbhanga

Established February, 2016

100 Bed capacity

27 ICU beds

- Paras Hospital Darbhanga is one of the first corporate hospitals to operate in the Mithilanchal region to provide advanced healthcare services
- The facility, one of the largest in the region, contains 100 beds and offers services across super specialities
- Paras Hospital Darbhanga is the first hospital in the region to offer Comprehensive Cardiac Care, and first in the region to specialise in Neurosciences Management, a critical field of medicine requiring highly skilled professionals.

Our Facilities (Contd...)

Panchkula

Established January, 2019

~250 Bed capacity

85 ICU beds

- Paras Hospital Panchkula is the largest corporate hospital in the city, offering 250 beds and services across super specialities
- The unit offers a skilled Neuroscience team - capable of handling complex brain and spine surgeries, first in the city to establish a comprehensive Cancer Care programme and Cardiac Programme

Ranchi

Established October, 2019

300 Bed capacity

102 ICU beds

- Paras Hospital Ranchi is one of the largest private sector hospitals in the capital city of Jharkhand, Ranchi
- The unit now has 300 operational beds, offering services across super specialities
- It is equipped with advanced medical technologies, including a Cath Lab, MRI, CT scan, modular operation theatres, dialysis unit, and a 102-bed Intensive Care Unit.

Udaipur

Established October, 2019

200 Bed capacity

61 ICU beds

- Paras Hospital Udaipur offers a 200-bed facility in Udaipur, offering a wide range of services spanning super specialties.
- The unit is equipped with advanced technological capabilities, such as a Cath Lab, MRI, CT scan, modular operation theatres, a dialysis unit and a 61-bed ICU.
- Paras Hospital Udaipur was the first hospital in the city to perform an Awake Craniotomy, a testament to our expertise in advanced neurosurgical procedures and to implement a comprehensive Cardiac Programme
- The unit is implementing a process to offer Radiation Oncology services

Srinagar

Established May, 2023

200 Bed capacity

63 ICU beds

- Launched in 2023, Paras Srinagar has the distinction of being Kashmir's first non-state corporate super speciality hospital serving over eight million of the population in Kashmir Valley
- It offers 200 beds, complemented by 63 ICU beds and 7 operation theatres
- The unit is also the first corporate hospital in Srinagar equipped with advanced medical facilities such as modular operation theatres, a Cath lab, and a complete diagnostic department encompassing MRI, CT and X-ray capabilities.
- Upcoming service enhancements include the addition of a dedicated Laboratory and Blood Centre, among others

Our Facilities (Contd...)

Speciality matrix

Our hospitals offer a wide range of specialties, providing comprehensive medical treatments and serving as a one-stop solution for healthcare needs.

Hospital/Specialty	Gurugram	Patna	Darbhanga	Panchkula	Udaipur	Ranchi	Srinagar
Cardiac Sciences	✓	✓	✓	✓	✓	✓	✓
Cardiology	✓	✓	✗	✓	✓	✓	✓
CTVS	✓	✓	✓	✓	✓	✓	✓
Neurosciences							
Neurology	✓	✓	✓	✓	✓	✓	✓
Neurosurgery	✓	✓	✓	✓	✓	✓	✓
Neuro Intervention	✓	✓	✗	✓	✓	✗	✗
Renal Sciences							
Nephrology	✓	✓	✓	✓	✓	✓	✓
Urology	✓	✓	✓	✓	✓	✓	✓
Kidney Transplant	✓	✓	✗	✓	✗	✗	✗
Oncology							
Medical Oncology	✓	✓	✓	✓	✓	✓	✓
Surgical Oncology	✓	✓	✗	✓	✓	✓	✓
Radiation Oncology	✓	✓	✗	✓	✗	✗	✗
Nuclear Medicine	✓	✓	✗	✓	✗	✗	✗
Gastro Sciences							
General and Minimal Access Surgery	✓	✓	✓	✓	✓	✓	✓
Gastroenterology	✓	✓	✓	✓	✓	✓	✓
Pulmonology	✓	✓	✓	✓	✓	✓	✓
Orthopedics & Joint Replacement	✓	✓	✓	✓	✓	✓	✓

Our Accreditations

- NABH
- NABL

Centres of excellence

We have set up Centres of Excellence, which are our integrated administrative and clinical endeavours. These Centres cover multiple specialities and continue to deliver exceptional outcomes. Moreover, the launch of our comprehensive organ transplantation programme, which now includes Bone Marrow and Kidney transplants, signifies an important milestone in our journey.

Clinical Highlights

Skull shape remodelling of 9-month old baby:

Performed by HoD Spine & Neurosurgery using 3D illustrative remodeling

Stem Cell Transplant for Multiple Myeloma :

72-year-old Blood Cancer patient was diagnosed with Multiple Myeloma, a successful Stem Cell Transplant was performed to treat the patient

National athlete treated for Knee Injury:

Arthroscopic surgery performed on National Tennis player, post surgery she went onto win Silver and Bronze at National Games

First Laparoscopic Surgery with 3D Vision:

Embracing medical innovations, we successfully performed our first laparoscopic surgery using 3D vision technology

Diagnosis and subsequent surgical treatment of Thoracic Endovascular Aortic Repair (FY23):

Despite normal findings in angiography, doctors using a CT Aortogram diagnosed the patient with Aortic dissection. The ailment was treated by performing a TEVAR

63-year-old male treated for Parkinson Disease related complications (FY23):

Patient has a two decade history of Parkinson's Disease and suffered from motor complications. A Subthalamic Nucleus Deep Brain Stimulation surgery was performed on the patient, this substantially improved his quality of life and reduced his medicines by two thirds

Introduction of new clinical programs

In response to the ever-evolving medical landscape, we have introduced new procedures and treatment methodologies. This includes the management of acute emergencies, developed in accordance with international standards and benchmarks.

The acute emergencies include:

STEMI

Stroke

Polytrauma

Sepsis

Our Facilities (Contd...)

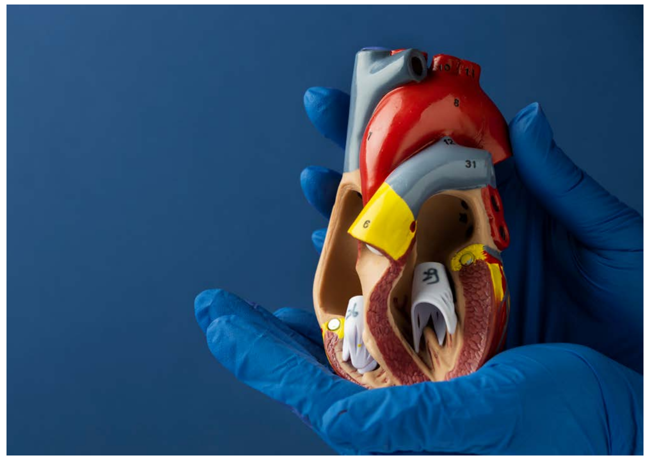
Our departments

Cardiac sciences

Our Cardiac Sciences Department delivers comprehensive cardiac care. Our team includes teams of Interventional cardiology experts, cardiac surgeons, cardiac anaesthesia and critical care teams. A dedicated Paediatric cardiologist is also available to cater to varied patient needs.

Infrastructure

- Our facilities are equipped with dedicated Cath Labs, featuring both monoplane and biplane configurations, ensuring a broad range of diagnostic and treatment options.
- We offer a significant number of fully-equipped CCU beds across all units, providing the utmost care for critical patients.
- Cardiac OTs: Each unit houses dedicated modular Cardiac OTs and CTVS ICUs, ensuring safe and efficient surgical procedures.
- Non-Invasive Cardiac Labs: Our non-invasive cardiac labs are fully equipped for a variety of diagnostic and therapeutic services.



Technology

- Diagnostic tools: We deploy 2D ECHO, TEE, and CT Angiography across all our units, with multiple ECHO machines available for swift and accurate diagnosis.
- Interventional technologies: Our units feature IVUS and EPS, with certain units offering advanced options such as 4D and 3D ECHO. We also make use of outsourced technologies such as OCT, FFR, and ROTA for comprehensive cardiac interventions.

Orthopaedics

Our orthopaedics department offers an integrated approach to musculoskeletal health, featuring experienced teams and specialised technology. Our facilities are empowered by multidisciplinary teams of orthopaedic surgeons, trauma surgeons, sports injury specialists and orthopaedic rehabilitation experts. Specific teams are dedicated to orthopaedics and joint replacement surgery.

Infrastructure

- Our units are equipped with dedicated orthopaedics and joint replacement operating theatres. The number of such OTs varies across our facilities, with some having up to four dedicated OTs.
- Some of our units utilise common operating theatres for orthopaedic procedures.

Technology

- Navigation Systems: These assist our surgeons during procedures, offering real-time visual guidance.
- Ortho Drills: Synthesis and Conmad Ortho Drills are used across our facilities for precision in orthopaedic surgery.
- Power Drill Surgical Systems: We use the Stryker System 8 & 6 across our units, which provide high performance in orthopaedic surgery and arthroscopy.

Gastro sciences

Our Gastroenterology Department delivers exceptional care for digestive disorders, backed by a team of experienced gastroenterologists and advanced medical technology. We have dedicated teams of gastroenterologists who provide round-the-clock coverage. Some units also have dedicated GI surgeons. Several of our units, including Udaipur and Ranchi, have dedicated consultant gastroenterologists. In Darbhanga, we offer gastroenterological services remotely through a gastroenterologist available on a virtual consultation mode.

Infrastructure

- Our facilities are equipped with dedicated endoscopy suites, ranging from one to two suites depending on the unit.
- We have dedicated Medical ICUs (MICUs) at certain locations, with specific beds allocated for gastroenterological patients.

Technology

- We use Olympus CV-190 and CV-170 High End Series, and Fuji film 600 Endoscopes across our units for a broad range of diagnostic and therapeutic procedures.
- Our endoscopic technology is further enhanced with ERCP, EBUS, and bronchoscopes across several units.
- Other technologies used include Olympus Enteroscope, APC Cautery, EUS SU1 ultrasound scope, and Capsule Endoscopy and Fibro scan.

Neurosciences

Our Neurosciences Department offers extensive care for neurological conditions, facilitated by a skilled team of Neurosurgeons, Neuro Physiologist, Spine Surgeons, Neurologists, and Neuro-Intervention Radiologists, with dedicated support available round the clock.

Infrastructure

- Our facilities are equipped with dedicated Neurosurgical Operation Theatres, ensuring the utmost safety during procedures.
- Across all units, we have a significant number of ICU beds dedicated to our neuroscience patients. In some units, this includes isolation rooms.

Technology

- We utilise the AXIEM Navigation System, NIMS, and outsourced Neuronavigation systems for precise surgical planning and execution.
- Our units are equipped with top-of-the-line CARL ZEISS and LEICA Microscopes for micro-neurosurgery and a 3 Tesla Functional MRI, a critical tool for neurosurgery.
- We also use CUSA systems and Neuro Drill Systems across our facilities for advanced neurosurgical procedures.

Our Facilities (Contd...)

Oncology

Our Oncology Department delivers top-tier care for cancer patients, supported by experienced Medical, Surgical, and Radiation Oncologists and sophisticated medical technology. At Patna and Panchkula, we further extend our services with the inclusion of haematologists in the team. We also have medical and Surgical Oncologists at our Udaipur Unit.

Infrastructure

- Our units are equipped with dedicated operating theatres specifically for surgical oncology, ensuring the best possible environment for cancer surgeries.
- Across several units, we offer Oncology Day Care facilities with bed capacities ranging from 6 to 30, catering to patients' comprehensive day care needs.

Technology

- Our facilities utilise Varian and ELEKTA Linear Accelerators for delivering precise radiation therapy.
- All major units are equipped with PET CT scans to facilitate precise diagnosis and staging of cancer.
- In some units, we offer Hyperthermic Intraperitoneal Chemotherapy (HIPEC) and have dedicated modular operating theatres with support ancillaries for advanced surgical procedures.

Obstetrics and Gynaecology

Our Obstetrics and Gynaecology Department offers comprehensive services, employing a team of highly specialised OB-GYN consultants. In our Gurugram and Ranchi units, we offer comprehensive maternity programs and are experienced in managing high-risk pregnancies.

Infrastructure

- Our Gurugram, Ranchi and Udaipur units have dedicated labour rooms and operating theatres, designed to provide an optimised environment for maternity and gynaecology cases.
- Our Ranchi unit houses the specialised unit dedicated to Obstetrics and Gynaecology services.
- The Gurugram unit also offers an IVF facility, expanding our care range to fertility treatments.

Technology

- Our units are equipped with best-in-class technology, including laparoscopy camera systems and state-of-the-art ultrasound systems.
- We utilise the Gen 11 Harmonic and Ligasure sealing systems, providing enhanced safety and efficiency during surgeries.
- Our Panchkula unit is equipped with the Olympus Thunder Beat, an advanced energy solution for laparoscopic surgery.

Paras Health has cemented it's place among top hospitals for high quality of care and complex surgeries

Oncology

- Breast Cancer Surgery
- Gastrointestinal & Heptic Tumors
- Soft Tissue and Bone Marrows
- Advanced plastic and Reconstructive surgery
- Minimal Access Surgery
- Chemotherapy , Hormonal and Biological Therapies

Cardiology

- Interventional cardiology including Coronal and Radial Angiography and Carotid Angloplasty
- Electrophysiology
- Cardiac surgeries including awake open heart surgery
- Percutaneous Valvular Interventions including Aortic and Balloon Mitral

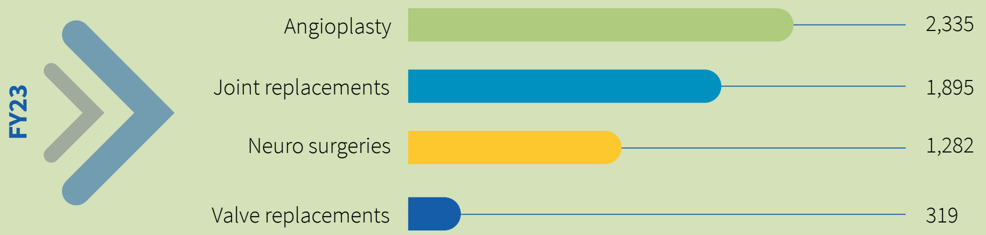
Orthopedics

- Joint replacement using computer navigation technology
- Hip, Knee and Shoulder replacement
- Foot and Ankle surgeries
- Complex trauma management
- Deformity correction
- Limb lengthening

Neurology

- Brain: Tumor, acute stroke, subarachnoid hemorrhage, epilepsy
- Spinal Cord: Cervical spondylitis, Lumbosacral spondylosis, invasive spine surgery unit
- Infections: Meningitis, Encephalopathy

Encouraging metric across key specialties



Meet our Esteemed
Medical Professionals

Dr. V.S. Mehta

Serving as the Director and Chief of Neurosciences, Dr. Mehta is a globally recognised neurosurgeon renowned for his medical precision and exceptional expertise. With over 40 years of experience, he has been pivotal in initiating various clinical protocols and bringing cutting-edge technology like brain tumour navigation to Neuro Surgery.

Dr. John Mukhopadhyay

Known for his proficiency in Orthopaedics, Dr. Mukhopadhyay is celebrated for conducting intricate trauma surgeries. He regularly garners international invitations as a faculty member for specialised training courses, showcasing his in-depth knowledge and skills. His contributions have earned him numerous awards and recognitions, both nationally and internationally.

Dr. Alka Kriplani

A seasoned Obstetrics and Gynaecology specialist with over 40 years of experience, Dr. Kriplani has a niche in Reproductive Endocrinology and Gynaecological Endoscopy. At Paras Health, she has made substantial contributions by spearheading training fellowship programmes in gynaecological sciences, thereby helping to advance knowledge and skills in this medical field.

Dr. (Col.) R. Ranga Rao

Distinguished Oncologist Dr. (Col.) Rao specialises in Surgical Oncology, Hemato Oncology, and treatment of nearly all types of cancers. His contributions have been instrumental in establishing and enhancing various cancer centres and departments by implementing evidence-based, compassionate oncological care, robust academic programs, and comprehensive standard operating procedures.

Dr. H.K. Bali

With over three decades of experience, Dr. Bali is an expert on managing Coronary Heart Diseases, Devices in Management of Advanced Heart Failure, Below Knee Interventions, and Carotid Artery Stenting. Notably, he was the first, globally, to demonstrate the efficacy of stenting for the management of patients with Takayasu's Arteritis.

Dr. Ahmad Abdul Hai

Based in Patna, Dr. Abdul Hai is a renowned General Surgeon and currently serves as the Director-General & Laparoscopy Surgery at Paras Hospital, Patna. With over 34 years of professional experience, he is a respected member of the International College of Surgeons and the Government of India Committee on Curriculum for Organ Transplant.

Dr. Sanjay Kumar

Dr. Kumar, Vice-Chairman of the Neurosurgery Department at Paras HEC Hospital Ranchi, brings over 25 years of experience to his role. Before joining Paras, he held a visiting fellowship at Fujita Health University in Nagoya, Japan.

Dr. (Brig.) Ajay Sharma

Dr. (Brig.) Sharma, Director Hematology - Oncology ar Paras Hospital Panchkula, has vast experience in Blood Cancers and other blood diseases and disorders. Dr. (Brig.) Sharma pioneered the Stem Cell Transplant in the Armed Forces and at Sir Ganga Ram Hospital in Delhi. He is involved in multiple research efforts and has offered a large swath of publications in both Indian and international journals.

Maintaining High-end Clinical Excellence

We ensure quality in the services we offer by adhering to a rigorous operational framework. We understand that delivering exceptional care relies on a comprehensive system of indicators, processes and outcomes. To achieve this purpose, we employ stringent evaluation methods, extensive relevant technologies, regular performance assessments, and continuous training of our healthcare professionals.

To offer our patients the very best in quality care, we need to effectively and accurately capture data right from their sources of origination. For this purpose, we have digital touch points that operate across patient experience, clinical experience and operational administration.

The following quality measures help us ensure that our healthcare services consistently meet and exceed the expectations of our patients:

Key quality measures

- Internal audits
- Patient feedback
- AHRQ safety audits
- PROM

During the year under review, our dedication to maintaining the highest standards in of patient care saw us deliver numerous instances of clinical excellence. We implemented standardised clinical pathways across various specialisations to streamline our healthcare services. Moreover, our focus on improving efficiency extends beyond our clinical departments, reaching into our support divisions.

Clinical Outcomes

Benchmarking against both national and international standards, our efficiency and quality of care in crucial situations allowed us in achieving impressive clinical outcomes.

- door-to-balloon time (STEMI) of **64** minutes
- door-to-needle time (Acute Stroke) of **63** minutes,
- Unplanned return to OT rate at a mere 0.5%
- Successfully maintained **zero** unplanned ventilation incidents, reflecting our meticulous and proficient respiratory care.
- Achieved a **zero** delay of transfer (DOT) rate
- Sustained a **zero** hematoma incidence rate

Patient Experience

We strive to provide our patients with quality experience, for which we regularly collect and perform analysis of patient feedback. All patient grievances are addressed with immediate urgency and we constantly up-train our staff in the most effective ways of handling patient experiences.

- Patient experience is monitored using a Feedback Management System that allows patients to share feedback about services availed. Feedback is collected actively through daily patient interaction and during patient discharge. The entire process of data collection is driven via the patient application during the patient's stay with Paras Health and upon discharge.
- This is not restricted to IP patients but also extended to OPD and ER patients
- Aside from addressing the immediate concerns of the patients, a weekly report is shared with the HOD's and process owners to establish accountability and to determine an actionable plan to address the need for process improvement.

The average patient satisfaction score over the last twelve months was recorded at 75% in OPD and 72% in IPD. Highest scores were recorded at 93% for OPD and 90% for IPD.

66 Net Promoter Score

90% Patient nursing satisfaction score

Patient safety and infection

We keep prime focus on patient safety, by cultivating a strong safety culture among all healthcare workers to ensure the well-being of our patients. To safeguard against potential risks, we have implemented an extensive infection control programme. This is designed to prevent the spread of infections and is complemented by an environmental surveillance system. By diligently monitoring and maintaining a clean and safe environment, we create a secure setting for our patients to receive care.

Sustained a **Zero** Patient Fall rate

HAI rate **2.9%**

Mortality rate

We are dedicated to ensuring the utmost care and safety for our patients, and we maintain a low Gross Mortality Rate (GMR). This indicator reflect our commitment to delivering excellent healthcare outcomes and providing the best possible medical care to our patients.

1.65 Gross Mortality Rate

0.97 Standard Mortality Rate

Professional development

We are dedicated to the growth and development of our healthcare professionals, and as part of this commitment, we have introduced specialised training programmes for nursing and paramedics and CMEs for Doctors. These programmes are designed to enhance the skills and expertise of our personnel, ensuring that they are equipped to provide the highest level of care to our patients.

In addition, we have initiated super-specialty and postgraduate teaching programmes within our institution. These programmes offer advanced learning opportunities for our healthcare professionals, allowing them to expand their knowledge and stay at the forefront of medical advancements. By investing in these educational initiatives, we aim to nurture a culture of continuous learning and innovation in our healthcare team.

> Our successful completion of NABH Reaccreditation on the 5th Edition of our Gurugram facility reflects our commitment to quality standards, patient safety and adherence to rigorous standards in healthcare services

Patient
Stories

Our compelling patient stories reflect the life-changing impact of timely medical intervention and advanced healthcare practices. From critical heart conditions to rare neurological disorders, these cases showcase the power of medical science in restoring health and transforming lives.

Patient Testimonials

Treating Consultant: Dr. Maya Kumar
Diagnosis: Diarrhoea and Vomiting

"In February, I had the unfortunate experience of being admitted to Paras Hospital due to a bout of diarrhoea and vomiting, after consuming unfamiliar Indian cuisine while attending a wedding. My consultant, Dr. Maya Kumar, displayed exceptional care and proficiency, enabling my recovery in just three days. The heartfelt kindness extended by the staff and the exceptional medical treatment made me feel as comfortable as if I were in my own home. Leaving the hospital was an emotionally charged moment, and I remain deeply grateful for their unparalleled hospitality."

Treating Consultant: Dr. Sanjiv Kumar Sharma
Diagnosis: Visual Hallucinations, Later Diagnosed as Late-Onset Occipital Lobe Epilepsy of Gastaut

"I began to suffer from troubling visual hallucinations, characterised by multicolored spheres, which were frequently accompanied by headaches and vomiting. After medical investigation, the clinical suspicion of occipital lobe epilepsy was confirmed. Despite the normal results of my MRI scan, a Video EEG revealed intermittent epileptiform discharges originating primarily from the left occipital area. Thanks to the diligent treatment provided by Dr. Sanjiv Kumar Sharma, I have been free of seizures for the last six months. This successful outcome has restored hope to my family and we are truly thankful to Paras Health for this unexpected joy."

Treating Consultant: Dr. Sanjiv Kumar Sharma
Diagnosis: GB Syndrome

"In March, I sought treatment at Paras for my diagnosed GB Syndrome, a condition that left me in constant pain and incapable of walking. Having sought help from numerous specialists without success, my friend recommended Paras for my treatment. Under the watchful care and expert treatment provided by Dr. Sanjiv Kumar Sharma, I am experiencing significant improvements with each passing day. The progress is so impressive that I have begun to walk again, an achievement that seemed unimaginable not too long ago."

Treating Consultant: Dr. Ankur Saurav and Dr. Kumar Vishal
Diagnosis: Bilateral TKR

"My ability to walk had been hampered by severe pain in both knees, making even the simplest tasks like climbing stairs a Herculean effort. It was in April when I visited Paras and chose to undergo bilateral Total Knee Replacement (TKR). The expert orthopedic team, led by Dr. Ankur Saurav and Dr. Kumar Vishal, successfully performed the surgery. A month post-surgery, I could walk again, this time without any assistance. The faith I had in the doctors was not misplaced, and I am now living a life free from the constraints of constant knee pain."

Treating Consultant: Dr. Sanjay Kumar and Dr. Patrick Prabodh Minj
Diagnosis: Spine Surgery

"At 42 years old, I found myself unable to move or walk due to severe back pain. Feeling as though life had come to a standstill, it was my brother who discovered Paras HEC Hospital and recommended it to me. Under the expert care of the neurosurgery team, headed by Dr. Sanjay Kumar and Dr. Patrick Minj, I underwent spine surgery. The results were remarkable: within ten days, I experienced significant improvements and a month post-surgery, I am practically back to normal. Thanks to the diligent team at Paras , I have regained a life free of debilitating pain."

Complex cases

Case 1

A 17-year-old girl was admitted to the hospital with severe paralysis, including difficulty swallowing and breathing. She was diagnosed with Guillain-Barre Syndrome, a rare autoimmune condition, and was managed on a ventilator due to respiratory muscle difficulty.

Case 2

A toddler travelled from Bangladesh for a successful surgery to remove a painful bone tumor in the leg. After the procedure, the child was discharged in good health and pain-free.

Case 3

A 36-year-old chronic smoker presented with left hemiparesis and facial deviation and was diagnosed with a non-visualisation of the internal carotid artery. He underwent a successful thrombectomy procedure and made a good recovery.

Case 4

A young national tennis player made a triumphant return to the game, winning silver and bronze medals at a national championship just three months after undergoing arthroscopic knee surgery.

Case 5

An 81-year-old female was admitted with acute coronary syndrome and left ventricular failure. She underwent successful coronary angioplasty/stenting under Mechanical Circulatory Support (MCS) and made a full recovery, remaining asymptomatic at her 9-month follow-up.

Excellence Driven by Technology

We have integrated state-of-the-art technology to improve patient outcomes. Our use of advanced technologies and tools significantly reduces hospitalisation time, mitigates risks associated with open surgical procedures, and accelerates the restoration of normal life.

Optima IGS 320

Optima IGS can uniquely deliver Neural-Network-based premium image chain resulting in automatically optimised image and dose parameters, in real time, delivering advanced cardiac solutions.

SOMATOM go.All

SOMATOM go.All lets you easily enter into advanced CT procedures like cardiac imaging or neuro perfusion. The scanner is equipped with image quality and dose reduction technologies and with smart tools

Innova IGS 630

The Innova IGS biplane system is designed to support a variety of procedures such as pediatrics, Electrophysiology, neuro interventions and body imaging procedures. It is designed from the ground up to provide the image clarity you need while helping you keep dose as low as possible.

3T Phillips Achieva MRI

The 3T Phillips Achieva MRI provides fully automated planning, scanning and processing in a single click for about 70% of typical daily caseload. Its unique MultiTransmit technology overcomes dielectric shading by using simultaneous (parallel) transmissions from multiple RF sources.

Discovery IQ PET/CT Scanner

The Discovery IQ PET/CT Scanner System is a scalable, high-performance diagnostic system with the capabilities to produce exceptional image quality. The scanner assists in making the appropriate treatment decision for individual patients and can help physicians assess therapy response early.

Varian TrueBeam

The Varian TrueBeam system is an advanced radiotherapy system from Varian Medical Systems. It was engineered from the ground up to deliver more powerful cancer treatments with pinpoint accuracy and precision.

MAGNETOM Sempra

The MAGNETOM Sempra is perfectly equipped to deliver reliable consistency due to three Dot workflow engines , including hard-to-image patient groups. Combining this with faster exams, reduced operating costs and a new innovative service concept.

Philips CT

The Philips CT machine has 128 slice scanning, offering low dose (lower by 60-80%) and high image quality. A highly scalable scanner with significant room for upgrades when required.

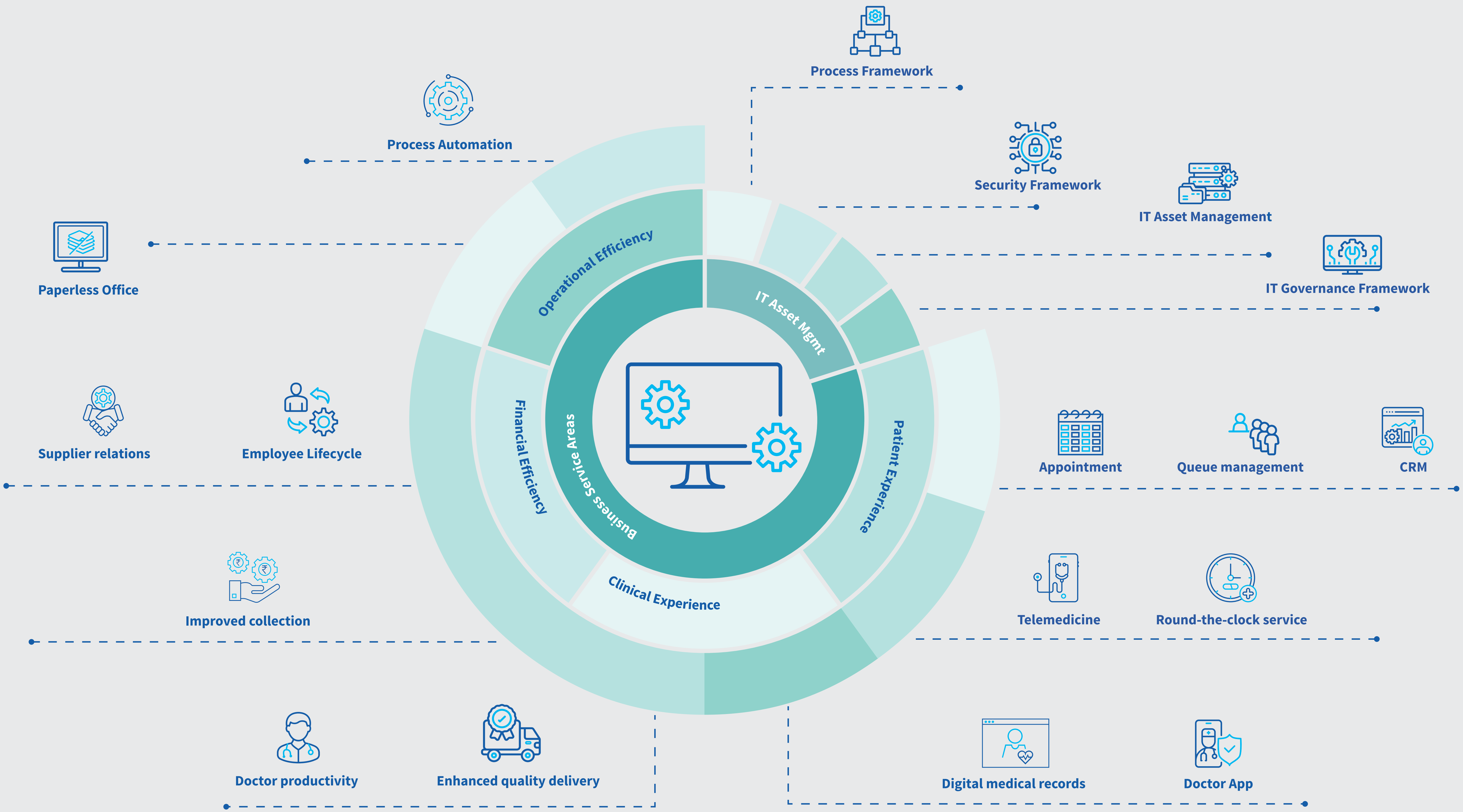
ZEISS OPMI PENTERO 800

The ZEISS OPMI PENTERO 800 Multidisciplinary surgical microscope is Designed to meet the surgical demands across disciplines. It enables you to navigate through delicate structures in deep channels.

Neuro navigation Stealth Station

Neuro navigation Stealth Station is a surgical navigation system that has an intuitive interface, improved patient registration software, and advanced visualisation to navigate neurosurgery procedures. The system offers optical and Electromagnetic (EM) tracking capabilities, and integrates with external devices like microscopes, ultrasound, and a broad array of Medtronic instruments.

Digitising Operations to Build a Connected Paras Health



Digitising Operations to Build a Connected Paras Health (Contd...)

IT has become the cornerstone for enhancing service efficiency, patient experiences, and clinical outcomes. We therefore created a Health ecosystem, that provides unparalleled Patient & Clinical experiences and brings in Financial and Operational efficiency through process automation. To this extent we have invested in adopting new technologies and replacing or upgrading some of the existing infrastructure. Owing to this, we have taken significant strides in data gathering and analysis. The overall approach will help us in providing personalised healthcare, driving better patient outcomes and medical compliance.

Clinical Experience Initiatives

E-Prescriptions

To improve the clinician experience we launched the e-prescription module with image annotation, and speech to text technology.

Electronic Health Record (EHR)

We have launched web and app versions of EHR, offering clinicians a Speech to text interface to capture prominent patient health details. Additionally, the EHR is equipped with "Care Protocols", which allows better Doctor-Patient interaction by generating automated prescriptions. Automated care pathways further allow for digitisation of different clinical forms that may otherwise have been a manual process.

Doctor Mobile App

knowing very well that our clinicians are always on the move, we implemented a Doctor Mobile App with most of the EHR features on the app itself. Through this app – physicians can update surgery postings, progress notes and even provide discharge summaries on the move.

Nursing Initiatives

Nurses deliver more than care, they promote health, prevent illnesses and enhance patient recovery. Hence, to help nurses excel while providing care, we introduced a Quality Management platform (QMS) across our network as part of our Nursing Effectiveness drive. This platform provides nurses with quality indicators, that help improve practices, and creates check points to minimise errors. Using the same platform, we have initiated multiple Nursing audits at the hospital and corporate level.

Patient Experience Initiatives

Health 24X7

We have implemented an omni-channel patient experience through our Patient App, Patient Portal, and a WhatsApp-based platform. This allows patients to access prescriptions, reports, invoices, and appointment bookings digitally

Patient Feedback & Complaint Management

All-in-one platform for patient experience teams, to consolidate, bucket and analyse complaints, special requests, suggestions and NPS feedback to take appropriate actions as needed. Patients can also be made aware of the real time status of their complaints

Customer Relationship Management (CRM)

To ensure a proactive and centralised communication channel for our patients, we have implemented a CRM system, integrated with HIS. This integrated framework enables our call centre representatives to offer a personalised patient experience. The CRM, along with the HIS, allows us to efficiently track, address, and resolve patient inquiries and requests. This structural enhancement underscores our commitment to a patient-centred approach, enabling us to streamline communication and improve patient service efficiency

Process Improvements and Technology Upgradations

Hospital Information System (HIS) – A major milestone implemented

Cloud based Centralised HIS implementation – in pursuit of higher availability, sustainability and scalability, we have implemented a cloud based - centralised HIS platform at four out of our seven operational units. Other than replacing the legacy HIS, we have implemented multiple improvements i.e.,

- One patient one Paras (single UHID across units for a patient)
- Document Management System (DMS)
- OT Planning, Blood Bank Operations
- Workflow driven platform offering efficiencies in Customer Contract Management, Supplier Rate Contract Management, Doctor Accounting, etc.

IT efficiency

We have transitioned our entire email system and data backup solutions to secure cloud-based platforms. This move has also simplified data management, eliminating the need for physical file servers and manual backup restoration. Furthermore, this has provided all of our users with access to a digital data drive, helping to optimise our operations further

Employee Productivity

We have implemented a collaboration software for our employees to encourage digital data exchange and improve employee productivity.

Digitising Operations to Build a Connected Paras Health (Contd...)

Cybersecurity

We have enhanced our cybersecurity measures with a Web Application Firewall, providing an additional layer of protection for our public-facing applications. Additionally, we have instituted data encryption in our core HIS application, safeguarding both static and in-transit data against potential exploits or ransomware attacks.

Mobile applications

We offer a mobile app for patients and doctors that makes healthcare easier and more efficient.

Digital services

Doctor mobile app: We have developed an app providing clinicians with a suite of EHR features on the move. This facilitates efficient management of surgeries, progress notes and discharge summaries.

Digital records: We have made it easier for patients and doctors to handle healthcare paperwork. Patients can use the apps to view prescriptions, reports, discharge summaries and invoices.

E-Prescriptions: Our tool integrates image annotation and speech-to-text technology, offering a more streamlined and efficient approach to medical documentation and communication.

Virtual doctor visits: Patients can use the apps to consult doctors, without needing to visit in person.

Booking appointments: Patients can use the apps to schedule doctor visits when it works best for them.

Health device connections

Omron

Our apps work with Omron devices to monitor blood pressure.

Accu-Chek

Patients can check blood glucose levels with Accu-Chek devices and view them in the app.

Kardia 6L

The apps can show ECG readings from Kardia 6L devices. This is helpful for spotting and dealing with heart issues quickly.

Initiatives for Academic Research

We, at Paras Health, have made significant strides in academic and research development, with a roadmap for future advancements. We successfully launched the DNB programme in critical care and are in the process of implementing the DNB programme for medical oncology. These programs have already been introduced to our Gurugram and Patna units, and plans are in motion to expand these programs to our other units as well. On average, each program intake offers 35 seats on average and we run multiple programs in one academic year.

To foster innovation, we aim to embed academics and research into our core operations. By focusing on the availability of scarce medical resources, structured learning, resource optimisation, and alternative treatment modalities, the hospital intends to increase its academic and research impact significantly.

In addition to its internal efforts, the hospital is developing strategic partnerships with both national and international institutes of repute. These partnerships, based on need, environmental, and means analysis, are key to achieving the hospital's goals. Potential partners range from pharmaceutical companies and technology innovators to educational institutions. These collaborations aim to drive growth in research and academia, bolstering the hospital's reputation as a leader in medical innovation.

13

Ongoing DNB programs

Did you know?

Our clinicians benefit from unrestricted digital access to a comprehensive range of medical research resources provided by Wolters Kluwer

Empowering Workforces

We have implemented strong human resource practices, placing emphasis on important metrics such as patient experience, NPS score, clinical outcomes, nursing excellence and technology adoption to ensure high-quality healthcare. To enhance our operational efficiency and patient care, we restructured our organisation, identifying key departments and introducing pivotal roles such as a Medical Director and Nursing Head. By the integration of data-driven metrics, advanced technology, and dedicated personnel in human resources, we aim to elevate our healthcare services and patient experience.

Our people approach

Enhancing employee engagement and professional development

We put our efforts on understanding and improving employee engagement through annual engagement surveys. These surveys serve as a crucial pulse check, allowing us to identify and address common issues that could pose a threat to our organisation's harmony. We are committed to aligning employees' values with our organisational goals, and offering abundant growth opportunities and comprehensive learning and development programs.

To provide a clear trajectory for growth, we have undertaken detailed career mapping for each functional role, outlining the skills, targets, and performance levels necessary for advancement. This transparency encourages internal promotions and contributes to higher levels of engagement throughout the organisation.

Moreover, we recognise the importance of both technical and behavioural skills for overall performance. To this end, we have developed structured learning programs to cultivate these skills among our staff. By segregating and focusing on these distinct yet complementary skill sets, we not only bolster individual capacities but also enrich our organisational capability and cohesiveness.

580+
Training and development programs conducted

Incentive and Recognition Program

We have instituted a comprehensive incentive programme for critical roles across all units. This arrangement allows team members to earn a significant part of their fixed compensation quarterly, reflecting their individual contributions and performance. Alongside this, we have a periodic recognition system where each unit nominates standout individuals. Winners are displayed on screens throughout our hospitals, serving as a testament to their commitment and the high-quality care they provide.

233
Employees awarded incentives in FY23

Celebrations and Sports Activities

To foster a strong sense of unity and camaraderie, we actively participate in various festival celebrations and sports activities. These engagements provide opportunities for team bonding and reinforce our collective spirit.

480
Employees participated in cultural events

'Neev': Induction and Training Programme for New Members

We have developed a unique 15-day induction program, 'Neev,' to warmly welcome new team members and provide them with a solid introduction to our work culture. This is followed by extensive on-the-job training, tailored for every function within our hospitals.

1,750+
New Employees Covered

Consultant collaboration and individual development programmes

Our specialised plans for our consultants promote seamless collaboration within our teams. A focus on personal growth and professional development is integral to our ethos. As part of this commitment, we offer individual development programs, including opportunities to attend Management Development Programs (MDPs) at various renowned universities and colleges.

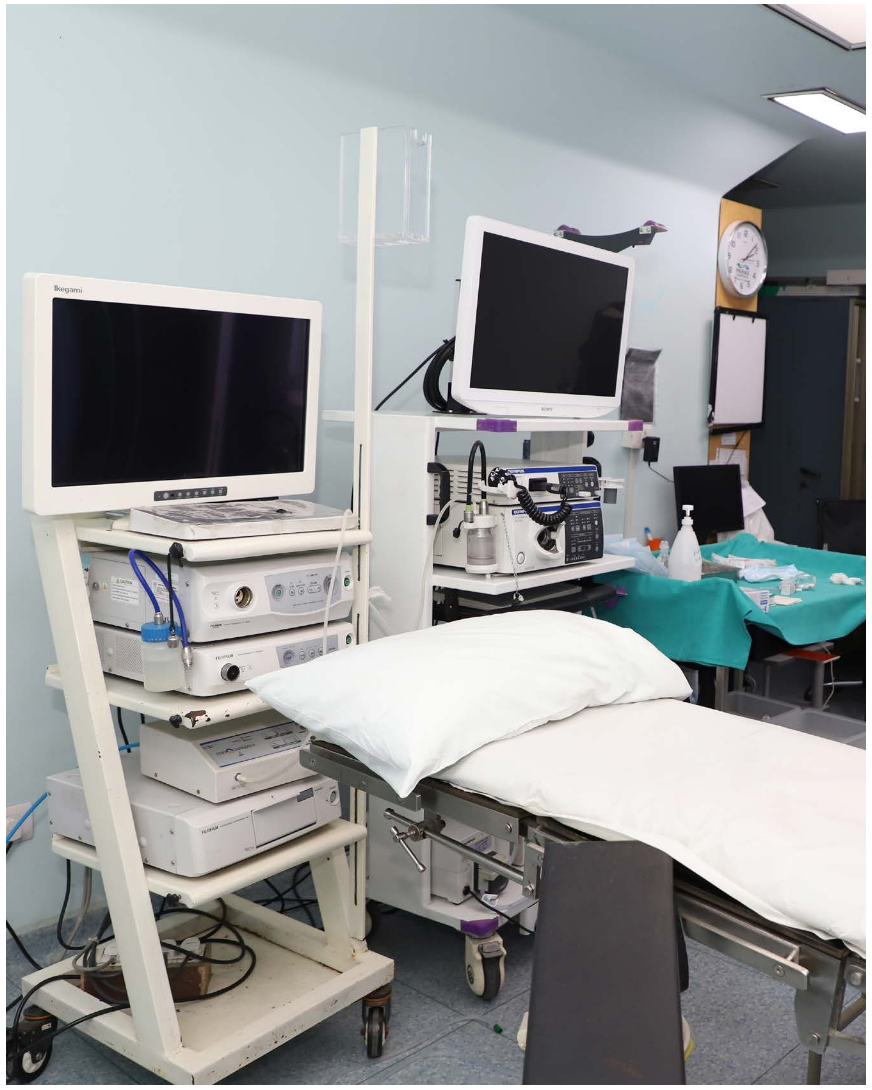
Health and Safety

We implement mandatory training sessions for our employees, encompassing basic life skills, safety measures, and fire prevention techniques, among other critical areas. We conduct monthly drills to ensure preparedness for fire hazards, calamities, and other unforeseen events, thereby enhancing our employees' awareness and response capabilities during such situations. In addition, we encourage open dialogues through one-on-one discussions and open house forums, promoting transparent communication within our organisation.

Recognising the importance of mental health, we also host sessions with professional psychological consultants to support the psychological wellbeing of our consultants. Promoting the overall health and well-being of our workforce, we offer cost-free consultations to our employees and their family members.

180+
Life skills trainings conducted

2,400+
Employee participation in life skill training



Gender diversity

We appreciate the importance of gender diversity, which is evident in the balanced female to total employee ratio within our hospitals. Our recruitment process is designed to actively encourage female candidates, promoting a dynamic and diverse work environment that champions equal opportunities. Alongside this, we prioritise fostering an environment of respect and understanding. To this end, we organise trainings on the prevention of sexual harassment, ensuring compliance with government regulations, and raising awareness about the importance of gender sensitivity.

~47%
Women in workforce

Nursing Initiatives

Our approach to nursing can be categorised in ABCs, where we delve into our key principles and operations. Together, these elements create a holistic view of our nursing division's dedication to delivering high-quality healthcare.

A stands for our mission and vision, which guides our work and the commitment we have towards our patients and their families.

B represents our core philosophy and guiding principles that lay the foundation of our work ethic and patient care approach.

C encapsulates our strategic priorities and achievements, a comprehensive reflection of our endeavours and milestones.

A

Our Nursing Vision and Mission

In 2023, Paras Health Nursing continued to strive towards delivering international standard care with the highest quality, focusing on compassionate interactions with our patients and their families. Our mission was directed towards providing excellent and innovative nursing care, grounded in evidence-based practices, with an emphasis on continuous quality improvement and a culture of patient safety.

B

Core Philosophy and Guiding Principles

Our approach to care is anchored in the belief that nursing is both an art and a science that is sensitive to the human condition. The nurse-patient interaction engages the whole person – body, mind, and spirit. We abide by these principles:

Patients First

We prioritise our patients and their families in our delivery of care.

Care Excellence

We commit ourselves to continuous improvement and strive to exceed expectations through shared leadership, continuous learning, and professional contribution.

Effective Patient Care Team

We acknowledge every health care provider as an integral member of the multidisciplinary patient care team, dedicated to integrity, teamwork, and providing safe and effective care.

C

Our Strategic Priorities

Our strategic priorities have acted as a vital roadmap, driving key initiatives across our healthcare facilities. These initiatives have empowered us to deliver patient-centred care, develop and foster a motivated workforce, ensure quality and safety, and embrace innovation and technology. Moreover, they have strengthened our collaborations and guided us towards sound financial stewardship, all while upholding our enduring mission to provide high-quality, compassionate nursing services.

Compassionate, Patient-Centred Care

- Adopted an evidence-based nursing care model and developed personalised care plans
- Introduced patient satisfaction surveys and engagement programs
- Collaborated with other stakeholders for patient-centric initiatives

Staffing and Workforce Development

- Implemented strategies for attracting and retaining a high-quality nursing workforce
- Conducted specialised nursing certification programs and leadership training
- Launched employee engagement programs and improved living conditions through hostel facilities and dietary plans
- Focused on job enrichment and career progression for deserving nurses
- Initiated succession planning across all facilities and departments
- Organised regular Nursing Leadership meets for standardisation of nursing care and service excellence

Collaborative Partnerships

- Partnered with external agencies for specialised training and academic institutions for a steady influx of qualified nurses
- Provided outreach community services at various locations, including airports and religious places

Quality and Safety

- Monitored key performance indicators related to customer satisfaction, turnaround time for initial patient assessments, and clinical competency
- Launched quality improvement projects and pursued Nursing Excellence Certification through the National agency (NABH)
- Introduced a multidisciplinary approach towards a structured interview panel for hiring quality and experienced nurses
- Conducted regular internal audits for patient safety and quality of care

Technology Integration

- Integrated Electronic Medical Record & Enterprise Quality Management System into the nursing practice
- Launched a pilot program for remote vital signs monitoring
- Trained nurses to adopt digital platforms for effective patient care and documentation

Innovation & Continuous Improvement

- Restructured the nursing structure for role clarity and skill optimisation
- Introduced a modified duty roster to provide dedicated study days for each nurse
- Implemented specialised roles, such as Quality Nurse, Link Nurses, Diabetic Educator, Pain Management Nurse, among others

Financial Stewardship

- Sensitised Nurse Managers to cost optimisation strategies
- Worked on effective manpower optimisation, stringent inventory control, and prevention of theft and pilferage
- Introduced a skill mix model and team nursing care model to optimise resources and reduce attrition

Accreditation, Accolades & Awards

- Prepared for achieving the NABH Nursing Excellence by the end of the year
- Encouraged the nursing team to participate in national-level competitions

Employee Engagement & Satisfaction

- Improved and standardised the existing nursing hostel facilities
- Launched rewards and recognition programs across all facilities
- Celebrated special occasions and events, such as Nurses Day Celebrations

Environment

We are committed to a greener, healthier future. Our sustainability initiatives are designed with a forward-thinking mindset and are executed through innovative methods. We have broken down our eco-friendly strategies into five key areas.

Sustainable building design

Our new structures are designed with an eco-conscious lens. Our mission is to conserve energy, promote the use of natural light, and minimise environmental impact. The measures we have incorporated into our building designs include:

- AAC (Autoclaved Aerated Concrete) walls for exterior structures, which offer better insulation.
- Roof insulation to prevent heat loss and manage indoor temperatures effectively.
- High SRI (Solar Reflectance Index) roof surfaces for lower heat ingress.
- Optimised WWR (window to wall ratio) for efficient light entry.
- High-performance glazing on facades to reduce heat gain.

Energy efficiency

We implemented various effective strategies to ensure energy conservation in our operations. We have taken conscious decisions to use equipment that aligns with our energy conservation goals. Our hospitals are fitted with the latest, energy-efficient equipment, enabling significant energy savings.

Our measures

- A primary measure taken was the replacement of an old 400 TR cooling tower with a new CTI-approved tower of equal capacity. This upgrade resulted in a reduced condenser inlet temperature from 30°C to 27°C, yielding a 2% reduction in chiller power consumption for each degree of decrease.
- We also decentralised the critical area AHU's in the ground floor at our Gurugram and Patna units. By installing separate FCUs for the pharmacy and admissions areas, we cut down on power consumption during odd hours. We now run a lesser 8KW load as compared with the 22Kw load earlier
- To enhance efficiency, we installed temperature controllers and 2-way valves in our IPD rooms and other areas. This mechanism enabled the automatic regulation of temperature, cutting down unnecessary energy use by the AC systems without compromising on air circulation. With this initiative we have been able to reduce power consumption by 5% in IPD and overhead areas like billing and administration.
- Another significant step taken was the replacement of all our CFL light fixtures with energy-efficient LED lights.

10%

Reduction in power consumption by shifting to LED lights.

Alternate Energy Sources

To further our commitment to responsible energy utilisation, we are also exploring alternative sources of energy. We have already installed solar panels at our Panchkula unit that generates considerable amount of power annually.

Capital Investment in Energy Conservation

We are continually analysing investment options towards energy conservation equipment and strategies. We are committed to adopting the latest technology to optimise energy efficiency while ensuring environmental friendliness. All our future projects will be constructed as per green building norms, and we will be applying for LEED Certification.

Technology Absorption

By harnessing modern technology and modern equipment, we aim to set up state-of-the-art multi-speciality hospitals. We managed to reduce the HVAC load at our Gurugram and Patna units by 10 TR and 4 TR respectively. We aim to continue this approach to further conserve energy and provide world-class services.

Reduced HVAC load from 35 TR to 30 TR in Gurugram Emergency and from 45 TR to 40 TR in Gurugram reception area.

Achieved a reduction in HVAC load from 40 TR to 36 TR in Patna unit's reception area.

Waste management

We strive to keep the emissions and waste generated by our company within the permissible limits set by CPCB/SPCB. In the fiscal year ending on 31st March 2023, we successfully managed our emissions within these limits. Additionally, we responsibly handle biomedical through contracts with vendors registered with CPCB/SPCB.

Investing for Community Wellbeing

As a committed healthcare provider, we are dedicated to serving those in need and empowering communities through our actions along the way. Our initiatives over the past year have been focused on providing healthcare services and ensuring accessibility to quality education. We believe that healthcare and education lay the solid foundation for a healthier and more prosperous society.

INR 62 Lakhs

Spent on CSR activities in FY23

Education activities

We facilitated the advancement of education for individuals in Ahmedabad, Gujarat, utilising the services of a local agency for effective implementation.

INR 25 Lakhs

Spent on Education activities in FY23

Healthcare activities

Tuberculosis (TB) elimination and senior citizen care

In the spirit of collaborative healthcare, we have executed partnerships with other healthcare institutions. Our collaborations include a joint effort with the Gurugram health department for a TB elimination programme and regular screening and consultations at the Ashiana senior citizen society . These collaborations not only enhance our capacity for comprehensive healthcare delivery but also allow us to contribute more substantially towards the health of the general population.

Health talks

Our primary aim is to promote awareness of major diseases and empower individuals with valuable information about early symptoms, preventive measures, and basic treatment methods. In particular, we focus on raising awareness about prevalent cancers such as breast and prostate cancer.

To achieve this, our dedicated team of doctors conducts informative sessions in various settings, including schools, senior citizen groups, colleges, and local communities. During these sessions, our doctors educate participants about the early signs and symptoms of diseases, providing vital knowledge for early detection and intervention. They also emphasise the importance of preventive measures and share essential information on basic treatment options.

600

People covered under health talk sessions

Raising Awareness for disease management

In India, diseases like cancer, heart attacks, and strokes are becoming common, causing a lot of concern. To help with this issue, we organised six informative events about these illnesses. We also held three large walkathons to involve more people and draw attention to our health education programs.

360+

Participation in awareness programme

2,100+

Participants of Walkathon

Basic Life Support (BLS) Training

We strive on improving health literacy and life-saving skills within our communities, through a dedicated initiative to raise awareness of Basic Life Support, an essential skillset that can help save lives in emergency situations. Our BLS training programs have been successfully conducted in various settings such as neighbourhoods, Senior Citizens' Clubs, Women's Clubs, Schools, and Colleges, reaching a broad spectrum of individuals.

420

Participation in BLS events

12

BLS training sessions conducted

Our Esteemed Board of Directors

Dr. Dharminder Kumar Nagar

Managing Director

A seasoned healthcare leader with distinguished academic credentials, Dr. Nagar serves as the Founder and Managing Director of Paras Healthcare. He holds an EMP from Harvard Business School and specialises in Healthcare Management & Health Systems Administration from Imperial College, London. He's also an M.Phil from BITS Pilani and an MBBS graduate from Mysore Medical College. He currently holds the position of Chairman for CII North India and was the Ex-Chairman of PHDCCI.

Padmashri Dr. VS Mehta

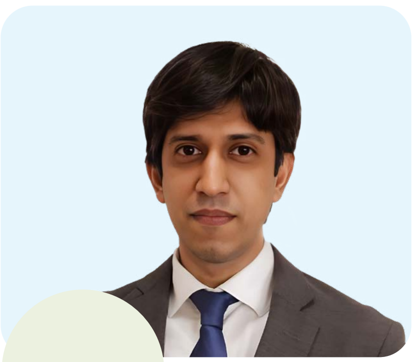
Director

An acclaimed neurosurgeon, Dr. Mehta chairs the Paras Institute of Neurosciences and has over 40+ years of experience in the field. He's an M.Ch. in Neurosurgery from AIIMS New Delhi and previously served as the Chief of Neurosurgery at the same prestigious institution.

Dr. Kapil Garg

Whole Time Director

With more than 3 decades in the hospital sector, Dr. Garg serves as the Whole Time Director and leads Projects, Strategy, and Business Intelligence at Paras Health. He has held influential roles at Apollo, Fortis, Escorts, Columbia Asia, and Sir Gangaram Hospital. He holds an MBBS and an MHA.



Mr. Kabir Kishin Thakur

Director

An esteemed Nominee Director at Paras Health, Mr. Kabir Thakur is currently serving as the Sr. Managing Director at Creador. His past associations include Chrys Capital and Citibank. He holds an MBA and a Bachelor's degree in Commerce, both from Bombay University.

Mr. Ramesh Abhishek

Independent Director

An Independent Director at Paras Health and an ex-IAS officer, Mr. Ramesh Abhishek is a recognised leader who served as the Former Secretary of DIPP. He has been instrumental in spearheading initiatives like "Make in India", "Start up India", and "Invest India". He holds a Masters in Public Administration from Harvard Kennedy School, Boston, and a Masters in International Politics from JNU, New Delhi.

Mr. Saurabh Sood

Independent Director

An Independent Director at Paras Health, also serves as the President & Country Head at GATX. His previous roles include Infrastructure Finance Head for India, Middle East, and Africa at GE, and Associate Director at Lazard. He is a Chartered Accountant and holds a degree in Economics (Hon.) from Shri Ram College of Commerce, University of Delhi.

Our Leadership Team

Dr. Dharminder Kumar Nagar

MD and Founder

- Chairman at CII North Healthcare
- Ex-Chairman at PHDCCI
- Completed EMP from Harvard Business School; M.Phil from BITS Pilani and MBBS from Mysore Medical College
- Has done Healthcare Management & Health Systems Administration, Imperial College, London

Dr. Kapil Garg

Whole Time Director

- Director - Projects, Strategy and Business Intelligence
- 25+ years of experience with Apollo, Fortis, Escort, Columbia Aisa and Sir Gangaram Hospital
- Completed MBBS, Patiala and MHA, Jaipur

Dr. Santy Sajan

Group COO

- 30+ years of experience in healthcare
- Previously worked as COO and CEO at Aster DM and as COO at Apollo Hospitals (Chennai Cluster)
- M.B.A Business of Medicine & Medical Services Management from Johns Hopkins University
- PhD from Catholic University of America

Mr. Dilip Bidani

Group CFO

- 35+ years of experience across industries
- Previously with Dr Lal PathLabs, Max Healthcare, Unilever India, ICI India
- Chartered Accountant and MBA from IIM Ahmedabad

Dr. Shashank Teotia

Group HR

- Worked previously at Lead School, Lime Road and Max Life Insurance
- PhD (Philosophy), FMS Delhi; MBA, Symbiosis University, Pune
- Masters (Labour Law), Symbiosis Law College

Mr. Vineet Aggarwal

CIO

- Formerly at SRL Diagnostics and Indus Towers
- 18+ years of experience in IT Strategy, Innovation and security
- BE (Computer Science), MD University
- MDP (Enterprise solutions), IIM Ahmedabad

Governance

At Paras Health, we believe that a framework of strong governance is vital for ensuring efficient operations, complying with regulations, mitigating legal risks, and building trust among our patients and all stakeholders. All the checks and balances we put in place to ensure that our business runs smoothly, meets its objectives, and abides with all the local applicable governing laws.

To ensure adherence to the stringent healthcare industry regulations in India, we employ a comprehensive statutory compliance checklist, employing a systematic approach to manage the risk of legal claims and regulatory actions effectively. Compliance with other laws, including labour laws, competition law, and environmental laws, is maintained using the same rigorous system. Our key Governance Policies are Statutory Compliance, Internal Financial Control, Internal Audit, Clinical Excellence Review, Service Excellence Review and policies decision.

On the subject of corruption prevention, we uphold a strict Whistleblower Policy, ensure internal vigilance, and closely monitor all forms of communication. Currently, there are no corrective actions or penalties from regulators or law enforcement on issues related to corruption or conflicts of interest.

KEY FUNCTIONS

Establishment and re-definition of corporate vision, mission, and purpose

Creation and monitoring of the organisational strategic plan

Providing insightful financial oversight

GOVERNANCE FRAMEWORK

The Corporate Governance framework involves senior management and Board of Directors through various committees, including the Risk Management Committee, Audit Committee and the Risk Management Committee, and through strict reporting and compliance protocols. Moreover, our board of directors oversees key governance policies, including a Code of Conduct, Risk Management Policy, Whistle Blower Mechanism , among others. This solid framework underpins our hospitals' operations, promoting transparency, integrity, and effectiveness.

We have a good mix of Directors including 2 Independent Directors out of 6 with diversified experience in Healthcare, Finance and administration to guides the Company for a better Governance.

OUR PROCESS AND PRACTICES

Legal Claims Mitigation

Our approach to mitigating legal claims involves following evidence-based practices and providing mandatory indemnity insurance for all our consultants. This method ensures a reduction in potential legal issues and offers a secure environment for our staff.

Compliance Mechanism

The hospital operates under a strong compliance tracking mechanism. All statutory licenses are being in place and are updated periodically and respective compliances are adhered to in timebound manner, and labour laws are diligently followed by our HR department in accordance with the laid down regulations.

Incident Management

Our incident management process involves reporting, investigation by a designated committee, issuance of Show Cause Notices to the alleged party, and a Zero Tolerance Policy for any non-compliance or violation.

Strategic Decision Making

Our Senior Management, with input and approval from the Board of Directors, develops and implements strategies that support and achieve long-term objectives and policies.

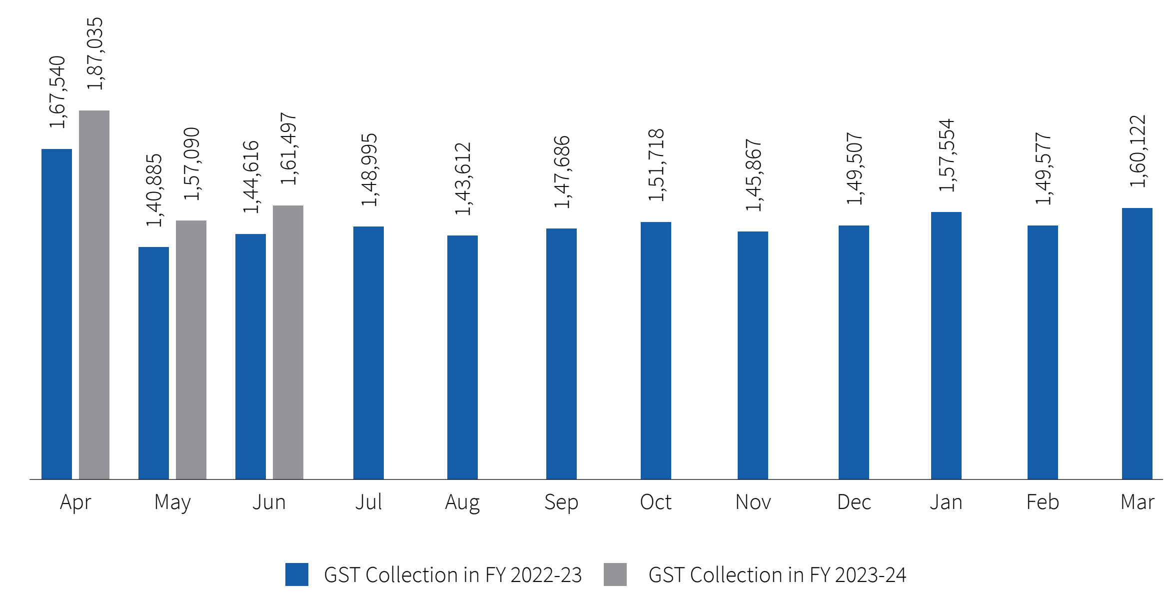
Management Discussion and Analysis

PARAS HEALTH

The Indian economy showed resilience during the pandemic and made even greater strides emerging out of it. India recorded strong economic indicators, which were in part supported by a favorable domestic economic policy environment and by the global economic forces. While the domestic GDP is expected to grow by 7.2% over 2022-23 (the same grew by 8.7% over 2021-2022), the International Monetary Fund expects India to grow by 5.9% in FY23-24 and by an average rate of 6.1% over the next five years.

India's growth story is driven primarily by two factors, domestic consumption – especially by the ever increasing upper-middle class population - and international capital investments. Strong GST and direct tax collections, increase in credit off-take across industries, increase in consumer credit per capita, and a strong PMI indicates the optimistic stance of the business in general.

TRENDS IN GST COLLECTION (₹ IN CRORE)



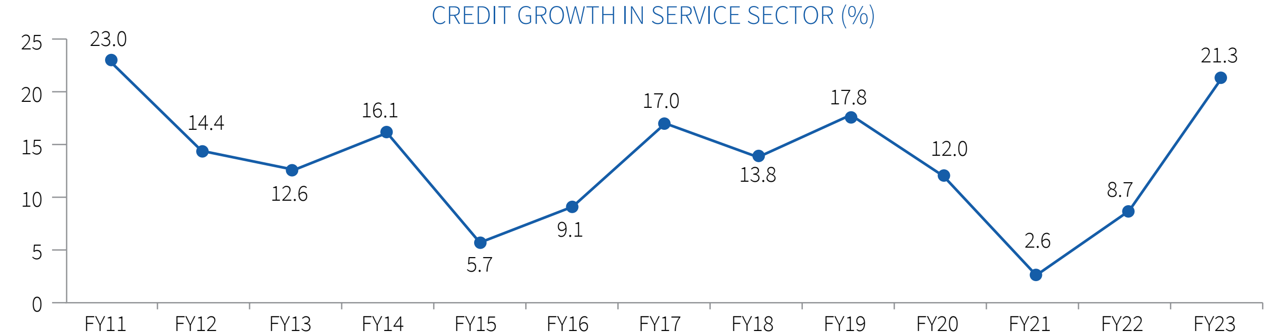
(Source - Ministry of Finance-Trends in GST collection)

FDI inflow in hospital & diagnostic centres (In USD Million)

2,163	5,644	161%
April 2006 to March 2014	**April 2014 to March 2022**	**Growth %**

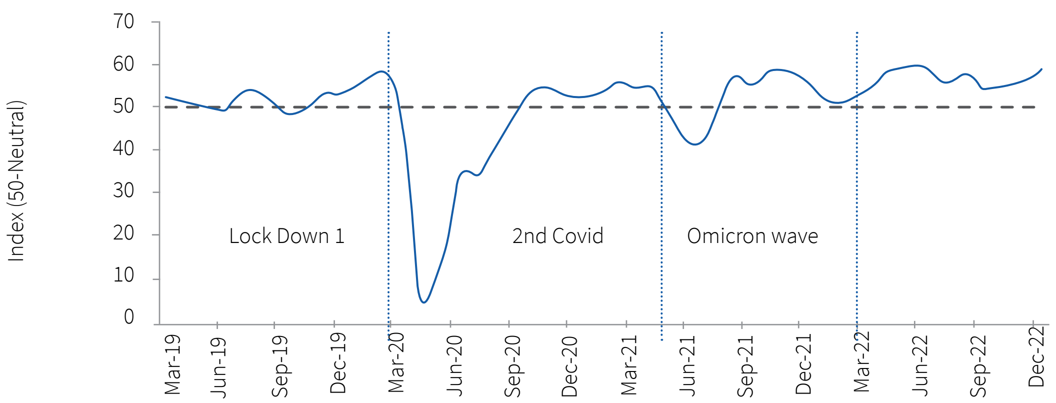
(Source - Ministry of Commerce & Industry- FDI inflow in Hospital &diagnostic centres)

CREDIT GROWTH IN SERVICE SECTOR (%)



(Source: RBI)

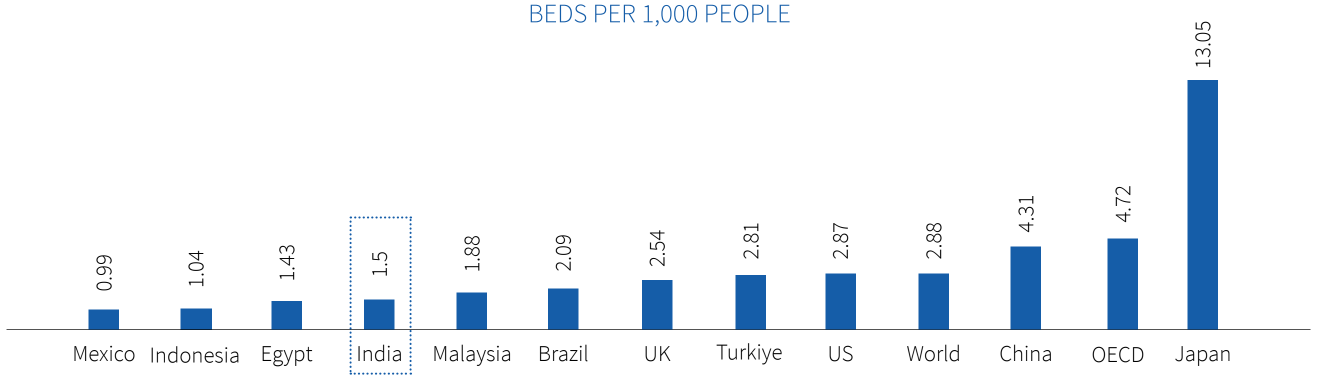
PMI FOR INDIA IN SERVICE SECTOR



(Source- Economic Survey)

India is recognised as one of the leading emerging economies on the global stage, with a substantial percentage of its population aged between 15 and 29 years, accounting for 27.3 percent. Nevertheless, despite this demographic advantage, India still falls short in comparison to its international peers when it comes to healthcare spending and infrastructure. In India, the hospital bed ratio stands at 1.5 beds – of which only 30% are in rural areas; the global average among OECD countries stands at 4.7 beds. This shortfall is further amplified when compared with global peers, which observed a median hospital bed ratio of 2.3. In fact, India's ratio fell short of the median of its emerging market (EM – Mexico, Indonesia, Egypt, Malaysia, Brazil, Turkiye and China) peers, which recorded a ratio of 1.88.

BEDS PER 1,000 PEOPLE

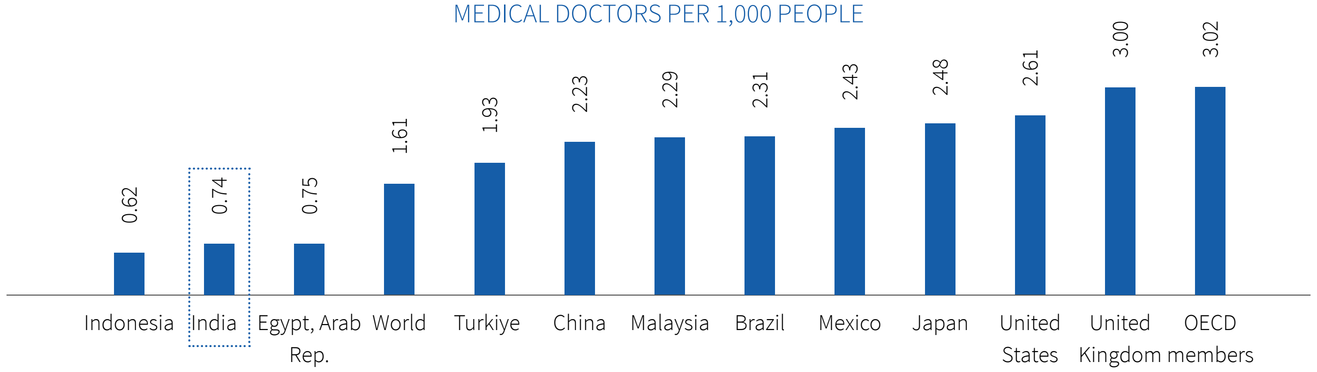


Note: India bed density is estimated by CRISIL Research for 2023. All countries data is last reported by WHO.

Source: World Health Organisation Database, CRISIL Research April 2023

Another startling metric highlighting India's subpar capacity to deal with the nation's healthcare requirements is the doctor to people ratio. WHO guideline recommends ~11 doctors per 10,000 people. However as reported by a WHO World Health Statistics 2022, India currently operates at ~7 doctors per 10,000 people. This is well below the WHO guideline and the average of 22.3 recorded by its EM peers, 22.9 recorded by its global peers and 16.1 for the entire world. As per the Indian Journal of Public Health, India needs 20 Lakh doctors by 2030 in order to sufficiently cater to the medical needs of the country.

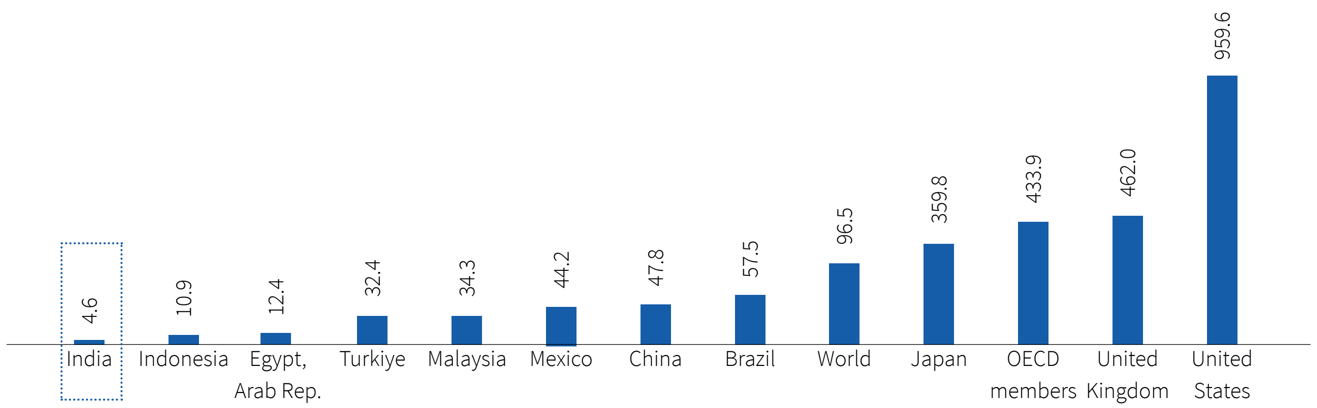
MEDICAL DOCTORS PER 1,000 PEOPLE



Source: WHO World Health Statistics 2022

The shortfall outlined above can be attributed to the low health expenditure per capita of ₹4,643 in India, whereas the average for its emerging market peers (excluding South Korea) stands at ₹~35,000.

INR ('000) HEALTHCARE EXPENDITURE PER CAPITA



While the current statistics highlight the deficiencies in India's healthcare system, they also stress on the potential operational and economic upsides available in the sector. In 2021-22 and 2022-23, the government allocated only 2.2% and 2.1% of the GDP respectively. The sector grew by a 22% CAGR over 2016 - 2022 and is expected to reach $367 Bn by 2023 and $638 Bn by 2025[a,b]. Some of the key drivers of this exponential increase are:

- **A significant number of people in India are expected to step into the 35+ cohort over the next two decades**. India is a young country. In 2020, ~44% of India's population was below 25 years of age, ~27% of the population was below 15 years of age and 52% of the population was below the age of 30. However, in the coming two decades, we will see a population of ~22 crore step into the age group of 35 to 45 years of age. This, combined with the population currently in the cohorts higher than 40 years of age, puts significant pressure on the existing domestic healthcare infrastructure and makes a strong case for heavy investments in the healthcare sector today. Another consideration is that ~17 Crore of the domestic population is over the age of 60. As per studies, 55% of this cohort suffers from chronic illnesses and 27% of the cohort (~ 4.5 Cr individuals) suffers from multiple morbidities. The current government and private investments in the sector, when extrapolated, would seem miniscule in comparison to the financial and operational pressures that would be generated as a result of age and NCD occurrences.

- **Increase in Non-Communicable Diseases (NCDs)** that are lifestyle driven, such as diabetes, hypertension and their associated complications. NCD related fatalities have increased from ~38% to ~62% in India (by 2022) and its occurrence is recorded at ~12%. Moreover, NCDs are most prevalent among people in the cohort of 26-59 years of age, which is worrisome as ~44% of the population is Between 25-59 years of age. In fact, an additional ~25 Crore individuals, currently between the ages of 15-24 will join the NCD prone cohort of ages 25-59, further stressing on the need for better access to healthcare.

- **Increased inclusion under insurance has led to an increase in footfall recorded across hospitals.** This trend is expected to contribute an even higher voluntary footfall as people across cohorts start opting for preventive health checks and elective procedures. Although only 51 crore (~35%) people were covered under health insurance in 2021, the combined offerings of public and private insurance offers coverage to over 70% of the population. Moreover, insurance now even covers procedures like surrogacy based on a directive by IRDAI. Further policy driven inclusions for citizens and senior citizens will help drive an increase in the number of people seeking better quality healthcare services.

- **Availability of and access to a network of private hospitals offering high operating capacity and advanced medical practices coupled with a general awareness of medical health.** In 2019, it is estimated that India had ~69,000 hospitals, of which only ~26,000 were public Government hospitals. Private hospitals have in the past proved to be effective force-multipliers and gap-fillers, however this is now a fleeting fact as over the last 10 years, private hospitals are now the primary care providers across many regions, as private hospitals have started expanding their reach into regions not addressed effectively by government hospitals. Aside from expanding into the usual urban areas, hospitals are now venturing into smaller/outlying cities that have displayed a significant demand for medical services. Over 70% of India's population resides in smaller or non-urban regions – with at least 50% of the population still in small towns. As a proxy we can refer to the fact that, in 2021, hospital supplies demand increased by 29% in Tier-I cities, while it increased by 76% in Tier-II cities. Furthermore, the government has also developed 6 AIIMS in these semi-urban/non-urban areas, this along with access to the internet has opened up the field to not just hospitals but to the health startup ecosystem as well.

All demographic data is from NFHS-5 report

(a) Indian Brand Equity Foundation, 2023 HEALTHCARE INDUSTRY REPORT

(b) India Breifing, An Overview of India's Healthcare Ecosystem 2022)

- **Increase in off-take of preventive check-ups by the general populace, resulting in swifter diagnosis and treatment(s), which are often lifelong.** The preventive checkups have been driven by increased awareness and even tax incentives for preventive health checkups facilitated by active marketing efforts from pathology labs offering cost effective bundled packages. While pathology service providers increase operational purchases by 27%, we expect this to translate into a higher demand for healthcare services across the nation.

GOVERNMENT INITIATIVES

Through various government initiatives, India is making certain strides in improving public health, enhancing access to healthcare services, and trying to ensure financial protection for its citizens. Given the population of India, the Indian government is begining to place emphasis on public health. The government has earmarked INR 88,956 crores for health expenditure in the Union Budget 2023-24. Although not significant given the current and anticipated demand, it sets the stage for and validates the concept of an increase in investment in the sector.

The government has increased health expenditure by 2.71% over the last fiscal year.[2]

Additional initiatives include:

- Revised National TB Control Programme (RNTCP)
- Creation of Ayushman Bharat Health accounts (ABHA) under Ayushman Bharat Digital Mission (ABDM)
- Implementation of digital health services under ABDM, such as e-Sanjeevani and the 'Scan and Share' service
- Ayushman Bharat - Pradhan Mantri Jan Aarogya Yojana (AB-PMJAY)
- Ayushman Bharat Health Infrastructure Mission (PM-ABHIM)

Medical tourism in India

Efforts to bolster India's healthcare industry have made it a major hub for medical tourism, ranking 10th in the 2020-21 Medical Tourism Index[3]. Factors driving this include the growth of Medical Value Travel (MVT), government initiatives providing customs duty relaxation on medical equipment purchases funded by MVT, affordable treatment costs, and the availability of skilled medical professionals and advanced technology. To facilitate medical tourism, the government has streamlined travel and visa procedures, offering e-medical visas to patients from 156 countries[4]. These steps position India to further strengthen its global standing in medical tourism and pit it as a strong contender among countries with strong medical tourism offerings.

Technology

Mirroring global trends, India's health-tech industry has seen exponential growth, becoming a dominant segment within the healthcare sector; it is projected to reach $50 billion by 2050[1]. As the industry evolves it is expected to shape India's healthcare future, enhancing accessibility, affordability, and driving positive patient outcomes. The integration of digital technologies into healthcare is not just transforming service delivery, but also ensures efficient, patient-centric care. Technology has and will continue to have an impact on the operational and final delivery capabilities of the healthcare sector. Some of its obvious entrenchments within the sectors are:

- **Telemedicine:** without doubt one of the most critical yet subtle impacts. This implementation is more than just teleconsultations, the market for which is expected to grow to $836 Mn by 2024. Telemedicine offers a more connected healthcare ecosystem, offering physicians access to health records, patient vital statistics and offers life- saving information, guidance and connectivity to ambulatory or golden hour services.
- **Electronic Health Record Systems:** Health records Systems offer physicians access to critical patient information that allows for informed medical decisions within a shorter turnaround time.
- **Big Data:** High quality medical data available to institutions has tremendous implementation opportunities, opportunities that would drive early detection, diagnosis, accurate treatment and prevention of multiple ailments. Deriving statistical insights reflective of the local populations across regions and in the country as a whole would open unlimited possibilities in the realm of high-quality healthcare.

Hospitals are at the forefront of technical implementation as they are a platform for direct interaction with patients, capable of acquiring high quality data. Furthermore, the implementation of technology in administrative and medical operations would help units achieve higher success rates owing to lower turnaround time, better information protocols and prompt response capabilities. Paras Health recognized this and has taken relevant and resource intensive steps to integrate technology in its regular operative, administrative and medical functions. We have already implemented a platform that offers synergies across Patient Experience, Clinical Excellence and Administrative Operations. The overall approach will help us in providing personalized healthcare, driving better patient outcomes and medical compliance.

The implementation to date and beyond follows a specific roadmap over the next three years:

[1]Ministry of Health and Family Welfare, India is set to become the global hub of medical technology and devices with the market size estimated to reach US$ 50 billion by 2050 2023

[2]Invest India, India's Healthcare Industry: Navigating the Road to 'Health for All' on World Health Day 2023

[3]Government of India, National Strategy and Roadmap for Medical and Wellness Tourism 2022

[4]Government of India - Rajya Sabha, MEDICAL TOURISM RISE IN THE COUNTRY 2022

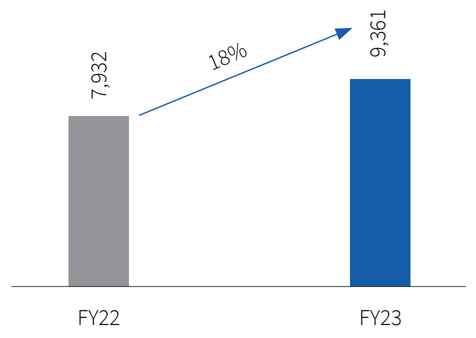
FINANCIAL RESULTS OF PARAS HEALTH (CONSOLIDATED)

(All amounts are in INR Million)

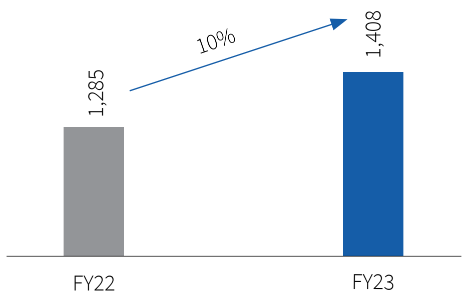
Particulars	For The Year Ended 31st Mar'23	For The Year Ended 31st Mar'22
Income		
Operating Revenue	9,179	7,799
Other Income	181	132
Total Income	**9,361**	**7,932**
Expenses		
Purchase of medical drugs	2,415	2,078
Changes in inventories of medical drugs	(51)	(24)
Employee benefits expenses	1,336	1,000
Other expenses	4,252	3,592
Depreciation and Amortisation expense	655	514
Fair value changes on financial instruments	531	459
Finance costs	492	315
Operating Profit	(271)	(3)
Operating Profit Margin (%)	(2.9%)	(0.0%)
EBITDA	1,408	1,285
EBITDA Margin (%)	15.0%	16.2%

FY23 Audited Results Vs FY22 Audited Results

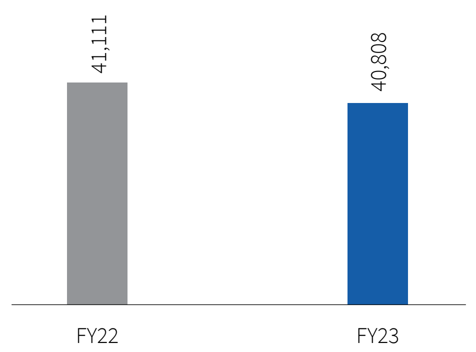
Total Income (INR Mn)



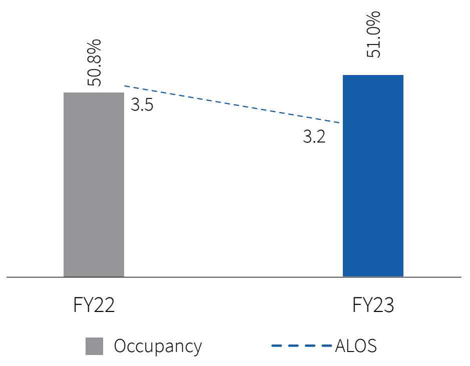
EBITDA (INR Mn)



Blended ARPOB (INR)



Occupancy (%) **and ALOS** (Days)



FY23 AUDITED RESULTS VS FY22 AUDITED RESULTS

Total Income: Total income increased from ₹7,932 Mn to ₹9,361 Mn in FY23, an increase of 18%.

- Revenue from Operations increased from ₹7,799 Mn to ₹9,179 Mn in FY23, an increase of 17.7%. This increase was mainly driven by an increase in total IPD volume (29%) and OPD consults (21%), and partially offset by lower realisations. ARPOB was largely at similar levels as the previous year, mainly due to payor mix and case mix.

Consumption of Medical Drugs (net of changes in Inventory) increased from ₹2,054 Mn to ₹2,364 Mn, an increase of 15%. The increase is lower than the increase in Revenue, indicating improved purchase efficiencies and optimized utilization of drugs and consumables.

Employee Benefits Expenses increased from ₹1,000 Mn to ₹1,336 Mn in FY23, an increase of 33.5%. This increase was driven by a ramp up of operations and headcount at our Gurugram, Ranchi and Panchkula Units.

Other expenses increased from ₹3,592 Mn to ₹4,252 Mn in FY23, an increase of 18%. This increase was driven by a higher count of consulting doctors and in their associated costs. The increase was primarily in our Ranchi Unit, which is still in the growth and ramp up phase.

Finance Costs went up from ₹315 Mn to ₹492 Mn in FY23, an increase of 56%. The cost was driven by an increase in debt by ₹1,807 Mn over the course of FY23. The debt was used for investments in Property Plant and Equipment (PPE) and towards new projects worth ₹1,129 Mn and increase in working capital by ~₹492 Mn.

Depreciation & Amortization Expenses increased to ₹655 Mn in FY23 from ₹514 Mn in FY22, an increase of 27%, due to increase in fixed asset base.

Gross debt at end of FY23 was ₹3,947 Mn against ₹2871 Mn in FY22, the ~₹1,807 Mn increase was towards PPE acquisition and new projects. Net debt stood at ₹2,330 Mn (FY22 0.12x) and Net Debt to EBITDA was 1.7x for the same period.

Risk Management

The Company has a Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels. The framework seeks to categorise risks on the basis of their financial impact and likelihood of occurrence. Risk management forms an integral part of the Company's operations.

To formalize the above, we have formed an Audit Committee and a Risk Management Committee to oversee and further strengthen the overall risk management and governance standards.

Directors' Report

To,
The Members,
Paras Healthcare Private Limited ('Company')

Your Directors take pleasure in presenting the Thirty Sixth (36th) Board's Report on the Business and Operations of your Company along with the Audited Financial Statements (Ind-AS) (Standalone and Consolidated) and Auditor's Report for the Financial Year ended March 31, 2023 ('FY 2023').

FINANCIAL RESULTS & SUMMARY

The Company's performance (Standalone and Consolidated) during the financial year ended March 31, 2023 as compared to the previous financial year provided hereunder:

(All amounts are in INR. Million)

S. No.	Particulars	Standalone		Consolidated	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	Revenue from Operations	8,789.16	7,760.62	9,179.20	7,799.24
2	Other Income	258.54	173.36	181.33	132.48
	Total Income	**9,047.70**	**7,933.98**	**9,360.52**	**7,931.73**
3	Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	1,592.81	1,376.39	1,407.62	1,285.16
4	Fair value changes on financial instruments	531.48	458.64	531.48	458.64
5	Depreciation/ Amortization/ Impairment	513.82	479.47	654.78	514.13
6	Profit /loss before Finance Costs, Exceptional items and Tax Expense	547.50	438.28	221.35	312.39
7	Finance Costs	383.86	237.51	491.89	315.22
8	Profit /loss before Exceptional items and Tax Expense	163.65	200.77	-270.53	-2.83
9	Exceptional items	0.00	-33.34	0.00	-33.34
10	Profit /loss before Tax Expense	163.65	234.11	-270.53	30.51
11	Tax Expense (Current)	204.79	184.04	204.78	184.04
12	Tax Expense (Deferred)	-47.38	-9.51	-47.39	-9.51
13	Previous year Taxes	0.00	4.06	0.00	4.06
14	**Profit/Loss for the year (1)**	**6.24**	**55.52**	**-427.92**	**-148.08**
15	Total Comprehensive Income/loss (2)	-2.06	-1.83	-2.11	-2.05
16	**Total (1+2)**	**4.18**	**53.69**	**-430.03**	**-150.13**
17	Surplus (Loss) B/F from previous Balance Sheet	1,180.60	1,125.07	629.76	777.84
18	Less: Transfer to Reserves	-	-	-	-
19	Less: Dividend paid on Equity Shares	-	-	-	-
20	Less: Dividend Distribution Tax	-	-	-	-
21	Balance carried forward	1,186.83	1,180.60	201.84	629.76

REVIEW OF OPERATIONS

Your Company has continued its efforts towards improving the value proposition for its patients and general public. During the year under review, your Company continued to focus on patient care and safety while achieving growth and taking development initiatives across various facets of the organization. Hospital management continues to focus on good clinical outcomes through stringent medical audits, surveillance and ethical practices. Their efforts have paid off and resulted in all round growth of the organization.

During the year under review, focused outreach programmes in both domestic and international markets have taken the brand **'Paras Health'** forward. There has been no change in the nature of business of your Company and your Company plans to further develop newer domestic and international avenues for growth supported with additional clinical programmes

During the year your Company had participated in an E-auction by Haryana State Industrial and Infrastructure Development Corporation Limited ("HSIIDC") for allotment of an Institutional Site at Tech Park Panchkula, Haryana for the purpose of other institutional uses (including hospital) and emerged as a successful bidder. We have acquired and registered the said land. This land will support us in our future expansion plans in Panchkula

Pursuant to the expansion plans, by adding more specialties and beds your company acquired 100% stake in Plus Medicare Hospitals Private Limited, which owns the land and building of Udaipur Hospital. Accordingly, as per the agreement, Plus became a subsidiary of your company w.e.f. October 01, 2022.

The Board is also pleased to inform the Members that effective from March 18, 2023, the Company has re- launched its Brand as PARAS HEALTH to give a more contemporary outlook and to align with our Values. The Company had applied for the registration of Trademark for the new logo during the year.

CHANGE IN THE NATURE OF THE BUSINESS, IF ANY

During the FY 2023, there was no material change in the nature of business.

MATERIAL CHANGES AND COMMITMENTS,

As required under Section 134(3) of the Act, there have been no material changes and commitments affecting the financial performance of your Company which occurred between the end of the financial year of the Company, to which the financial statements relate, and date of this report, except as disclosed elsewhere in report:

- In the nature of Company's Business, and
- In the Company's Subsidiaries or in the nature of business carried out by them.

SHARE CAPITAL

Authorized Share Capital

During the FY 2023, there is no change in the Authorised Share Capital of the Company.

Issued, Subscribed and Paid Up Share Capital

During the FY 2023, there is no change in the Issued, Subscribed and Paid up Capital.

DIVIDEND AND TRANSFER TO RESERVES

During FY 2023, the Company has made a Net Profit of INR. 6.24 Million. As your Company is in expansion mode, in order to conserve resources, the Board of Directors have not recommended any dividend for the year. Further it may be noted that it is not proposed to transfer the profits to any Reserves.

PUBLIC DEPOSITS

Your Company has not accepted any deposits from the public, during the year under review, within the meaning of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014, and no amount of principal or interest on deposits from the public was outstanding at the beginning and end of FY 2022-23.

BUY BACK OF SECURITIES

During the FY 2023, your Company has not bought back any of its securities.

SWEAT EQUITY

During the FY 2023, your Company has not issued any Sweat Equity Shares.

BONUS SHARES

During the FY 2023, your Company has not issued any Bonus Shares.

EMPLOYEES STOCK OPTION PLAN

During the FY 2023, your Company has not provided any Stock Option to the employees. Further, there is no Employee Stock Option Scheme approved by the Shareholders of the Company.

MATERIAL CHANGES DURING THE YEAR, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

During the reporting period, there has been no Material Changes affecting the Financial position of the Company.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loan Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013, have been disclosed in relevant note of the Standalone Financial Statements forming an integral part of the Annual Report. During the year the Company has also given Corporate Guarantee in favour of lenders for the loans availed by its wholly owned subsidiaries.

PARTICULARS OF HOLDING, SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

As on March 31, 2023, your Company has two (2) Wholly-owned Subsidiary(s) Company(s):

1. **Paras Healthcare (Ranchi) Private Limited ('PHRPL')**, was incorporated on December 29, 2017, as a wholly-owned subsidiary of the Company with corporate identity no. U85110HR2017PTC072032.
2. During the year under review, your company acquired **Plus Medicare Hospitals Private Limited ('PMHPL)**, which was incorporated on March 11, 2011, with corporate identity no. U85110RJ2011PTC034492 and became a Wholly Owned Subsidiary w.e.f. October 01, 2022 after acquisition of the Shareholding.

Pursuant to the provisions of Section 129(3) of the Act, 2013 and Ind - AS 110 issued by the Institute of Chartered Accountants of India, the Consolidated Financial Statements of the Company have been prepared including the financial statements of its subsidiary company(s), which forms an integral part of this Report. A statement containing the salient features of the financial statements of the subsidiary company(s) and their performance is provided in Form AOC-1 which is attached as **'Annexure – A'** to this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The disclosure of Related Party Transactions under Section 188(1) of the Act forms part of financial statements in Form AOC-2 which is attached as **'Annexure – B'** to this report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Composition of Board of Directors: The Company has a professional Board with right mix of knowledge, skills and expertise with an optimum combination of executive, non-executive and independent Directors.

As on March 31, 2023, the Company's Board is comprised of six (6) Directors, of which two (2) are Executive Directors, two (2) are Independent Non-Executive Directors and two (2) are Non-Executive Directors, namely:

S. No.	Name of Director	Age	DIN	Designation & Category	Attendance at Meetings			Other number of Directorship	No. of Equity Shares held
					No. of Board Meetings		Last AGM Attended		
					Held during tenure	Attended			
1.	Dr. Dharminder Kumar Nagar	53	00332135	Managing Director - Promoter & Executive Director	4	4	Yes	0	36,75,962
2.	Dr. Kapil Garg	52	01475972	Whole-time Director - Executive Director	4	4	Yes	4	1
3.	Dr. Veer Singh Mehta	73	07084152	Non-Executive Director	4	3	No	0	Nil
4.	Mr. Ramesh Abhishek	63	07452293	Independent Non-Executive Director	4	4	No	9	Nil
5.	Mr. Saurabh Sood	54	03205955	Independent Non-Executive Director	4	4	No	1	Nil
6.	Mr. Kabir Kishin Thakur	42	08422362	Non-Executive Director	4	4	No	4	Nil

Changes in the Board of Directors: No changes occurred in the composition of Board during the FY 2023.

Declaration by Independent Directors: Pursuant to the provisions of Section 149 of the Act, the Independent Directors of the Company have given their declarations to the Company that they meet the criteria of independence as provided under Section 149(6) of the Act read along with Rules framed thereunder and are not disqualified from continuing as an Independent Director of the Company. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

Based on the disclosures received, the Board is of the opinion that, all the Independent Directors fulfil the conditions specified in the Act and are independent of the management. Further, in compliance with Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA).

Key Managerial Personnel (KMP) - Appointment and Resignation: In terms of Section 2(51) and Section 203 of the Act read with the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, Dr. Dharminder Kumar Nagar, Managing Director, Dr. Kapil Garg, Whole-time Director, Mr. Dilip Bidani, Group Chief Financial Officer and Mr. Rahul Kumar, Company Secretary are the KMP as on 31st March 2023.

Further, w.e.f. 30th May 2022, Mr. Mohd. Shahid resigned from the post of Company Secretary and Mr. Rahul Kumar has been appointed as Company Secretary w.e.f. 5th July 2022. Further, w.e.f. 04th February 2023, Mr. Debajit Sensharma, has resigned from the post of Chief Financial Officer and Mr. Dilip Bidani has been appointed as Chief Financial Officer, w.e.f. 01st March 2023 by the Board of Directors.

BOARD & COMMITTEE MEETINGS:

Meetings of the Board of Directors: The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. A tentative annual plan of the Board and Committee Meetings is discussed with the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by way of Board Meeting through shorter notice or by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

During the year under review 4 (Four) Board Meetings and 1 (One) Adjourned Meeting were convened and held on following dates namely:

S. No.	Date of Meeting	Total No. of Directors associated as on date of Meeting	Attendance	
			No. of Directors attended	% of attended
1	July 05, 2022	6	5	83.33
2	September 23, 2022	6	6	100
3	September 30, 2022*	6	6	100
4	December 27, 2022	6	6	100
5	March 01, 2023	6	6	100

The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceed 120 days except the meeting held on July 05, 2022 with a slight delay of 20 days which exceeded the gap of 120 days.

**Meeting held on September 23, 2022 was adjourned to September 30, 2022, where the remaining agenda items were taken up.*

COMMITTEE MEETING:

Corporate Social Responsibility: In terms of Section 135 of the Act and Companies (Corporate Social Responsibilities Policy) Rules, 2013, the Corporate Social Responsibility ('CSR') Committee of Board of Directors was constituted to recommend the CSR Policy of the Company indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, recommending the amount of expenditure to be incurred on such activities once the Company meets the profitability criteria prescribed under the Rules and monitoring the CSR Policy of the Company from time to time.

The CSR Committee reviews and oversees the Corporate Social Responsibility initiatives of the Company and all other matters specified under the Act or any other role as may be prescribed by the law or by the Board of Directors from time to time.

Composition, Meetings and Attendance

During the FY 2023, the CSR Committee met once on April 19, 2022.

The Composition of the CSR Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the tenure	No. of meetings attended
1.	Dr. Dharminder Kumar Nagar	Chairman	Managing Director - Promoter & Executive Director	1	1
2.	Dr. Kapil Garg	Member	Whole-time Director - Executive Director	1	1
3.	Dr. Veer Singh Mehta	Member	Non-Executive Director	1	1
4.	Mr. Saurabh Sood	Member	Independent Non-Executive Director	1	0

In terms of Section 135 of the Act read with Rule 8 of the CSR Rules as amended from time to time, the Annual Report on CSR Activities undertaken by the Company during FY 2023 is annexed herewith as **'Annexure – C'** to this Report.

It is further informed to the Members that the Board of Directors of the Company in their meeting held on 28th June 2023 has approved the constitution of Audit Committee and Risk Management Committee with the following composition:

AUDIT COMMITTEE

Composition, Meetings and Attendance: The Composition of the Audit Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Saurabh Sood	Chairman	Independent Non-Executive Director	NA	NA
2.	Dr. Kapil Garg	Member	Whole-time Director - Executive Director	NA	NA
3.	Mr. Kabir Kishin Thakur	Member	Non-Executive Director	NA	NA

RISK MANAGEMENT COMMITTEE

Composition, Meetings and Attendance: The Composition of the Risk Management Committee along with number of meetings and attendance details are as follows:

S. No	Name of the Committee Member	Designation	Category	No. of meetings held during the tenure	No. of meetings attended
1.	Mr. Ramesh Abhishek	Chairman	Independent Non-Executive Director	NA	NA
2.	Dr. Dharminder Kumar Nagar	Member	Managing Director - Promoter & Executive Director	NA	NA
3.	Dr. Kapil Garg	Member	Whole-time Director - Executive Director	NA	NA
4.	Mr. Dilip Bidani	Member	Group CFO	NA	NA

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act, your Directors, to the best of their knowledge and belief and according to the information & explanations obtained by them, confirm that:

a) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;

b) the Directors had 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 as on March 31, 2023 and of the profit and loss of the Company for the period ended on that date;

c) the Directors had taken proper and sufficient care for 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;

d) the Directors have prepared the annual accounts on a going concern basis;

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

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

AUDITORS:

a) Statutory Auditors

The auditors, **Walker Chandiok. & CO. LLP, Chartered Accountants**, having Firm's Registration no: 001076N/N500013 were appointed as the Statutory Auditors of the Company at the Annual General Meeting ("AGM") held on October 23, 2020 for a term of 5 (Five) consecutive years i.e. to hold office from the conclusion of the 33rd AGM till the conclusion of the 38th AGM.

The report of the Statutory Auditors forms part of the Annual Report. The said report is self-explanatory and does not contain any qualification, reservation, adverse remarks or disclaimer.

b) Internal Auditors

The Board of Directors of your Company have appointed Ernst & Young LLP, Chartered Accountants as the Internal Auditors of the Company on December 27, 2022 for a term of further 3 (three) Financial Years starting from FY 2023-24 till FY 2025-26.

c) Cost Auditors

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Board of Directors of the Company has approved the appointment of **M/s. Jitender, Navneet & Co., Cost Accountants** as the cost auditors of the Company for the year ending March 31, 2023.

d) Secretarial Auditors

As per provisions of Section 204(1) of the Companies Act 2013 Rule 9 of the Companies (Appointment and Remuneration personnel) Rules 2014 and other applicable provisions if any of the Companies Act 2013, the Board of Directors of the Company has approved the appointment of **M/s. Faraaz Shamsi & Associates, Company Secretaries** as Secretarial Auditors of the Company for conducting a Secretarial Audit of the Company for the financial year ending March 31, 2023. The Secretarial Auditors' Report in the prescribed form MR-3 for FY 2023 is annexed herewith as **'Annexure – D'** to this Report.

Explanation on Audit Observations

During the year under review there have not been any qualifications, reservations, adverse remarks or any disclaimers by the Statutory Auditors. Moreover, the notes to Accounts referred to in the Auditors Report are self-explanatory and therefore do not call for any further comments.

Further, there was a gap of more than 120 between 2 Board Meetings with a slight delay of 20 days. The delay was caused inadvertently.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the Annual Report referred to in Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended March 31, 2023 is available on the Company's website at https://www.parashospitals.com/about-us/investors.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **"Annexure - E"** to this report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Securities and Exchange Board of India vide its circular dated May 10, 2021, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred as 'SEBI Regulations') made BRSR mandatory for the top 1,000 listed companies (by market capitalization) from FY 2023 in respect of reporting on ESG (Environment, Social and Governance) parameters in the format specified by Securities and Exchange Board of India.

Your Company being a Private Limited Company the provisions of SEBI Regulations are not applicable, however, your Company has voluntarily adopted the Business Responsibility Report disclosure (herein after referred as 'BRR').

The concept of BRR lays down nine (9) core principles which a Listed Company shall follow while undertaking its business operations. In terms of aforesaid Regulations, a separate section on "Business Responsibility Report" with a detailed compliance report forming integral part of this Annual Report and is given in **'Annexure – F'**.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has put in place an adequate system of internal financial control commensurate with its size and nature of business which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention & detection of frauds, accuracy & completeness of accounting records and ensuring compliance with corporate policies

The Financial policies, standards and delegations of authority are shared with the senior management from time to time, to cascade within their departments. Procedures to ensure conformance with the policies and standards have been put in place covering all activities. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Further, in the design and evaluation of our disclosure controls and procedures, our management was necessarily required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Board. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its investments. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and bare corrective actions thereon are presented to the Board for their review and comments. During the year under review there have been no significant audit observations by the Internal Auditors.

RISK MANAGEMENT

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for business. Risk management forms an integral part of the Company's planning cycle.

PARTICULARS OF EMPLOYEES

Your Company being a private limited company the provisions of Section 197 of the Companies Act, 2013 are not applicable. However, the approval is not required from the Board of Director of the Company in case the salary paid by the Company to Dr. Nagar and Dr. Garg in the capacity of employee of the Company. The details of Dr. Dharminder Kumar Nagar and Dr. Kapil Garg, Directors of the Company are as under:

Name & Designation	Remuneration Received (In INR.) as on March 31, 2023	Qualification & Experience of the employee	Date of commencement of employment	Age	Last employment held before joining the Company	Percentage of Equity Shares held	Whether relative of any director or manager of the Company and if so name of the such director or manager
Dr. Dharminder Kumar Nagar, **Managing Director**	5,37,74,844	DIP healthcare Management, Imperial College, UK, Master of Philosophy in Hospital & health management Systems, BITS Pillani, Experience-20 years	04.12.2006	53	Consultant	75.32% as on March 31, 2023	No
Dr. Kapil Garg, **Whole-time Director**	88,34,064	Dr. Kapil earned his medical degree from Government Medical College, Patiala and he is an alumnus of IIHMR Jaipur – First Batch. He has around 20 years of experience in the field of Hospital sector and has worked in both Government and private sector	15.11.2012	52	NA	0.00	No

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

VIGIL MECHANISHM & WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism which is governed through its Whistle Blower Policy to deal with the instance of fraud and mismanagement, if any. The purpose of this Policy is to provide a framework to promote responsibility and secure whistle blowing. This Policy will enable all employees, directors and other stakeholders to report/raise their genuine concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice or irregularity within the Company and/or to report to the management instances of unethical behavior, actual or suspected, fraud or violation of Company's code of conduct. This Policy may be amended from time to time by the Board.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. An Internal Complaints Committee ('ICC') under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') has been constituted to redress the complaints received regarding sexual harassment and follows the guidelines provided in the policy. The Company conducts sessions to apprise employees and build awareness on the subject matter, which is of part of Company's induction programme. The details of sexual harassment complaints received and disposed-off during period under review are as follows:

No. of Complaints received: **Nil**
No. of Complaints disposed-off: **NA**
No. of Cases pending for more than 90 days: **NA**
No. of Workshops or Awareness Programmes: **132**
No. of Employees Participated in POSH Workshops: **1,335**
Nature of action taken by the Company: Nil

REGISTRAR AND SHARE TRANSFER AGENT INFORMATION:

MAS SERVICES LIMITED

T-34, 2nd Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

Email: sm@masserv.com Tel No: 011-26387281,82,83

MANAGEMENT DISCUSSION AND ANALYSIS

In terms SEBI Regulations Listed Companies are required to prepare Management's Discussion and Analysis Report.

Your Company being a Private Limited Company the provisions of SEBI Regulations are not applicable, however, your Company voluntary adopts Management's Discussion and Analysis Report for the year under review, is presented in a separate section, forming an integral part of this Report.

ACKNOWLEDGEMENT AND APPRECIATION:

Your Directors take this opportunity to thank and acknowledge with gratitude, the contributions made by the employees through their hard work, dedication, competence, commitment and co-operation towards the success of your Company and have been core to our existence that helped us to face all challenges.

Your Directors are also thankful for consistent co-operation and assistance received from its shareholders, investors, business associates, customers, vendors, bankers, regulatory and government authorities and showing their confidence in the Company.

Place: Gurugram
Date: July 28, 2023

On behalf of the Board
For Paras Healthcare Private Limited

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54, Gurugram-122002, HR
CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

Sd/-
Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Sd/-
Dr. Dharminder Kumar Nagar
(Managing Director)
DIN: 00332135

ANNEXURE - A

FORM NO. 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 as on March 31, 2023

PART "A": SUBSIDIARIES

(All Amounts are in INR. Million)

Sr. No.	Name of the Subsidiaries	Paras Healthcare (Ranchi) Private Limited	Plus Medicare Hospitals Private Limited
1.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company	Same as of Holding Company
2.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees	Indian Rupees
3.	Equity Share capital	.10	400
4.	Reserves & surplus	-950.95	143.33
5.	Total assets	1369.91	2401.40
6.	Total Liabilities	2320.76	1858.07
7.	Investments	Nil	Nil
8.	Turnover	390.07	60.45
9.	Profit / (loss) before taxation	-404.23	-60.24
10.	Provision for taxation	Nil	-98.31
11.	Profit/ (loss) after taxation	-404.23	38.07
12.	Proposed Dividend	Nil	Nil
13.	% of shareholding	100%	100%

Notes:

1. **Names of subsidiaries which are yet to commence operations:** NA
2. **Names of subsidiaries which have been liquidated or sold during the year:** NA

PART "B": ASSOCIATES AND JOINT VENTURES: NIL

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

Notes:

1. **Names of associates and joint ventures which are yet to commence operations:** NA
2. **Names of associates and joint ventures which have been liquidated or sold during the year:** NA

Place: Gurugram
Date: July 28, 2023

On behalf of the Board
For **Paras Healthcare Private Limited**

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54,
Gurugram-122002, HR
CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

Sd/-
Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Sd/-
Dr. Dharminder Kumar Nagar
(Managing Director)
DIN: 00332135

ANNEXURE - B

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)

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 arms-length transactions under third proviso thereto:

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARMS' LENGTH BASIS: NIL

2. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS AT ARMS' LENGTH BASIS:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follow

S. No.	Particulars	Details of Related parties pursuant to Section 188				
A	Name(s) of the related party and nature of relationship	Dr. Veer Singh Mehta, (Director)	Dr. Dharminder Kumar Nagar (Managing Director)	Dr. Kapil Garg (Whole-time Director)	Mr. Ramesh Abhishek- Independent Director)	Mr. Saurabh Sood (Independent Director)
B	Nature of contracts/ arrangements/transactions	Payment towards professional Services as Surgeon and Retainership Fee i.e. the Consultation and professional charges	Payment of Salary in the capacity of Employee of the Company	Payment in the capacity of an Employee of the Company.	Payment of Sitting Fees to Independent Director of the Company.	Payment of Sitting Fees to Independent Director of the Company
C	Duration of the contracts / arrangements/transactions	-	-	-	-	-
D	Salient terms of the contracts or arrangements or transactions including the value, if any:	Payment of amount not exceeding ₹ 3,22,12,332/- March 31, 2023	Payment of salary of ₹ 5,51,00,000 as employee of the Company	Payment of salary for serving as an employee of the Company of ₹ 1,10,00,000/-	Sitting Fees of ₹ 1,00,000/ per Board Meeting	Sitting Fees of ₹ 15,000/- per Board Meeting
E	Date(s) of approval by the Board, if any:	The Company being a private limited company the provisions of Section 197 of the Companies Act, 2013 are not applicable	The Company being a private limited company the provisions of Section 197 of the Companies Act, 2013 are not applicable	The Company being a private limited company the provisions of Section 197 of the Companies Act, 2013 are not applicable	-	-
F	Amount paid as advances, if any:	Nil	Nil	Nil	Nil	Nil

On behalf of the Board
For **Paras Healthcare Private Limited**

Place: Gurugram
Date: July 28, 2023

Sd/-
Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Sd/-
Dr. Dharminder Kumar Nagar
(Managing Director)
DIN: 00332135

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54,
Gurugram-122002, HR
CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

ANNEXURE - C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. BRIEF OUTLINE OF THE COMPANY'S CSR POLICY:

Your Company is committed to contribute towards Corporate Social Responsibility ('CSR') which forms an integral part of Paras Health's activities. The Company's objective is to pro-actively support meaningful socio-economic development.

The Company endeavors to focus its CSR activities in the areas of:

a) To eradicate hunger, poverty and malnutrition, to promote health care - including preventive health care and sanitation. Improving sanitation, which includes contributing to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making safe drinking water available;

b) To promote education and livelihood enhancement projects; including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled

c) Take measures to reduce inequalities faced by socially and economically backwards groups. Some of the steps undertaken include - promoting gender equality, empowering women and providing a safe space for women, children and senior citizens (by setting up homes and hostels for women, orphans and senior citizens)

d) To ensure environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water, This includes contribution to the clean ganga fund set-up by the Central Government for rejuvenation of river Ganga;

e) To protect national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

f) To take measures for the benefit of armed forces veterans, war widows and their dependents;

g) To train in and to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;

h) To make contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

i) (i) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(ii) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]

j) To take measures for rural development projects.

k) To take measures for Slum area Development.

l) Disaster Management including relief, rehabilitation and reconstitution activities

The Company has constituted the Corporate Social Responsibility Committee in accordance with the provisions of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014, ('CSR Rules') as amended from time to time.

In accordance with the provisions of Section 135 of the Act read with the CSR Rules, the Company has formulated the CSR Policy which outlines the Company's philosophy and responsibility and lays down the guidelines and mechanism for undertaking socially impactful programs towards welfare and sustainable development of the community.

The objective of the CSR Policy is to set guiding principles for carrying out CSR activities by the Company and to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company. The same can be accessed on the Company's website at https://www.parashospitals.com/about-us/investors.

2. COMPOSITION OF THE CSR COMMITTEE

The CSR Committee, constituted under Companies Act, 2013, comprised of three (3) directors as on March 31, 2023 as per the details given below:

S. No.	Name of Director (Designation / Nature of Directorship)	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	Dr. Dharminder Kumar Nagar	Chairman	1	1
2	Dr. Kapil Garg	Member	1	1
3	Dr. VS Mehta	Member	1	1
4	Mr. Saurabh Sood	Member	1	0

3. WEBLINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

- Composition of CSR committee: https://www.parashospitals.com/about-us/investors
- CSR Policy: https://www.parashospitals.com/about-us/investors
- CSR Projects approved by the Board: https://www.parashospitals.com/about-us/investors

4. 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. a. **Average net profit of the Company as per section 135(5):** ₹ 34,97,64,506

b. **2% of average net profit of the company as per section 135(5):** ₹ 69,95,290

c. **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

d. **Amount required to be set off for the financial year, if any:** ₹ 7,95,134

e. **Total CSR obligation for the financial year (b + c - d):** ₹ 62,00,156

DETAILS OF THE PROJECTS UNDER PARAS HEALTH'S CSR INITIATIVES ARE AS FOLLOWS:

6. **(A) CSR AMOUNT SPENT OR UNSPENT FOR THE FINANCIAL YEAR 2022-23:**

Total Amount Spent for the Financial Year 2022-23 (In ₹)	Amount unspent (in ₹)				
	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
69,96,134	NIL	NA	NA	NA	NA

(B) DETAILS OF CSR AMOUNT SPENT AGAINST ONGOING AND OTHER THAN ONGOING PROJECTS FOR THE FINANCIAL YEAR 2022-23:

Details of CSR amount spent against ongoing projects for the financial year: - NOT APPLICABLE

(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 in the Act	Local area (Yes / No)	Location of the project		Project duration	Amount allocated for the project (₹)	Amount spent in the current financial year (₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
TOTAL										-	-	-

Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
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 (₹)	Mode of implementation – Direct (Yes / No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1	Promoting Education	Schedule VII (i) of the Companies Act, 2013	No	Gujarat	Ahmedabad	25,00,000	Through implementing agency	Aabhar Foundation	CSR00017699
2	Mental healthcare training and awareness residential program	Schedule VII (i) of the Companies Act, 2013	Yes	Haryana	Gurugram	37,01,000	Through implementing agency	Prinish Foundation	CSR00042588
TOTAL		-	-	-	-	62,01,000	-	-	-

(C) AMOUNT SPENT IN ADMINISTRATIVE OVERHEADS : NIL

(D) AMOUNT SPENT ON IMPACT ASSESSMENT, IF APPLICABLE : Not Applicable

(E) TOTAL AMOUNT SPENT FOR THE FINANCIAL YEAR (b + c + d) : ₹ 62,01,000

(F) EXCESS AMOUNT FOR SET OFF, IF ANY : ₹ 844

Sl. No.	Particulars	Amount in ₹
i.	2% of average net profit of the Company as per Section 135(5)	₹ 69,95,290
ii.	Total amount spent for the financial year	₹ 69,96,134
iii.	Excess amount spent for the financial year [(ii)-(i)]	₹ 844
iv.	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
v.	Amount available for set-off in succeeding financial years [(iii)-(iv)]	₹ 844

7. 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 ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-
TOTAL		-	-	-	-	-	-

8. 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 (ASSET-WISE DETAILS):

(a) **Date of creation or acquisition of the capital asset(s):** Not Applicable

(b) **Amount of CSR spent for creation or acquisition of capital asset:** Not Applicable

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5): Not Applicable

Place: Gurugram
Date: July 28, 2023

On behalf of the Board
For **Paras Healthcare Private Limited**

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54,
Gurugram-122002, HR
CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

Sd/-
Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Sd/-
Dr. Dharminder Kumar Nagar
(Managing Director and Chairman)
DIN: 00332135

ANNEXURE - D

FORM No. MR-3
SECRETARIAL AUDIT REPORT

(FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023)
[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]

To
The Members,
PARAS HEALTHCARE PRIVATE LIMITED
(CIN: U85110HR1987PTC035823)
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sector-54,
Gurugram - 122002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Paras Healthcare Private Limited (CIN: U85110HR1987PTC035823)** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 ('Audit Period'), according to the provisions of:
   a) The Companies Act, 2013 (the Act) and the Rules made there under;
   b) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment;
2. Provisions of the following Acts were not applicable to the Company under the Financial Year under report:
   a) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
   b) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
3. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. We further report that, I have relied on the representation made by the company and its officers for systems and mechanism formed by the company for compliances under other applicable Acts, Laws and Regulations to the Company

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

a) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings;

b) The Listing Agreements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not applicable to the Company during the Audit Period)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

Sr. No.	Relevant Provision for Compliance Requirement	Observation
1.	Provision of Sub Section 1 of Section 173 of the Companies Act, 2013	The Company must hold a minimum number of four meetings of its Board of Directors every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Company was not in compliance of Holding First Meeting of Board of Director, the gap was more than 120 days from last meeting of FY 2021-22

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Except in case of meetings convened at a shorter notice, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. Further 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.

As per the minutes of the meetings, the decisions of the Board were taken unanimously.

I further report that, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Faraaz Shamsi & Associates**
Company Secretaries

Sd/-
CS Faraaz Shamsi
UDIN: A040177E000697592

Date: July 28, 2023
Place: New Delhi

Note: This report is to be read with our letter of even date which is attached as **"ANNEXURE-A"** and forms an integral part of this report.

"ANNEXURE-A"

To
The Members,
PARAS HEALTHCARE PRIVATE LIMITED
(CIN: U85110HR1987PTC035823)
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sector-54,
Gurugram - 122002

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibilities of the management of the Company. My responsibility is to express an opinion on these secretarial records, systems, standards and procedures, based on audit.
2. We have verified original physical records kept with the office of the company.
3. I have followed the audit practices and processes 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 the correct facts are reflected in the secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. Wherever required, I have obtained the management's representation about the Compliance of laws, rules and regulations and occurrence of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. 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

For **Faraaz Shamsi & Associates**
Company Secretaries

Sd/-
CS Faraaz Shamsi
UDIN: A040177E000697592

Date: July 28, 2023
Place: New Delhi

ANNEXURE - E

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, as amended, are set out hereunder:

A. CONSERVATION OF ENERGY

1. The Steps taken or impact on conservation of energy

The company uses electric energy for its office equipment such as lighting, fans, air conditioners and computers. All possible measures have been taken to conserve the energy by incorporating energy efficient equipment. All Hospitals of the Company have installed the latest and best equipment available in the market and management has been conscious of selecting equipment, which is energy conservation friendly and have the best possible energy consumption ratings.

During the year your company was able to a save significant amount of energy, while taking into consideration the occupancy of the Hospital. In spite of an increase in the number of beds and in the occupancy, your company was able to maintain a level of consumption, which was almost at par with the energy consumption in the previous year.

Other Steps taken to reduce power & fuel consumption.

1) Replaced old cooling tower of 400 TR capacity with new cooling tower of 400 TR with CTI approved technology.

- CTI approved cooling tower are more efficient than normal cooling towers, with which we were able to reduce our condenser inlet temperature from 30 deg C to 27 deg C.
- With decrease in every 1 deg of condenser inlet temperature, chiller power consumption reduces by 2%. This initiative had been taken at our Gurugram and Patna Units.

2) De-centralizing of critical area AHU's located in ground floor of the Paras Gurugram unit. Earlier it operated 4 AHUs, each of 6,000 CFM (15 TR).

3) The pharmacy and admissions areas, of the Gurugram Unit, also received their energy supply from one of these AHUs. These areas operate at odd hours of the night and therefore require temperature regulation at 22 deg C. For this purpose, we have now installed a separate FCU in each of these areas (3TR in pharmacy i.e 3.5 KW & 4 TR in Admissions area i.e 4.5 KW). Now during odd hours, we only run an 8 KW load, as compared with the load of 22 KW load from the 15 TR AHU operated earlier.

4) Using temperature controller and 2-way valves in IPD rooms and other areas. Previously certain areas of our hospital, like IPD rooms, billing area, waiting area, admin area, etc. were not temperature controlled. The AHU for these units would run continuously even if the required temperature was achieved unless it was turned off manually. We have now installed digital temperature controllers, targeted towards achieving a temperature of 24 deg C. When achieved, the cooling is cut off automatically, reducing energy consumption and operating only a fan to maintain air-circulation. With this we have been able to reduce our AC power consumption by upto 5% in these areas. This initiative has been implemented in Gurugram & Patna

5) Replaced OLD 160 TR winter chiller at Patna resulting in saving of 107635 Units annually

6) We are using LED lights at all Units. We have replaced all CFL light fixtures with LED lights. With this we are able to increase our LUX level and also reduced our power consumption by 10 %.

2. The Steps taken by the Company for utilizing alternate sources of energy

The Company is taking every possible steps to save electricity and every endeavor is being made by the Board to move towards alternate sources of energy viz. solar equipment.

We have solar panels of 25 KW in Panchkula, through which we are able to generate 32400 KWH of power per year.

3. The Capital investment on energy conservation equipment

Presently the Company is analyzing the best possible options available towards energy conservation. The same shall be informed to the members in due course. We actively phase out equipment running on old technology or those that have frequent breakdown and are inefficient. Going forward we will be installing equipment with latest technology, in order to be energy efficient and environment friendly. Also, all our upcoming green field projects will follow green building norms and we will also be applying for LEED Certification for the same.

B. TECHNOLOGY ABSORPTION

In order to set up state-of-the-art multi-speciality hospitals, we employ some of the best and the most modern technology and equipment. With this we are able reduce our load as follows:

- In our Gurugram unit's Emergency department, we have reduced our HVAC load by 5 TR, from 35 TR to 30 TR
- In our Gurugram unit's reception area, we have reduced our HVAC load by 5 TR, from 45 TR to 40 TR
- In our Patna unit's reception area, we have reduced our HVAC load by 4 TR, from 40 TR to 36 TR

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2023 are as follow:

(Amount in INR Million)

Particulars	FY 2023	FY 2022
Earnings	135.52	69.29
Outgo	59.96	93.03
Net Foreign Earning (NFE)	**75.56**	**(23.74)**

Place: Gurugram
Date: July 28, 2023

On behalf of the Board
For **Paras Healthcare Private Limited**

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54,
Gurugram-122002, HR
CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

Sd/-
Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Sd/-
Dr. Dharminder Kumar Nagar
(Managing Director)
DIN: 00332135

ANNEXURE - F
BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

I.

Sr. No	Particulars	Information/Details
1.	**Corporate Identity Number (CIN) of the Entity:**	U85110HR1987PTC035823
2.	**Name of the Entity:**	Paras Healthcare Private Limited.
3.	**Registered office address:**	1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector-54, Gurugram. Haryana, 122002 India
4.	**Website**	www.parashospitals.com
5.	**E-mail**	Rahul.kr@parashospitals.com
6.	**Financial year for which reporting is being done**	FY 2022-23

7. **Sector(s) that the Company is engaged in (industrial activity code-wise)**

   Hospital activities; Includes the activities of general and specialized hospital Industry activity code: 85110

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**

   The Company is engaged in providing healthcare services including diagnostics services, OPD and IPD consultation, surgical and non-surgical activities with various procedures. The Company is operating 5 Hospitals out of which a few are only operated and managed, not owned by the company.

9. **Total number of locations where business activity is undertaken by the Company:**

   The Company along with its subsidiary provides the healthcare Services through following locations.

   a. Number of International locations: The Company does not undertake any permanent Business Development and intermediary Services outside India. However, we have certain MOUs with foreign countries for providing out-patient consultation, Training and other medical activities by setting up camps for patients and Doctors and inviting foreign patients for treatment in India.

   b. Number of National locations: The Company along with its subsidiary entities manages and operates 7 hospitals where healthcare services are provided.

10. **Markets served by the Company - Local/State/National/ International**

    Primary National. It does get some international medical tourists in India for treatment which constitutes approx. 2% of the revenue from healthcare services.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital as at March 31, 2023: Rs. 4,88,05,330 consisting of 48,80,533 equity shares of Rs. 10 each.

2. Total Turnover for the financial year 2022-23: Rs. 917.92 Crore on a consolidated basis.

3. Total profit after taxes for the financial year 2022-23: Rs. (42.79) crore on a consolidated basis.

4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax: Rs. 62.01 Lakhs after setting off the previous year's excess expenditure of Rs. 7.95 Lakh, being 2% of the average net profits of the Company for the last three financial years, has been spent on CSR Activities during the financial year 2022-23.

5. List of activities in which expenditure in 4 above has been incurred: -

   a. Promoting Education

   b. Mental healthcare training and awareness - residential program

SECTION C: OTHER DETAILS

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, the Company has the following Wholly Owned Subsidiaries as on March 31, 2023:

   i) Paras Healthcare (Ranchi) Private Limited

   ii) Plus Medicare Hospitals Private Limited

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s).**

   The two subsidiary companies follow the same policies and business responsibility initiatives as the holding company.

3. **Do any other entity/entities (e. g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   The Company does not mandate its supplier/distributors to participate in the Company's Business Responsibility ('BR') initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. **Details of Director responsible for BR**

   a) Details of the Director responsible for implementation of the BR policy/policies:

   1. DIN - 01475972
   2. Name – Dr. Kapil Garg
   3. Designation – Whole Time Director

   (b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	01475972
2	Name	Dr. Kapil Garg
3	Designation	Whole Time Director
4	Telephone number	+91 124 4302163
5	e-mail id	drkapil.garg@parashospitals.com

2. **Principle-wise (as per NVGs) BR Policy/policies**

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect, and make efforts to restore the environment
Principle 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

   (a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for	Yes	Yes*	Yes	Yes	Yes	Yes*	No	Yes	Yes
2	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the policies are framed in compliance with and alignment to the Companies Act, 2013 ("the Act"), NABH Guidelines and also benchmarked with the best in the industry when framed and approved.								
4	Has the policy being approved by the Board?	Yes	No	No	No	Yes	No	NA	Yes	No
	Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Most of the policies are approved by the empowered group / delegated functional head who represents the function at the Head of the Department. Further, the Company is in the process of getting them all approved/ratified by Board of Directors.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
6	Indicate the link for the policy to be viewed online?	All Policies which are statutorily required to be placed on the Company's website can be accessed through the following link: www.parashospitals.com/about-us/investors.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The applicable policies have been communicated to employees through the Intranet i.e via HRMS Portal and to external stakeholders through the Company's website: www.parashospitals.com/about-us/investors								
8	Does the company have in-house structure to implement the policy/ policies.	Yes	Yes	Yes	Yes	Yes	Yes	NA	Yes	Yes
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	The Whistle Blower Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy.								
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Yes, Policies are reviewed, evaluated, and modified time to time by the relevant internal stakeholders. While the Company has not carried out independent audit of the policies, the Statutory / Internal and Secretarial Audit function of the Company periodically looks at the implementation of these policies.								

*Governed by the Companies' Internal Standard Operating Procedures.

(b) If answer to the question against any principle, is 'No', please explain why:

The Company does not have a specific policy pertaining to Principle 7, however, the Company from Healthcare Industry perspective adhered to specific protocols which are consistent with its principles and core elements, which influencing trade chambers or associations.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Company is not covered by the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, at present does not have process for assessing BR performance. However, the Company has voluntarily initiated the process of compliance with the BR requirements, which forms part of this Annual Report, is placed before the Board for its approval, every year.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report forms part of the Annual Report from FY 2023. The same is available on website of the Company at: www.parashospitals.com/about-us/investors

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1- Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company?

   Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

   Yes, the Company has in place the Policy relating to ethics, bribery titled as 'Disciplinary Process and Procedure', which guides its employees to conduct business in an ethical, responsible and to avoid any type of misconduct. Further, a separate Code of Conduct for Board of Directors and Senior Management is also in place.

   Further, the employees of the Company and its subsidiaries and the outsourced staff are managed by and in compliance with the respective appointment terms and agreements and are expected to work within the framework of the Code of the Company.

   The Company takes utmost care to avoid any type of breach of business ethics and does not support any action of bribery and corruption by its employees including the employees of subsidiaries and Suppliers/Contractors/NGOs /Others.

   The Company also has in place a Whistle Blower Policy which seeks to empower Employees and Directors to raise any genuine concerns within the group. Employees can utilise any mode of communication to which they can communicate their concern to the addressee(s) listed in the Whistle Blower Policy.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

   There have been no complaints received during the financial year ended on 31st March 2023, pertaining to ethics, bribery and corruption against its employees, including the employees of subsidiaries and Suppliers/Contractors/NGOs /Others. There have however been certain service related issues of patients which were promptly attended to and resolved by the company as per protocol.

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

   Not Applicable.

   The Company is on the path of expansion and as a part of its expansion strategy, we are in the process of designing and constructing new hospitals which follow the framework for healthy, efficient, and cost-saving green buildings. We have installed solar panels, rain water harvesting pits, Thermostats in HVAC, Lighting Controls sensors and Green glass.

   Further, we are reusing the kitchen organic waste in plantation and RO waste water in flushing tanks.

   The Company is committed to sustainability and accordingly takes care that the materials used for construction are safe for environment and contribute to the sustainability of the environment.

   Further we make efforts to use water resources very wisely. We have STPs at all our Hospitals and we consume the treated water for horticulture purposes within the Hospital premises.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):

   (a) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? – Not Applicable

   (b) Reduction during usage by consumers (energy, water) has been achieved since the previous year? – Not applicable

3. Does the company have procedures in place for sustainable sourcing (including transportation)?

   (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

   Yes, the Company ensures to procure the products that support sustainability and are safe for the environment. Also, we have a contract in place for Bio Medical Waste Disposal with the agency authorised by the State Pollution Control Boards, as a step towards sustainability.

   Further, as a clean energy initiative, many of the vehicles used by the Hospital run on CNG. We have also installed roof top solar panels, at some of our units, for solar energy.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

   (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

   Paras Health is engaged in providing Medical Services. Over the course of our sourcing operations, we procure products from various sources, including multinational firms and from Micro Small and Medium Enterprise (MSME) vendors based on the requirements of the company. We give preference to sourcing the products from nearby and local vendors, wherever available. Our employee base is also sourced from local areas wherever applicable and available depending on the nature of the job.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

   As we are engaged in Medical operations, all the waste generated from operation such as Bio Medical Waste and Covid Waste disposal etc., is disposed of as per the guidelines and procedure provided by respective State Pollution Control Boards.

   Further, we have STP and ETP Plants in place, where organic and wet waste is converted into compost and is used for horticulture and landscaping, Treated water from STP plant is also used in gardening activities.

Principle 3 - Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.

   Paras Health has Total 4,588 employees as on 31st March 2023.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis.

   Out of total 4,588 employees, 1,563 employees are hired/ employed on temporary/contractual/casual basis as on March 31st 2023

3. Please indicate the Number of permanent women employees.

   Paras Health had employed Total 1431 permanent women employees consisting approximately 47.30% of total permanent headcount as on 31st March, 2023.

4. Please indicate the Number of permanent employees with disabilities

   We have employed 2 permanent employees who are differently abled as on 31st March 2023.

5. Do you have an employee association that is recognized by management?

   There is no employee union in any of our Hospitals.

6. What percentage of your permanent employees are members of this recognized employee association?

   Not Applicable.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

   The Company does not engage in any form of child labour / forced labour / involuntary labour and does not adopt any discriminatory employment practices. The Company has a policy against sexual harassment and a formal process for dealing with complaints of harassment or discrimination.

No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	-	-
2	Sexual harassment	-	-
3	Discriminatory employment	-	-

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Sr. No.	Category	Safety %	Skill Up%
1	Permanent Employees	81%	57%
2	Permanent Women Employees	78%	69%
3	Casual/Temporary/Contractual Employees	63%	44%
4	Employees with Disabilities	0%	0%

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No

   Yes. At Paras Health, we have identified and mapped the internal and external stakeholders. As per the nature of our business, which is engaged in the Health sector, the interest of our patients is most important. We have listed below the internal and external stakeholders who are key to our operating success and their efforts are mutual to each other's interest.

   Internal Stakeholders:

   1. Our Medical Professionals including Doctors, Nurses and Para Medical Staff
   2. Our Employees

   External Stakeholders:

   1. Patients and their families
   2. Suppliers and Vendors
   3. Community at large
   4. Our valued Investors, and
   5. Regulators

   Paras Health takes various initiatives to engage and communicate with its stakeholders. We have an effective mechanism in place for taking qualitative and quantitative feedback through patient satisfaction surveys. We also perform patient follow-ups to ensure better health monitoring. We reach out to other stakeholders like investors, vendors, suppliers and regulators through different channels to maximise the performance. We also comply with the norms required by various Regulators.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.

   Paras Health aims for a stronger inclusive Bharat. We believe that everyone should have access to quality healthcare, regardless of their financial circumstances, our focus is on Access to Healthcare & Support to Economically Weaker Section.

   The Company plans to stay focused on including communities in healthcare awareness programmes, providing quality healthcare to economically weaker sections, fostering societal well-being for everyone.

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

   As a responsible Healthcare Provider, always take steps to promote the health of the disadvantaged, vulnerable and marginalized stakeholders through several medical camps. We also provide several sponsorships, and partner with agencies and NGOs engaged in community help. We take multiple steps to establish a long term and sustainable relationship with the those marginalised and disadvantaged in the Community.

Principle 5 - Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

   The Company is committed to recognise and respect the Human Rights and dignity of the individuals who are connected and associated with us either internally or externally.

   Policies on Human Rights, including the Code of Conduct for Employees, Policy on Prevention of Sexual Harassment at Workplace, and the Whistle Blower Policy along with Company's other Policies cover all aspects on Human Rights for the Company and extend to all stakeholders of Paras Health.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

   The Company has not received any complaint in respect of human rights.

Principle 6 - Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

   As a conscious business decision, we believe in sustaining the environment in various ways, like using STP Plants and captively using the treated water for gardening etc. Also, we use CNG to run our vehicles at certain hospitals and use solar energy generated by solar panels installed on roof tops. In order to conserve energy, we have:

   - Replaced all our CFL lighting with LED lighting, this reduced energy consumption by 10%
   - Installed separate FCUs in pharmacy and admissions, thereby reducing odd hour loads by 14KWs, down to 8KW from 22KW
   - Replaced old cooling tower with more effective cooling tower with CTI approved technology, this reduces condenser inlet temperature by 3 degrees Celsius; a 1-degree Celsius reduction in condenser inlet temperature, reduces chiller consumption by 2%

   Aside from running our operations responsibly, we also encourage our stakeholders to take effective steps to contribute towards the protection of the environment.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

   Please refer to response of point no. 1 of Principle 6.

3. Does the company identify and assess potential environmental risks? Y/N

   We at Paras Health strongly support and are desirous to take steps for identification and assessment of potential environmental risks like climate change, global warming, air pollution and water deficiency. At every new project location and construction site, we take conscious efforts to save water and follow green building norms. Further, our corporate office has been designed in a manner to maximise natural lighting. Further green plants have been placed to promote a healthier and cleaner environment within the premises

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

   The Company currently do not have any projects related to Clean Development Mechanism.

5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

   We strongly believe in a better environment and take every step for its protection. As an initiative, we have installed Solar Panels on roof top of some of our Hospital and will extend this initiative to other hospitals, wherever practical. Also, we are running our vehicles/ambulances on CNG wherever available.

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   The Company always keep the Emissions/Waste generated by the company within the permissible limits given by CPCB/ SPCB.

   For the financial year ended as on 31st March 2023, the same within the prescribed limit. Also, for handling of Bio Medical and Covid waste, we have contracts with the vendors registered with CPCB/SPCB (External agencies), approved by the state environment authorities.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

   There is zero instance of show cause/ legal notices received from CPCB/ SPCB which are pending as on end of 31st March, 2023.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

   Yes, the Company is an active member of Association of Healthcare Providers India (AHPI). We are also the members of industry Associations like FICCI and CII as well.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

   Whenever required we present our ideas and views through Industry bodies like FICCI, CII and AHPI. We also participate in various panel discussions organised by such bodies to present our views

Principle 8 - Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

   As per provisions of Section 135 of Companies Act, 2013, and rules made thereunder, the CSR provisions are applicable to our Company. Accordingly, we have CSR Committee and CSR Policy in place. As per CSR Policy we are committed and intend to undertake the activities as specified in Schedule VII of Companies Act, 2013.

   The Company believes in inclusive growth and equitable developments through its various CSR initiatives. The Information of CSR activities and expenditure incurred for CSR has been provided in the Annual Report on CSR Activities which is annexed as an Annexure - C to the Board's Report.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

   All CSR Activities of the Company are undertaken by the Company through any Implementation Agency and accordingly have contributed the corpus to the Agencies engaged in CSR Activities. Also, we took up certain community activities like setting up Health Camps etc for weaker sections.

3. Have you done any impact assessment of your initiative?

   We did not conduct any impact assessment survey. However, we take each and every effective step to make sure that our CSR activity reaches the beneficiary in an effective manner.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.

   There has been no direct contribution. The indirect contribution through Agency in previous financial year ended 31st March 2023 was Rs. 62.01 lacs.

   For detailed information relating to list of activities in which expenditure above has been incurred, please refer the Annual Report on CSR Activities annexed as Annexure – C to the Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

   Not Applicable

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

   During the course of the operations, the Company through its various hospitals across various locations, receives consumer complaints in certain cases. The same are attended to by our teams and resolved on priority. Our complaints resolution ratio and TAT in OPD is around 85% whereas in IPD it is around 92%. Also, our NPS score is around 66.

   Further, there are certain consumer cases filed by the consumers or their family members against Hospital and Doctors. Many of the cases, are primarily against the insurance companies and we are second respondents to that. In addition, there are certain cases filed by consumers against the company and our doctors for alleged medical negligence and are pending at various consumers commissions and courts.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/N.A. /Remarks (additional information)

   Not Applicable

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/ or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

   There has been No case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

   Yes. Our company carries out any consumer survey/ consumer satisfaction trends through documentation, website, feedback, Application etc. like Medblaze.

Place: Gurugram
Date: July 28, 2023

On behalf of the Board
For Paras Healthcare Private Limited

Registered office:
1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sec-54, Gurugram-122002, HR

Dr. Kapil Garg
(Whole Time Director)
DIN: 01475972

Dr. Dharminder Kumar Nagar
(Managing Director)
DIN: 00332135

CIN-U85110HR1987PTC035823
Website: www.parashospitals.com

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To
The Members of
Paras Healthcare Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Paras Healthcare Private Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 ('ICAI') 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.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors are 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 accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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, the Board of Directors are 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. 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

8. 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 Standards on Auditing 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.

9. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

   - 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 Board of Directors' 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;

10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Company since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

12. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

13. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and

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

       i. The Company, as detailed in note 34 to the standalone financial statements, has disclosed the impact of pending litigation(s) on its financial position as at 31 March 2023;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 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 31 March 2023.

iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 49(c) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 50 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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; and

c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2023.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507982
UDIN: 23507892BGXQXI4258

Place: Gurugram
Date: 28 July 2023

Annexure A

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of paras healthcare private limited on the standalone financial statements for the year ended 31 march 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit , and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment and right of use assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 4 to the standalone financial statements are held in the name of the Company. For title deeds of immovable properties in the nature of land and building situated at Block C-1 Sector 43, Sushant Lok, Gurugram-122002 and building situated at Paras Twin Towers, 1st floor Tower-B, Sector 54, Tehsil Wazirabad, Gurugram with gross carrying values of Rs 538.29 million and Rs 252.03 million respectively as at 31 March 2023, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has not revalued its Property, Plant and Equipment, Right of Use assets or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) As disclosed in note 19 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs 50.00 million by banks based on the security of current assets . The quarterly returns/ statements, in respect of the working capital limits have been filed by the Company with such banks and such returns/statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit/review.

(iii) (a) The Company has made investments in and provided loans to subsidiaries during the year as per details given below:

Particulars	Loans (Rs millions)
Aggregate amount provided/granted during the year:	789.70
- Subsidiaries	
Balance outstanding as at balance sheet date in respect of above cases:	789.70
- Subsidiaries	

(b) In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans provided, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any security and provided guarantee during the year.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and principal and interest amount is not due for repayment currently.

(d) There is no overdue amount in respect of loans granted to such companies.

(e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.

(f) The Company has not granted any loan(s) or advance(s) in the nature of loan(s), which are repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of loans, investments made, and guarantee provided as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of security.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act in respect of the products of the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful 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, money raised by way of term loans were applied for the purposes for which these were obtained.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, except for the following:

Nature of fund taken	Name of lender	Amount involved (Rs millions)	Name of the subsidiary	Nature of transaction for which funds were utilized
Loan from banks	HDFC Bank Limited	78.10	Plus Medicare Hospitals Private Limited	Capital expenditure

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.

(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, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act. Further, according to the information and explanations given to us, the Company is not required to constitute an audit committee under section 177 of the Act.

(xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clauses 3(xvi)(a),(b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, 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 plans of the Board of Directors and management 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 indicating 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) According to the information and explanations given to us, the Company does not have any unspent amounts towards Corporate Social Responsibility in respect of any ongoing or other than ongoing project as at the end of the financial year. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507982
UDIN: 23507892BGXQXI4258

Place: Gurugram
Date: 28 July 2023

Annexure B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Paras Healthcare Private Limited('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

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 include 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, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507982
UDIN: 23507892BGXQXI4258

Place: Gurugram
Date: 28 July 2023

Standalone Balance sheet

as at 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,341.49	2,198.39
Right of use assets	5	2,739.73	1,960.76
Capital work-in progress	6	665.31	136.59
Intangible assets	7	10.72	8.72
Financial assets			
Investments	8	734.30	0.10
Loans	9	1,149.75	644.20
Others	10	424.85	418.66
Deferred tax assets (net)	32	36.27	-
Non-current tax assets (net)	11	159.92	194.94
Other non-current assets	12	132.18	369.78
Total non-current assets		**8,394.52**	**5,932.14**
Current assets			
Inventories	13	159.29	119.85
Financial assets			
Trade receivables	14	1,276.25	843.07
Cash and cash equivalents	15	214.88	71.22
Bank balances other than cash and cash equivalents	16	1,385.56	1,873.86
Others	10	180.00	184.47
Current tax assets	11	273.02	128.63
Other current assets	12	38.45	42.65
Total current assets		**3,527.45**	**3,263.75**
Total assets		**11,921.97**	**9,195.89**
EQUITY AND LIABILITIES			
Equity share capital	17	36.76	36.76
Other equity	18	1,249.54	1,245.36
Total equity		**1,286.30**	**1,282.12**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	19	1,683.71	1,213.86
Lease liabilities	5	2,577.49	1,660.58
Others	20	1.74	2,845.19
Provisions	21	55.02	48.77
Deferred tax liabilities (net)	32	-	11.80
Total non- current liabilities		**4,317.96**	**5,780.20**
Current liabilities			
Financial liabilities			
Borrowings	19A	1,377.35	745.63
Lease liabilities	5	157.58	92.69
Trade payables	22		
- Total outstanding dues of micro enterprises and small enterprises; and		189.46	221.79
- Total outstanding dues of creditors other than micro enterprises and small enterprises		894.68	908.45
Others	20	3,538.49	53.54
Other current liabilities	23	128.92	87.98
Provisions	21	31.23	23.49
Total current liabilities		**6,317.71**	**2,133.57**
Total equity and liabilities		**11,921.97**	**9,195.89**
Summary of significant accounting policies	3		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Place: Gurugram
Date: 28 July 2023

Standalone Statement of Profit and Loss

as at 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Income			
Revenue from operations	24	8,789.16	7,760.62
Other income	25	258.54	173.36
Total income		**9,047.70**	**7,933.98**
Expenses			
Purchases of stock-in-trade	26	2,320.40	2,067.20
Changes in inventories of stock-in-trade	27	(38.65)	(22.77)
Employee benefits expense	28	1,240.61	978.71
Other expenses	29	3,932.53	3,534.45
Total expenses		**7,454.89**	**6,557.59**
Earnings before fair value changes, finance costs, depreciation and amortization expense, exceptional item and taxes		**1,592.81**	**1,376.39**
Fair value changes on financial instruments		531.48	458.64
Finance costs	30	383.86	237.51
Depreciation and amortization expense	31	513.82	479.47
Profit before exceptional item and tax		**163.65**	**200.77**
Exceptional item	45	-	(33.34)
Profit before tax		**163.65**	**234.11**
Tax expense			
Current year		204.79	184.04
Tax pertaining to earlier years		-	4.06
Deferred tax charge/ (credit)		(47.38)	(9.51)
Profit for the year (A)		**6.24**	**55.52**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit liability		(2.75)	(2.45)
Less: Income tax relating to items that will not be reclassified to profit or loss		0.69	0.62
Other comprehensive income for the year, net of tax (B)		**(2.06)**	(1.83)
Total comprehensive income for the year (A+B)		**4.18**	**53.69**
Earnings per equity share			
Basic and diluted	33	1.70	15.10

Summary of significant accounting policies 3

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Place: Gurugram
Date: 28 July 2023

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Net profit before tax	163.65	234.11
	Adjustments for:		
	Depreciation and amortisation	513.82	479.47
	(Gain)/ loss on sale of property, plant & equipment (net)	(0.82)	(1.36)
	Finance costs	383.86	237.51
	Labilities no longer required written back	(2.79)	(0.97)
	Interest income	(150.57)	(129.92)
	Net (gain)/loss on financial liabilities measured at fair value through profit or loss	531.48	458.64
	Loss allowance	35.00	20.24
		1,473.63	**1,297.72**
	Adjustments for changes in working capital:		
	- in trade receivables	(468.18)	(445.68)
	- in loans and other assets	(10.69)	49.90
	- in inventories	(39.44)	(12.16)
	- in trade payables	(46.10)	152.34
	- in other liabilities and provisions	71.42	3.01
	Cash generated from operations	**980.64**	**1,045.13**
	Income tax paid	(313.48)	(214.32)
	Net cash generated from operating activities (A)	**667.16**	**830.81**
B.	**Cash flows from investing activities**		
	Payments for purchase of property, plant and equipment and intangible assets (including capital work-in-progress, capital advances and creditors for capital goods)	(692.36)	(1,062.61)
	Proceeds from sale of property, plant and equipment	5.00	7.51
	Proceeds from/ investments in bank deposits	501.85	19.08
	Acquistion of subsidiary	(734.20)	-
	Loan to subsidiaries	(431.85)	(239.49)
	Interest received	76.51	103.01
	Net cash used in investing activities (B)	**(1,275.05)**	**(1,172.50)**
C.	**Cash flows from financing activities**		
	Proceeds of non current borrowings	778.99	231.56
	Repayment of non current borrowings	(227.50)	(171.26)
	Movement in short term borrowings (net)	547.13	(66.91)
	Repayment of lease liabilities	(162.83)	(96.62)
	Finance cost paid	(184.24)	(130.03)
	Net cash generated from / (used in) financing activities (C)	**751.55**	**(233.26)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**143.66**	**(574.95)**
D.	**Cash and cash equivalents at the beginning of the year**		
	Cash on hand	4.78	7.92
	Balance with banks:		
	- On current accounts	24.34	18.25
	- balance with banks with original maturity of 3 months or less	42.10	620.00
		71.22	**646.17**
E.	**Cash and cash equivalents at the end of the year**		
	Cash on hand	6.81	4.78
	Balance with banks:		
	- On current accounts	206.77	24.34
	- balance with banks with original maturity of 3 months or less	1.30	42.10
		214.88	**71.22**
	Net Increase/(decrease) in cash and cash equivalents (E-D)	**143.66**	**(574.95)**

Standalone Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Notes:

1 The cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard 7 on Statement of cash flows as notified under section 133 of the Companies Act, 2013.

2 Change in liabilities arising from financing activities:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance		
Non current borrowings (including current maturities)	1,438.82	1,383.09
Current borrowings	520.68	587.59
Lease liabilties	1,753.27	1,185.75
Interest accrued	4.20	6.05
Cash flows		
Proceeds from non-current borrowings	778.99	231.56
Repayment of non-current borrowings	(227.50)	(171.26)
Proceeds of short term borrowings (net)	547.13	(66.91)
Payment of lease liabilities	(162.83)	(96.62)
Finance cost paid	(184.24)	(130.03)
Non-cash adjustments		
Interest expenses towards lease liabilities	196.87	106.39
Lease additions	-	531.74
Impact of lease modification	889.36	-
Interest on lease capitalised	58.40	26.00
Finance cost debited to statement of profit and loss	186.98	126.59
Closing balance		
Non-current borrowings (including current maturities)	1,993.25	1,438.82
Current borrowings	1,067.81	520.68
Lease liabilities	2,735.07	1,753.27
Interest accrued	4.00	4.20

Summary of significant accounting policies 3

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 28 July 2023

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Standalone Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

A. Equity share capital

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	48,80,533	48.81	48,80,533	48.81
Changes during the year	-	-	-	-
Less: Reclassification to financial liability (refer note 20)	(12,04,569)	(12.05)	(12,04,569)	(12.05)
At the end of the year	**36,75,964**	**36.76**	**36,75,964**	**36.76**

B. Other equity

Attributable to the equity shareholders

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Other comprehensive income	
Balance as at 31 March 2021	**62.71**	**1,125.08**	**3.88**	**1,191.67**
Profit for the year	-	55.52	-	55.52
Other comprehensive income for the year	-	-	(1.83)	(1.83)
Balance as at 31 March 2022	**62.71**	**1,180.60**	**2.05**	**1,245.36**
Profit for the year	-	6.24	-	6.24
Other comprehensive income for the year	-	-	(2.06)	(2.06)
Balance as at 31 March 2023	**62.71**	**1,186.84**	**(0.01)**	**1,249.54**

Summary of significant accounting policies 3

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Place: Gurugram
Date: 28 July 2023

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

1. Corporate Information

Paras Healthcare Private Limited ('the Company') is a company domiciled in India, with its registered office situated at 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector-54, Gurugram-122002, Haryana. The Company has been incorporated under the provisions of Indian Companies Act on 21 December 1987. The Company is primarily engaged in the business of providing healthcare services.

2. Basis of preparation of standalone financial statements

(i) Statement of compliance

These standalone financial statements ('financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 28 July 2023.

Details of the Company's accounting policies are included in Note 3.

(ii) Functional and presentation currency

These standalone financial statements are prepared in INR millions, which is the Company's functional and presentation currency. All amounts have been rounded-off to the nearest millions and two decimals thereof except share data and per share data, unless otherwise stated.

(iii) Basis of measurement

These standalone financial statements have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Compound financial instruments	Fair value
Other financial assets and liabilities	Amortised cost

(iv) Amended Accounting Standards (Ind AS) and interpretations effective during the year

a. Ind AS 103 Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The amendment did not have any material impact on financial statements of the Company.

b. Ind AS 16 Proceeds before intended use

The amendment specify that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The amendment did not have any material impact on financial statements of the Company.

c. Ind AS 37 Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the amendment did not have any material impact on financial statements of the Company.

d. Ind AS 109 Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The amendment did not have any material impact on financial statements of the Company.

(v) Use of estimates and judgements

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amount recognised in the financial statements pertains to :

a) Useful lives and recoverable amount of property, plant and equipment and intangible assets:

The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/ amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Company reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

b) **Impairment assessment:**

Property, plant and equipment, right-of-use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic, fair value and market conditions.

c) **Income taxes:**

Recognition of deferred tax assets/ liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

d) **Litigations**

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

e) **Employee benefit obligations:**

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) **Leases:**

Critical judgements in determining the lease term:

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 there by 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. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical judgements in determining the discount rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(vi) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company's Group CFO regularly reviews significant unobservable inputs and valuation adjustments.

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Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 46- financial instruments.

(vii) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) 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 classified as current when it satisfies any of the following criteria:

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period, or

d) 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.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle to be within 12 months for the purpose of current and non- current classification of assets and liabilities.

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

3. Significant accounting policies

A. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the written down value except for leasehold improvements and is recognised in the statement of profit and loss.

Freehold land is not depreciated.

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

B. Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Expenses against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses.

C. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization method, estimated useful life and residual value

Intangible assets are amortized @ 40% p.a. on written down value of the assets.. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

D. Inventories

Inventories of medical drugs, stores and consumables are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the inventories and other costs in bringing them to their present condition and location. The cost of the items constituting the inventory is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

Provisions/write-downs for obsolescence, damaged and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/write-downs.

E. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, 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.

F. Leases

For all existing and new contract on or after 01 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

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At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit and Loss on a straight-line basis over the lease term.

G. Financial instruments

(i) Recognition and initial measurement

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. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

(ii) Classification and subsequent measurement

Financial assets

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

b) how the performance of the portfolio is evaluated and reported to the Company's management;

c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

a) contingent events that would change the amount or timing of cash flows;

b) terms that may adjust the contractual coupon rate, including variable interest rate features;

c) prepayment and extension feature; and

d) terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) Derecognition

Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Where the Company 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 Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

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Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

(iv) Offsetting

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

H. Financial instrument classified as financial liability

Financial instrument which requires the Company to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Company does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

I. Impairment

(i) Impairment of financial assets

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

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realisations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets

(ii) Impairment of non- financial assets

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

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

The recoverable amount of a CGU (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 is reversed if there

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has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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.

J. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised 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 recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent assets

Contingent assets are not recognised but disclosed in the standalone financial statements when an inflow of economic benefits is probable.

K. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Company's activities. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, Revenue is presented net of returns, trade allowances, discounts, value added taxes, goods and service taxes (GST). Revenue is recognised as follows:

Revenue from sale of goods - pharmacy

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts. Revenue from sale of pharmacy is recognised when control of the pharmacy items is transferred to customers, being the products are delivered to customers. These products are generally sold with no right of return.

Revenue from sale of services – healthcare

Revenue from sale of services primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients.

Revenue from providing services is recognised in the accounting period in which services are rendered. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices.

Contract assets and liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Other income

Rent income

Rental income from sub-leasing and leasing is recognised in statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. 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.

Sponsorship income

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

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L. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

M. Employee benefits

The Company's obligation towards various employee benefits has been recognised as follows:

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company has defined benefit plan, Gratuity.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Company determines the net interest expense/(income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other long term employee benefits – compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

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N. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

O. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

P. Government grant

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company has complied with the conditions attached to them, and (ii) the grant/ subsidy will be received. The grant or subsidy received under Export Promotion Capital Goods (EPCG) Scheme to compensate the import cost of assets is reduced from the cost of the assets.

Q. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Company's Managing Director assesses the financial performance and position of the Company, and makes strategic decision and has been identified as the chief operating decision maker. The Company is engaged in the business of providing healthcare services, which has been defined as one business segment. Accordingly, the Company's activities/business is reviewed regularly by the Company's Managing Director from an overall business perspective, rather than reviewing its services as individual standalone components.

Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format.

R. Investments in subsidiaries

Investments representing equity interest in subsidiaries carried at acquisition cost less any provision for impairment.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable.

S. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

T. Measurement of EBITDA

The Company has elected to present earnings before fair value changes, finance costs, depreciation and amortization, exceptional item and taxes as a separate line item on the face of the Standalone statement of Profit and Loss.

In the measurement, the Company includes interest income but does not include fair value changes on financial instruments, finance costs, depreciation and amortization, exceptional item and taxes.

U. Amendment to Accounting Standards (Ind AS) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 as below:

Ind AS 1 Presentation of Financial Statement

Requirement to disclose 'material accounting policies' instead of 'significant accounting policies' and related guidance included to determine whether the policy is material or not.

Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors

Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.

Ind AS 12 Income Taxes

Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences.

The Company is currently evaluating the impact of amendments to the aforementioned accounting standards on its financial statements.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

4 PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Leasehold improvements	Buildings	Plant and equipments	Medical equipments	Office equipments	Computer and servers	Furniture and fittings	Vehicles	Total
Gross carrying value										
Balance as at 31 March 2021	**16.89**	**677.89**	**483.30**	**310.35**	**1417.14**	**12.93**	**42.43**	**76.26**	**8.22**	**3045.40**
Additions during the year	-	8.58	290.13	10.49	226.81	4.79	8.92	8.58	37.31	595.61
Disposals during the year	-	-	-	(2.49)	(8.05)	-	-	(1.28)	-	(11.82)
Balance at 31 March 2022	**16.89**	**686.47**	**773.43**	**318.35**	**1635.90**	**17.72**	**51.35**	**83.56**	**45.53**	**3629.19**
Additions during the year	200.87	47.54	-	19.40	165.20	9.64	23.53	79.94	-	546.12
Disposals during the year	-	-	-	-	(10.42)	-	-	-	(8.93)	(19.35)
Balance as at 31 March 2023	**217.76**	**734.01**	**773.43**	**337.75**	**1790.68**	**27.36**	**74.88**	**163.50**	**36.60**	**4155.96**
Accumulated depreciation										
Balance as at 31 March 2021	**-**	**274.30**	**68.35**	**143.04**	**475.22**	**8.58**	**30.75**	**38.75**	**4.07**	**1043.05**
Additions during the year	-	75.80	27.74	35.06	222.83	2.66	8.78	10.66	9.88	393.41
Disposals during the year	-	-	-	(0.01)	(4.37)	-	-	(1.28)	-	(5.66)
Balance at 31 March 2022	**-**	**350.10**	**96.09**	**178.09**	**693.68**	**11.24**	**39.53**	**48.13**	**13.95**	**1430.80**
Additions during the year	-	76.12	44.80	29.83	209.61	4.52	10.15	14.15	9.67	398.85
Disposals during the year	-	-	-	-	(6.99)	-	-	-	(8.19)	(15.18)
Balance at 31 March 2023	**-**	**426.22**	**140.89**	**207.92**	**896.30**	**15.76**	**49.68**	**62.28**	**15.43**	**1814.47**
Net carrying value										
As at 31 March 2023	**217.76**	**307.79**	**632.54**	**129.83**	**894.38**	**11.60**	**25.20**	**101.22**	**21.17**	**2341.49**
As at 31 March 2022	**16.89**	**336.37**	**677.34**	**140.26**	**942.22**	**6.48**	**11.82**	**35.43**	**31.58**	**2198.39**

Notes:

a) 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) held by the Company are in the name of the Company.

b) Refer note 19 for information on property, plant and equipment pledged as security by the Company for securing financing facilities from banks.

c) Refer note 45 for exceptional items.

d) The Company has not revalued its property, plant and equipment during the year.

e) Refer note 34 for information on capital commitments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Information about leases for which the Company is a lessee is presented below:

Particulars	Buildings	Medical equipments	Right - of - use assets (Total)
Balance as at 01 April 2021	**1,480.35**	**5.12**	**1,485.47**
Additions during the year	556.71	-	556.71
Depreciation charge for the year	(79.62)	(1.80)	(81.42)
Balance as at 31 March 2022	**1,957.44**	**3.32**	**1,960.76**
Modification during the year	889.36	-	889.36
Depreciation charge for the year	(109.15)	(1.24)	(110.39)
Balance as at 31 March 2023	**2,737.65**	**2.08**	**2,739.73**

The following is the movement in lease liabilities during the year ended 31 March 2022 & 31 March 2023.

Particulars	Lease liabilities
Balance as at 31 March 2021	**1,185.75**
Additions during the year	531.74
Interest expenses #	132.39
Payment of lease liability	(96.62)
Balance as at 31 March 2022	**1,753.27**
Modification during the year	889.36
Interest expenses #	255.27
Payment of lease liability	(162.83)
Balance as at 31 March 2023	**2,735.07**

Includes amount of INR 58.40 million (31 March 2022: 26.00 million) capitalised in capital work in progress.

Current	
As at 31 March 2023	**157.58**
As at 31 March 2022	**92.69**

Non-Current	
As at 31 March 2023	**2,577.49**
As at 31 March 2022	**1,660.58**

As at 31 March 2023, the Company is not exposed to future cashflows relating to extension / termination options, residual value guarantees.

A. The following are the amounts recognised in Statement of Profit and Loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation expense of right-of-use assets	110.39	81.42
Interest expense on lease liabilities	196.87	106.39
Rent expenses	184.35	222.31
Total	**491.61**	**410.12**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

B. The table below describes the nature of Company's leasing activities by type of right-of-use asset recognised on the balance sheet:

As at 31 March 2023

Particulars	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with extension options
Buildings					
Hospitals	5	0.63-25.64	16.36	5	5
Residential premises (Nurse Hostels)	2	2.17- 21.02	11.59	2	2
Medical Equipments	2	1.50 - 2.17	1.84	2	2

As at 31 March 2022

Particulars	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with termination options
Buildings					
Hospitals	5	17.51 - 29.38	22.91	5	5
Residential premises (Nurse Hostels)	2	3.17- 22.02	12.59	2	2
Medical Equipments	4	0.25 - 3.25	1.67	4	4

The Company determines the leases term as either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Company will extend the term, or a lease period in which it is reasonably certain that the Company will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

c. The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	165.53	96.83
After one year but not longer than five years	741.30	611.33
More than five years	5,064.85	4,523.47
Total	**5,971.68**	**5,231.63**

D. Summary of significant leases:

a) Paras HMRI Hospital, Patna

The Company had entered into an Operations and Management Agreement dated 1 August 2011 with Hai Medicare and Research Institute Private Limited, Patna (HMRI) under the terms of which the Company had expanded and upgraded HMRI's existing 100-bed single-specialty hospital to a 300-bed super-specialty hospital and then Operating and Managing this upgraded facility for a period of 32 years upon payment of a fixed monthly consideration to HMRI till December 2016 and a fixed percentage of net revenue from January 2017 (computed as per the terms of the agreement). The Company had receivable from HMRI INR 500.00 million. Receivable is guaranteed by the personal, irrevocable and unqualified guarantee of Dr. Ahmed Abdul Hai vide deed of guarantee executed on 10 August 2011 in the Company's favour. Performance of this guarantee had also been secured by Dr. Ahmed Abdul Hai by creating a charge on the land admeasuring 2.61 acres situated at Raza Bazaar, Bailey Road, Patna of which he is the legal owner. The Company and HMRI formally agreed in a meeting held on 25 July 2014, that repayment would commence in the form of monthly instalments from January 2017 and would be repaid by HMRI to the Company over a period of 10 years from that date. The party violating the terms of the agreement thereby causing the agreement to be terminated shall pay the other party INR 500.00 million as compensation. Repayment of INR 25.00 million had been received till date. On 22 December 2017, the Company and HMRI executed an addendum to the Management Agreement dated 1 August 2011, whereby HMRI agreed to reduce its revenue share percentage from 5% of net revenue to 2.75% of net revenue for a period of 6 years commencing 1 July 2017 until 30 June 2023.

b) Paras Global Hospital, Darbhanga

The Company had entered into an Operations and Management Agreement on 1 December 2011 with a third party at Darbhanga location, under the terms of which the third party had built a multi-specialty hospital on a plot owned by it which would then be operated and managed by the Company for two continuous periods of 15 years each, upon payment of a monthly consideration which is fixed rental for the first year and then a fixed percentage of net revenue of this hospital from the second year onwards. Third party had provided the bare shell of the building and the Company had installed necessary equipment, furniture and machinery that was necessary.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

c) Paras Hospitals, Panchkula

The Company had entered into a lease deed on 8 October 2016 with a third party at Panchkula location, under the terms of which lessors had constructed a 220-bed hospital building for the Company which had been then be leased to the Company. Duration of this arrangement is 30 years. The monthly rent is a fixed monthly rental or fixed percentage of the net revenue of this unit of the Company, whichever is higher. Lessor had provided the bare shell of the building along with basic facilities like lifts, electrical fittings, STP, etc. and the Company had installed necessary equipment, furniture and machinery that is necessary.

d) Paras Hospital, Udaipur

The Company had entered into a lease deed on 31 July 2019 with a third party at Udaipur location, under the terms of which the third party would lease out existing hospital building, along with some machinery, fittings and equipment to the Company for a period of 20 years. Basis the agreement, the Company will make payment of a fixed monthly consideration with escalation clause after a specified period.During the current year, the Company has acquired 100% stake in Plus Medicare Hospitals Private Limited. Pursuant to the said acquisition, Plus Medicare Hospitals Private Limited is the wholly owned subsidiary of Paras Healthcare Private Limited w.e.f 01 October 2022

e) Yash Kothari Hospital, Kanpur

The Company had entered into a lease deed on 30 July 2021, with third party at Kanpur location under the terms of which the lessor has constructed a bare shell structure and the Company would operate, manage and run a super speciality hospital post carrying out necessary structural changes. The lessor has handed over the charge of hospital on 07 October 2021. Basis the agreement, the Company is required to make payment of a fixed monthly consideration from the rent commencement date with escalation clause after a specified period.

6 CAPITAL WORK-IN-PROGRESS

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as the beginning of the year	136.59	23.43
Add: Additions during the year	532.51	117.91
Less: amount capitalised during the year	(3.79)	(4.75)
Total	**665.31**	**136.59**

Notes

(a) Capital work-in-progress ageing schedule as at 31 March 2023 and 31 March 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
31 March 2023	537.17	112.72	8.11	7.31	**665.31**
31 March 2022	112.72	16.55	7.32	-	**136.59**

(b) Capital work-in-progress includes property, plant and equipment under construction, installation and cost of asset not ready for use as at year end.

(c) There are no such project under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2023 and 31 March 2022.

(d) The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 48.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

7 INTANGIBLE ASSETS

Particulars	As at 31 March 2023	As at 31 March 2022
A. Softwares		
Gross carrying amount		
Balance at the beginning of the year	27.27	25.00
Additions during the year	6.58	2.27
Disposals during the year	-	-
Balance as at end of the year	**33.85**	**27.27**
B. Accumulated amortisation		
Balance at the beginning of the year	18.55	13.91
Additions during the year	4.58	4.64
Disposals during the year	-	-
Balance as at end of the year	**23.13**	**18.55**
Net carrying value	**10.72**	**8.72**

8 INVESTMENTS

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Investment in wholly owned subsidiary (fully paid up) (at cost)		
Unquoted		
10,000 equity shares of INR 10/- each (31 March 2022: 10,000 equity shares of INR 10/- each) of Paras Healthcare (Ranchi) Private Limited	0.10	0.10
4,00,00,000 (previous year Nil) equity shares of INR 10/- each of Plus Medicare Hospitals Private Limited.	734.20	-
Total	**734.30**	**0.10**
Aggregate amount of unquoted investments	734.30	0.10
Aggregate amount of impairment in value of investments	-	-

9 LOANS

Particulars	As at 31 March 2023	As at 31 March 2022
Considered good - unsecured		
Loan to wholly owned subsidiary (refer note 36)	1,149.75	644.20
Total	**1,149.75**	**644.20**

Notes:

1. Dues from related parties are as under:-

Particulars	Percentage of total loans	Rate of Interest per annum	Repayment terms	As at 31 March 2023	As at 31 March 2022
Paras Healthcare (Ranchi) Private Limited	75.38%	9.65%	Repayable in five equal annual installments after initial moratorium period of six years starting from 2019-20.	866.71	644.20
Plus Medicare Hospitals Private Limited	24.62%	9.65%	Repayable in five equal annual installments after initial moratorium period of six years starting from 2022-23.	283.04	-
				1,149.75	**644.20**

Notes:

a) Refer note 45 for disclosure related to Section 186(4) of Companies Act, 2013

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

10 OTHER FINANCIAL ASSETS

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Secured, considered good				
Receivable from HMRI	261.49	270.92	37.80	-
Unsecured, considered good				
Security deposits	162.40	133.23	0.11	0.08
Balances with banks				
- in deposits with maturity of more than 12 months*	**0.96**	14.51	-	
Contract assets (refer note 42)	-	-	71.26	59.82
Accrued interest on fixed deposits	-	-	63.54	63.18
Other receivables	-	-	7.29	61.39
Total	**424.85**	**418.66**	**180.00**	**184.47**

Refer note 5(D)(a) for details of security related to HMRI.

*Includes deposit of INR 0.96 millions (31 March 2022: INR 14.51 millions) pledged with banks.

11 TAX ASSETS

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Income-tax receivable	159.92	194.94	273.02	128.63
Total	**159.92**	**194.94**	**273.02**	**128.63**

12 OTHER ASSETS

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Capital advances	132.18	369.78	-	-
Prepaid expenses	-	-	8.47	15.53
Balance with government authorities	-	-	0.14	0.14
Advance to employees	-	-	5.94	5.36
Advances to suppliers	-	-	23.90	21.62
Total	**132.18**	**369.78**	**38.45**	**42.65**

13 INVENTORIES

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realisable value		
Medical drugs	114.34	62.69
Stores and consumables	44.95	57.16
Total	**159.29**	**119.85**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

14 TRADE RECEIVABLES

Particulars	As at 31 March 2023	As at 31 March 2022
Considered good, unsecured	1,276.25	843.07
Which have significant increase in credit risk	177.58	142.58
	1,453.83	**985.65**
Less: loss allowance (refer note 39)	(177.58)	(142.58)
Net trade receivables	**1,276.25**	**843.07**

The Company's exposure to credit risks and loss allowance related to trade receivables is disclosed in note 39.

Trade receivables ageing schedule as at 31 March 2023:

Particulars	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Considered good	787.83	313.01	156.50	18.91	-	1276.25
Which have significant increase in credit risk	-	31.62	74.06	23.31	48.59	177.58
Total trade receivables	**787.83**	**344.63**	**230.56**	**42.22**	**48.59**	**1453.83**
Less: loss allowance						(177.58)
Total	**787.83**	**344.63**	**230.56**	**42.22**	**48.59**	**1276.25**

Trade receivables ageing schedule as at 31 March 2022:

Particulars	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Considered good	752.51	90.56	-	-	-	843.07
Which have significant increase in credit risk	-	16.48	69.05	24.08	32.97	142.58
Total trade receivables	**752.51**	**107.04**	**69.05**	**24.08**	**32.97**	**985.65**
Less: loss allowance						(142.58)
Total	**752.51**	**107.04**	**69.05**	**24.08**	**32.97**	**843.07**

Notes:

1. There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

2. There are no disputed or unbilled trade receivables, hence the same is not disclosed in the ageing of the schedule.

15 CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	6.81	4.78
Balances with banks		
- in current accounts	206.77	24.34
- with original maturity of 3 months or less^	1.30	42.10
Total	**214.88**	**71.22**

^ This includes deposit of INR 1.30 millions (31 March 2022: INR 1.26 millions) lien with government authorities/departments.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

16 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with original maturity more than three months but remaining maturity of less than twelve months	1,385.56	1,873.86
Total	**1,385.56**	**1,873.86**

This includes deposit of INR 36.53 millions (31 March 2022 INR 43.49 millions) pledged with banks and INR 1,348.27 millions (31 March 2022 INR 1,768.72 millions) as lien against term loan and overdraft.

17 EQUITY SHARE CAPITAL

	Particulars	As at 31 March 2023	As at 31 March 2022
a)	**Authorized share capital**		
	5,000,000 (31 March 2022: 5,000,000) equity shares of INR 10/- each	50.00	50.00
b)	**Issued, subscribed and fully paid-up shares**		
	4,880,533 (31 March 2022: 4,880,533) equity shares of INR 10/- each fully paid-up	48.81	48.81
	Less: Reclassification to financial liability (refer note 20)	(12.05)	(12.05)
	Total issued, subscribed and fully paid-up share capital	**36.76**	**36.76**

c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	48,80,533	48.81	48,80,533	48.81
Less: Reclassification to financial liability (refer note 20)	(12,04,569)	(12.05)	(12,04,569)	(12.05)
At the end of the year	**36,75,964**	**36.76**	**36,75,964**	**36.76**

d) The rights, preferences and restrictions to each class of shares including restrictions on the distribution of dividends and repayment of capital (for all shareholders).

The Company has only one class of equity shares having par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in proportion to the number of equity shares held by the shareholders

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10/- each fully paid held by				
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100%	36,75,962	100%

Also, refer note 20 for financial instrument classified as financial liability.

f) Details of shares held by promoters of the Company:

Particulars	As at 31 March 2023		As at 31 March 2022		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100%	36,75,962	100%	

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	As at 31 March 2022		As at 31 March 2021		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100%	36,75,962	100%	

Notes:

a) The above information is furnished as per shareholder register of the Company as at the year ended 31 March 2023 and 31 March 2022

b) No changes in promoter's shareholdings during the respective years.

c) Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

g) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Company has not issued any shares pursuant to a contract without payment being received in cash, alloted as fully paid up by way of bonus shares nor has there been any buy-back of shares in the current year and immediately preceeding five years.

18 OTHER EQUITY

Particulars	As at 31 March 2023	As at 31 March 2022
a. Securities premium (note a)		
Balance at the beginning of the year	62.71	62.71
Balance at the end of the year	**62.71**	**62.71**
b. Retained earnings (note b)		
Balance at the beginning of the year	1,180.60	1,125.08
Profit during the year	6.24	55.52
Balance at the end of the year	**1,186.83**	**1,180.60**
c. Other comprehensive income (note c)		
Balance at the beginning of the year	2.05	3.88
Movement during the year	(2.06)	(1.83)
Balance at the end of the year	**(0.01)**	**2.05**
Total other equity (a+b+c)	**1,249.54**	**1,245.36**

Nature and purpose of reserves

a) **Securities premium**

Security premium is created when the Company issues shares at the premium. The aggregate amount of premium received on the shares is transferred to a separate account called "security premium". The same will be utilised in accordance with the provisions of the Companies Act, 2013 and related provisions.

b) **Retained earnings**

Retained earnings are accumlated profits earned by the Company till date, as adjusted for distribution to owners.

c) **Other comprehensive income**

Other comprehensive income comprise re-measurements of defined benefit liability.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

19 NON-CURRENT BORROWINGS

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, at amortised cost		
Term loans from banks	1,993.25	1,438.82
Less: current maturities of non-current borrowings	(309.54)	(224.95)
Total non-current borrowings	**1,683.71**	**1,213.86**

Terms of repayment and security details:

Particulars	Repayment terms
a) Term Loan from Bank A:	
i) INR 1,218.11 million (31 March 2022 : INR 1036.21 million) are secured primarily by: A. first pari passu charge on plant & machinery, medical equipments and vehicles purchased through sanctioned facility. B. first Pari-passu charge on current assets and operating cash flows of the company Collateral by: First Pari Passu charge by way of Equitable mortgage of the Company's property at Block C-1, Sushant Lok-1, Sector 43, Gurugram-122002; Exclusive charge over property situated at Udaipur. First Pari Pasu charge on leasehold rights of Kanpur unit.	Repayment ranging from 13 to 84 installments aggregating to INR 1218.11 million, Rate of interest range from 7.15% p.a to 8.50% p.a (31 March 2022-7.15% p.a to 9.15% p.a)
b) Term Loan from Bank B:	
INR 538.35 million (31 March 2022 : nil) are secured primarily by: a. First Pari Passu charge by way of Equitable mortgage over Land & Building of Gurugram unit b. First Pari Passu charge by way of hypothecation of all movable fixed assets, present & future, Except exclusively charged to existing lenders c. First pari-passu charge by way of hypothecation over all current assets, present & future d. First pari-passu charge by way of hypothecation on all the movable fixed assets, present & future for Kanpur Hospital.	Repayment ranging from 13 to 36 installments aggregating to INR 538.35 million, Rate of interest at 5.75% to 9.0% p.a (31 March 2022 - nil)
c) Term Loan from Bank C:	
INR 254.60 million (31 March 2022 : INR 200.00 million) are secured primarily by: a. ®Exclusive charge on commercial property owned by the Company located at First floor, Paras Twin Tower - B, Golf Course Road, Sec-54, Gurugram, Haryana 122022. b. Subserviant charge on movable property, plant and equipments and current assets.	Repayable in 12 installments aggregating to INR 254.60 million, Rate of interest at 8.37 % p.a. (31 March 2022 - 7.41%)
d) Term Loan from Bank D:	
Nil as on 31 March 2023 (31 March 2022 : INR 202.60 million) are secured primarily by: Exclusive charge on movable property, plant and equipment of Udaipur location. Collateral by: a. Exclusive charge on movable property, plant and equipment of Udaipur. b. Second Pari-passu charge on current assets of the Company	Repayment ranging from 13 to 32 installments aggregating to INR 202.60 million, The loan has been foreclosed during the year. Rate of interest nil (31 March 2022 - 8.95 % p.a.)

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Utilisation of borrowings

(a) During the year, the Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

(b) The quarterly returns/statements of current assets filed by the Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

(c) Total undrawn facility as at 31 March 2023 amounts to INR 1,049.30 million (31 March 2022 : INR 1,200.00 million)

19A CURRENT BORROWINGS

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, at amortised cost		
Cash credit	1,067.81	520.68
Current maturities of non-current borrowings	309.54	224.95
Total	**1,377.35**	**745.63**

Terms of repayment and security details:

Particulars	Terms of Repayment
a) Cash Credit from Bank A:	
i) INR 1,045.85 million (31 March 2022 : INR 520.68 million) are secured primarily by: A. first pari passu charge on plant & machinery, medical equipments and vehicles purchased through sanctioned facility. B. first Pari-passu charge on current assets and operating cash flows of the company Collateral by: First Pari Passu charge by way of Equitable mortgage of the Company's property at Block C-1, Sushant Lok-1, Sector 43, Gurugram-122002; Exclusive charge over property situated at Udaipur. First Pari Pasu charge on leasehold rights of Kanpur unit."	Rate of interest range from 4.35 % p.a to 5.65 % p.a (31 March 2022- 4.35 % p.a to 5.85 % p.a)"
b) Overdraft from Bank B:	
INR 21.96 million (31 March 2022 : INR Nil) are secured primarily by: a. First Pari Passu charge by way of equitable mortgage over land & building of Gurugram unit b. First Pari Passu charge by way of hypothecation of all movable fixed assets, present & future, Except exclusively charged to existing lenders c. First pari-passu charge by way of hypothecation over all current assets, present & future d. First pari-passu charge by way of hypothecation on all the movable fixed assets, present & future for Kanpur Hospital	Rate of interest at 8.25% p.a (31 March 2022- Nil)

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

20 OTHER FINANCIAL LIABILITIES

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial instrument classified as financial liability (refer note c below)	-	2,843.45	3,374.93	-
Security deposits	1.74	1.74	0.28	0.28
Interest accrued but not due on borrowings	-	-	4.00	4.20
Payable for purchase of property, plant and equipment	-	-	103.89	10.17
Employees payable	-	-	55.39	38.89
Total	**1.74**	**2,845.19**	**3,538.49**	**53.54**

Notes:

(a) Refer note 38 for detailed disclosure on fair value of financial liabilities.

(b) The Company's exposure to liquidity risks related to above financial liabilities are disclosed in note 39.

(c) Financial instrument classified as financial liability

Series A CCPS issued to investor were converted into equity shares during the year ended 31 March 2018 as per the terms and conditions mentioned in Investment and Share Purchase Agreement (ISPA)

i) As per the ISPA, the investor have following rights / options:

A. For first 63 months of issuance of allotment letter of the subscribed securities:

The investor shall be given an exit at threshold exit price from the arrangement either by a QIPO("Qualified Initial Public Offerings") or financial investor sale. Threshold exit price means such price per security the investor being entitled to receive higher of (i) 2.5 times the investment amount or (ii) an IRR of 25%.

B. After 63 months and till 19 years from the issuance of allotment letter of the subscribed securities:

Right to require the Company to provide an exit by way of a buyback of up to all the investor securities at the fair market value ("Buy Back Option") till such time as the Investor continues to hold any investor securities

21. PROVISIONS

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Provision for gratuity (refer note 41)	29.07	27.82	14.98	11.41
Provision for compensated absences (refer note 41)	25.95	20.95	16.25	12.08
Total	**55.02**	**48.77**	**31.23**	**23.49**

22 TRADE PAYABLES

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding due to micro and small enterprises (MSME) ; and	189.46	221.79
Total outstanding due to other than micro and small enterprises	894.68	908.45
Total	**1,084.14**	**1,130.24**

Notes:

a) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 39.

b) For trade payables owing to related parties, refer note 36.

c) For trade payables owing to micro and small enterprises, refer note 35.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Trade Payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	-	189.46	-	-	-	189.46
Others	331.72	555.79	2.17	1.33	3.67	894.68
Total trade payables	**331.72**	**745.25**	**2.17**	**1.33**	**3.67**	**1084.14**

Trade receivables ageing schedule as at 31 March 2022:

Particulars	Outstanding for following periods from date of invoice					Total
	Unbilled	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	-	221.79	-	-	-	221.79
Others	293.14	610.47	0.67	2.20	1.97	908.45
Total trade payables	**293.14**	**832.26**	**0.67**	**2.20**	**1.97**	**1130.24**

There are no disputed trade payables, hence the same is not disclosed in the ageing schedule.

23. OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	67.32	49.08
Contract liabilities - advance from patients	61.60	38.90
Total	**128.92**	**87.98**

24 REVENUE FROM OPERATIONS

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from sale of services - Healthcare		
Operating income - in patient department	7,168.99	6,240.09
Operating income - out patient department	1,311.79	1,236.90
Revenue from sale of product - Pharmacy	301.19	272.50
	8,781.97	**7,749.49**
Other operating revenues		
Sponsorship income	5.59	6.62
Scrap sales	1.60	4.51
	7.19	**11.13**
Total	**8,789.16**	**7,760.62**

Note: Refer note 42 for revenue related disclosures.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

25 OTHER INCOME

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
from banks	76.87	87.59
from others*	73.70	42.33
Gain on sale of property, plant and equipment	0.82	1.36
Other non operating income		
Rental income	1.46	4.58
Unwinding of discount on security deposits	80.10	30.34
Income-tax refund	-	2.39
Liabilities no longer required written back	2.79	0.97
Miscellaneous income	22.80	3.80
Total	**258.54**	**173.36**

* includes interest income on loans given to subsidiaries. Refer note 36 for further details.

26. PURCHASES OF MEDICAL DRUGS

Particulars	As at 31 March 2023	As at 31 March 2022
Purchases of medical drugs	2,320.40	2,067.20
Total	**2,320.40**	**2,067.20**

27 CHANGES IN INVENTORIES OF MEDICAL DRUGS

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year		
Purchase of medical drugs	114.34	75.69
Sub-total (A)	**114.34**	**75.69**
Inventories at the beginning of the year		
Purchase of medical drugs	75.69	52.92
Sub-total (B)	**75.69**	**52.92**
Net change (B-A)	**(38.65)**	**(22.77)**

28. EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,118.37	885.88
Contribution to provident fund and other funds(refer note 41)	60.23	50.19
Staff welfare expenses	62.01	42.64
Total	**1,240.61**	**978.71**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

29 OTHER EXPENSES

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power, fuel and water	149.20	135.52
Rent and facility fees	184.35	222.31
Repair and maintenance		
- Buildings	18.46	25.45
- Plant and equipment	123.35	114.40
- Others	68.68	62.18
House keeping	219.43	194.48
Laundry expenses	54.73	45.91
Patient food and beverage	70.37	63.11
Consultation and professional charges to doctors	2,141.61	1,873.72
Outsourced medical services	433.66	480.44
Security expenses	50.17	46.44
Corporate social responsibility expense (refer note 43)	6.21	4.91
Legal and professional	56.92	39.45
Travelling and conveyance	61.85	43.74
Printing and stationery	34.23	24.78
Communication	7.37	7.71
Insurance	16.95	20.25
Rates and taxes	9.32	5.28
Marketing and business promotion	119.28	69.44
Auditors' remuneration (including applicable taxes) (refer note below)	6.49	5.99
Loss allowance	35.00	20.24
Bank charges	17.38	16.93
Directors sitting fees	0.59	0.36
Miscellaneous expenses	46.93	11.41
Total	**3,932.53**	**3,534.45**

Note: Payment to auditors		
As auditor:		
Audit fees (inclusive of taxes)	6.02	5.43
Reimbursement of expenses	0.47	0.56
	6.49	**5.99**

30. FINANCE COSTS

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense		
- On loans taken from banks	160.65	126.59
- On lease liabilities	196.87	106.39
- Others	26.34	4.53
Total	**383.86**	**237.51**

31 DEPRECIATION AND AMORTIZATION EXPENSES

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property plant and equipment (refer note 4)	398.85	393.41
Amortization of intangible assets (refer note 7)	4.58	4.64
Amortization of right-of-use assets (refer note 5)	110.39	81.42
Total	**513.82**	**479.47**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

32 TAX EXPENSE

a)

Amounts recognized in profit and loss	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
- Current year	204.78	184.04
- Earlier period	-	4.06
Deferred tax credit	(47.39)	(9.51)
Tax expenses for the year (A) + (B)	**157.39**	**178.59**

b)

Income tax recognized in other comprehensive income	For the year ended 31 March 2023			For the year ended 31 March 2022		
	OCI before tax	Tax (expense) benefit	Net of tax	OCI before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability (asset)	**(2.75)**	**0.69**	**(2.06)**	**(2.45)**	**0.62**	**(1.83)**

c)

Reconciliation of effective tax rate	For the year ended 31 March 2023		For the year ended 31 March 2022	
Profit before tax		163.65		234.11
Tax using the Company's domestic tax rate (31 March 2023: 25.17% and 31 March 2021: 25.17%)	25.17%	41.19	25.17%	58.92
Tax effect of:				
Non-deductible expenses :				
- Donations	0.95%	1.56	0.53%	1.23
- Fair valuation (gain)/ loss on liability component of contribution	81.75%	133.77	49.31%	115.44
- Tax pertaining to earlier period	-	-	1.73%	4.06
- Others	(11.69%)	(19.14)	-0.45%	(1.06)
At the end of the year	**96.18%**	**157.39**	**76.28%**	**178.59**

d) **Recognized deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (asset) / liabilities	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	-	-	112.30	98.11	112.30	98.11
Right of use assets (net of lease liability)	-	-	1.17	49.14	1.17	49.14
Loss allowance	(44.69)	(35.89)	-	-	(44.69)	(35.89)
Disallowance u/s 43B of Income Tax Act, 1961	-	(5.08)	-	-	-	(5.08)
Provision for employee benefits	(26.03)	(18.19)	-	-	(26.03)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(79.02)	(83.46)	-	-	(79.02)	(83.46)
Others	-	-	-	7.17	-	7.17
Net deferred tax (assets)/liabilities	**(149.74)**	**(142.62)**	**113.47**	**154.42**	**(36.27)**	**11.80**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

e) Movement in temporary differences

Deferred tax assets and liabilities are attributable to the following:	As at 31 March 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	As at 31 March 2023
Property, plant and equipment	78.77	19.34	-	98.11	14.19	-	112.30
Right of use assets (net of lease liability)	75.43	(26.29)	-	49.14	(47.97)	-	1.17
Loss allowance	(30.79)	(5.10)	-	(35.89)	(8.81)	-	(44.69)
Disallowance u/s 43B of Income Tax Act, 1961	(5.07)	(0.00)	-	(5.08)	5.08	-	-
Provision for employee benefits	(13.63)	(3.94)	(0.62)	(18.19)	(7.15)	(0.69)	(26.03)
Financial assets and financial liabilities measured at amortised cost	(84.47)	1.01	-	(83.46)	4.44	-	(79.02)
Others	1.70	5.47	-	7.17	(7.17)	-	-
Total	**21.93**	**(9.51)**	**(0.62)**	**11.80**	**(47.39)**	**(0.69)**	**(36.27)**

33. EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of shares outstanding during the year *	36,75,962	36,75,962
Net (loss)/ profit attributable to the equity shareholders	6.24	55.52
Basic and diluted earning per share (in INR) [Face value of 10/- each]	1.70	15.10

* Excludes 1,204,569 equity shares classified as financial liability.

34. COMMITMENTS AND CONTINGENCIES

a) Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the financial statements, amounts to INR 952.45 million (31 March 2022 INR 184.52 million).

b) The Company had imported capital goods under EPCG (Export Promotion Capital Goods) Scheme and saved custom duty to the tune of INR 177.70 million (31 March 2022: INR 168.91 million) until 2022-23. As per the EPCG terms and conditions, the Company needs to export goods 6 - 8 times of duty saved on import of Capital goods on FOB basis within a period of 6 -8 years The Company has exported services of INR 779.83 million (31 March 2022 :INR 716.33 million) . The balance export obligation of INR 286.39 million (31 March 2022: INR 279.19 million) is pending to be exported by the Company. In case, the Company is unable to export services within the prescribed timeframe, then the Company may have to pay duty on import of capital goods, including interest and penalty thereon. Considering the past trends and internal assessment done by the Company, the management is of the view that the required export obligation will be achieved within the prescribed time and hence no provision is required at this stage.

c) The Company has issued letter of support for financial assistance to Paras Healthcare (Ranchi) Private Limited & Plus Medicare Hospitals Private Limited for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the subsidiary Company for the year ended 31 March 2023.

d) The Company's significant lease arrangement is in respect of premises of hospital and nursing hostel. The details of the commitments of the said leases is disclosed in note 5.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

e) Contingent liabilities not provided for:

1) Guarantees:

Bank guarantee given to Heavy Engineering Corporation Limited by the Company on behalf of its subsidiary Company amounting to INR 75.00 million (31 March 2022: INR 75.00 million) as per terms and conditions mentioned in the concession agreement entered with Heavy Engineering Corporation Limited.

Particulars	As at 31 March 2023	As at 31 March 2022
- Legal cases in respect of compensation demanded by the patients/ their relatives for negligence	105.93	103.97
- Income Tax	-	1.10

Basis the management's assessment, the Company has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Company.

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Company. The cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various stages/forums.

35. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS PER MSMED ACT, 2006

Based on the information available with the Company, some of suppliers have been identified, who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) to whom the Company owes and the same is outstanding for more than 45 days as at 31 March 2023. The information has been determined to the extent such parties have been identified on the basis of responses received from vendors on confirmation sought by the Company.

Particulars	As at 31 March 2023	As at 31 March 2022
a) The principal amount payable to suppliers at the year end	189.46	221.79
b) The amount of interest due on the remaining unpaid amount to suppliers as at the year end	1.19	0.55
c) The amount of interest paid by buyer in terms of section 16 of MSMED, along with the amount of the payment made to supplier beyond the appointed day during each accounting year	-	-
d) The 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	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.19	0.55
f) The amount of further interest remaining due and payable 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 MSMED.	-	-

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

36 RELATED PARTY DISCLOSURES

In the normal course of business, the Company enters into transactions with its key management personnel. The names of related parties of the Company as required to be disclosed under Indian Accounting Standard 24 "Related Party Disclosures" is as follows:

Nature of relationship	Name of related party
a) List of related parties and nature of relationship where control exits	
Wholly owned subsidiary	Paras Healthcare (Ranchi) Private Limited
Wholly owned subsidiary	Plus Medicare Hospitals Private Limited (w.e.f 01 October 2022)
b) List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year	
(i) Key management personnel of the Company	Dr. Dharminder Kumar Nagar (Managing Director)
	Dr. Kapil Garg (Whole time Director)
	Dr. Veer Singh Mehta (Non-Executive Director)
	Mr. Ramesh Abhishek (Non-Executive Director) (w.e.f 22 June 2021)
	Mr. Kabir Kishin Thakur (Non-Executive Director) (w.e.f 17 August 2021)
	Mr. Saurabh Sood (Independent Director)
	Mr. Narayan Anand (Non-Executive Director till 17 August 2021))
	Late. Dr. Shaibal Gupta (Independent Director till 28 January 2021)
	Mr. Debajit Sensharma(Group CFO till 04 February 2023)
	Mr. Dilip Bidani (Group CFO)(w.e.f 01 March 2023)
	Mr. Rahul Kumar(Company Secretary w.e.f 5 July 22)
(ii) Significant influence of key management personnel	Ch. Ved Ram Nagar Medical Education & Research Society
(iii) Entity/ person with direct or indirect significant influence over the Company	Commelina Ltd. (Investor)

c) Transactions made during the year:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Managerial remuneration		
- Dr. Dharminder Kumar Nagar	55.10	55.10
- Dr. Kapil Garg	11.00	10.00
- Mr. Debajit Sensharma	11.64	12.70
- Mr. Dilip Bidani	1.88	-
- Mr. Rahul Kumar	2.49	-
- Mr. Mohd. Shahid	-	1.04
	82.11	**78.84**
Consultation and professional charges to doctors		
- Dr. Veer Singh Mehta	32.21	35.34
	32.21	**35.34**
Rent and facility fees (including applicable taxes)		
- Plus Medicare Hospitals Private Limited	35.67	-
	35.67	**-**
Directors sitting fees		
- Mr. Saurabh Sood	0.06	0.06
- Mr. Ramesh Abhishek	0.40	0.30
	0.46	**0.36**
Interest on loan given		
- Paras Healthcare (Ranchi) Private Limited	68.67	42.33
- Plus Medicare Hospitals Private Limited	5.03	-
	73.70	**42.33**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Loan to wholly owned subsidiary		
- Paras Healthcare (Ranchi) Private Limited	153.85	239.49
- Plus Medicare Hospitals Private Limited	278.00	-
	431.85	**239.49**
Rental income		
- Ch. Ved Ram Nagar Medical Education & Research Society	0.02	0.02
	0.02	0.02

d) Balance outstanding as at the year end:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Other receivables		
- Ch. Ved Ram Nagar Medical Education & Research Society	0.28	0.26
	0.28	**0.26**
Loan to wholly owned subsidiaries (including interest)		
- Paras Healthcare (Ranchi) Private Limited	866.71	644.20
- Plus Medicare Hospitals Private Limited	283.04	-
	1,149.75	**644.20**
Investment by Commelina Limited		
- Financial instruments classified as financial liability	3,374.93	2843.45
	3,374.93	**2,843.45**
Trade payables		
- Dr. Veer Singh Mehta	1.96	2.65
	1.96	**2.65**
Security deposit		
- Plus Medicare Hospitals Private Limited	254.00	-
	254 .00	**-**

Terms and conditions of related party transactions:

i) The Company has given bank guarantee of INR 75.00 million (31 March 2022: INR 75.00 million) on behalf of its subsidiary as per the terms and conditions of the concession agreement entermeted with Heavy Engineering Corporation Limited.

ii) The Company has issued letter of support for financial assistance to Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Lmited for ongoing projects and operations for a period of not less than 12 months from the date of financial closure of accounts of the subsidiary Company for the year ended 31 March 2023.

iii) The Company has given corporate guarantee on behalf of its subsidiary Company for the sanctioned undrawn borrowing from Axis Bank Limited amounting to INR Nil (31 March 2021: INR 480 million). The subsidiary Company has not withdrawn the sanction limit availed. As at 31 March 2022 the limit has been lapsed.

Notes

a) All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

37. SEGMENT INFORMATION

An operating segment is a component of the Company that engages in business activities from which (a) it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, (b) for which discrete financial information is available (c) operating results are reviewed regularly by the Company's managing director i.e. Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The Company is engaged in the business of providing health care services.Thus, the Company has only one operating segment, and has no reportable segments in accordance with Ind AS - 108 'Operating Segments'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

38. FAIR VALUE MEASUREMENT AND FINANCIAL INSTRUMENTS

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2023

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Loans	-	1,149.75	1,149.75	-	-	-
Others	-	604.85	604.85	-	-	-
Investments (at cost)*	-	-	-	-	-	-
Trade receivables	-	1,276.25	1,276.25	-	-	-
Cash and cash equivalents	-	214.88	214.88	-	-	-
Bank balances other than above	-	1,385.56	1,385.56	-	-	-
Total	**-**	**4,631.29**	**4,631.29**	**-**	**-**	**-**
Financial liabilities						
Borrowings	-	3,061.06	3,061.06	-	-	-
Lease liabilities	-	2,735.07	2,735.07	-	-	-
Others	-	3,540.23	3,540.23	-	-	-
Trade payables	-	1,084.14	1,084.14	-	-	-
Total	**0.00**	**10,420.50**	**10,420.50**	**-**	**-**	**0.00**

As at 31 March 2022

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Loans	-	644.20	644.20	-	-	-
Others	-	603.14	603.14	-	-	-
Investments (at cost)*	-	-	-	-	-	-
Trade receivables	-	843.07	843.07	-	-	-
Cash and cash equivalents	-	71.22	71.22	-	-	-
Bank balances other than above	-	1,873.86	1,873.86	-	-	-
Total	**-**	**4,035.49**	**4,035.49**	**-**	**-**	**-**
Financial liabilities						
Non-current				-	-	
Borrowings	-	1,959.50	1,959.50	-	-	-
Lease liabilities	-	1,753.27	1,753.27	-	-	-
Others	2,843.45	55.28	2,898.73	-	-	2,843.45
Trade payables	-	1,130.24	1,130.24	-	-	-
	2,843.45	**4,898.28**	**7,741.73**	**-**	**-**	**2,843.45**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, current loans and other current financial assets and liabilities, approximates the fair values, due to their short-term nature.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2023 and 31 March 2022.

Fair value through profit or loss

* Investment in equity shares of subsidiaries, carried at cost have not been disclosed in the statement above.

Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Type	Valuation technique
Financial instrument classified as Financial liability	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate

Sensitivity Analysis of fair value instruments:-

(i) Liability component of equity shares held by Commelina Ltd

The management has used Discounted cash flow (DCF) method for determining the fair value of Financial instrument classified as Financial liability .

The Management has computed net present value of cash flows by discounting free cash flow to firm ("FCFF") using a weighted average cost of capital ("WACC"). As at 31 March 2023, the weighted average cost of capital (WACC) multiple has been determined at 15.93% (31 March 2022 : 14.86%)

Management has identified that a reasonably possible change in the key assumption could cause a change in fair value of the instrument. The following table shows the amount by which the fair value would change on change in the assumption. All other factors remaining constant.

Particulars	As at 31 March 2023	As at 31 March 2022
WACC multiple		
Increase by 1%	(407.80)	(324.60)
Decrease by 1%	493.50	398.40

39. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits.Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

(i) **Credit risk**

The maximum exposure to credit risks is represented by the gross carrying amount of these financial assets in the balance sheet.

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	1,276.25	843.07
Cash and cash equivalents	214.88	71.22
Bank balances other than above	1,385.56	1,873.86
Loans	1,149.75	644.20
Other financial assets	604.85	603.14

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets. Other financial assets primarily comprise of unbilled revenue and accrued interest on fixed deposits. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis

The carrying amount of financial assets represents the maximum credit exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

In monitoring customer credit risk, customers/patients are grouped according to their credit characteristics, including, whether they are third party insurance agents or government panel patients and others.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, trade channels, past experience of defaults, estimates for future uncertainties etc.

The allowance for expected credit loss on trade receivables is as below :

Particulars	Amount
As at 31 March, 2021	**122.34**
Provided during the year	20.24
As at 31 March, 2022	**142.58**
Provided during the year	35.00
As at 31 March, 2023	**177.58**

Expected credit loss for trade receivable as at 31 March 2023

Particulars	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables (a)	787.83	344.63	230.56	42.22	48.59	1,453.83
Expected credit loss rate (%)	-	9.18%	32.12%	55.21%	100%	12.21%
Expected credit losses (b)	-	31.62	74.06	23.31	48.59	177.58
Net trade receivable (a-b)						**1,276.25**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

Expected credit loss for trade receivable as at 31 March 2022

Particulars	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables (a)	752.51	107.04	69.05	24.08	32.97	985.65
Expected credit loss rate (%)	-	15%	100%	100%	100%	14.47%
Expected credit losses (b)	-	16.48	69.05	24.08	32.97	142.58
Net trade receivable (a-b)						**843.07**

Other than financial assets mentioned above, none of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

(ii) **Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments, where applicable.

31 March 2023	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
Borrowings*	1,539.37	1,488.94	702.74	3,731.05
Trade payables	1,084.14	-	-	1,084.14
Lease liabilities	165.53	741.30	5,064.85	5,971.68
Others	3,540.23	0.00	-	3,540.23
Total	**6,329.27**	**2,230.24**	**5,767.59**	**14,327.10**

31 March 2022	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
Borrowings*	851.74	1,201.78	267.12	2,320.64
Trade payables	1,130.24	-	-	1,130.24
Lease liabilities	89.30	582.67	3,993.50	4,665.47
Others	55.28	2,843.45	-	2,898.73
Total	**2,126.56**	**4,627.90**	**4,260.62**	**11,015.08**

* Includes current maturities of non current borrowings

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

40. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holder. The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return on capital.

The Company monitors its net debt / equity ratio as well as compliance with financial covenants on regulary basis.

Particulars	As at 31 March 2023	As at 31 March 2022
Total liabilities *	10,635.67	7,901.97
Less: cash and cash equivalent	214.88	71.22
Net debt	**10,420.79**	**7,830.75**
Total equity	1,286.30	1,282.12
Equity	**1,286.30**	**1,282.12**
Net debt to equity ratio	**8.10**	**6.11**

* Excludes deferred tax liabilities

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

41. EMPLOYEE BENEFITS

The Company contributes to the following post-employment defined benefit plans.

a) Defined contribution plans

The Company has recognised the following amount in the Statement of profit and loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's contribution to Employee's Provident Fund	48.62	43.92
Employer's contribution to Employee's State Insurance	6.19	6.65
Other funds (NPS and labour welfare fund)	5.41	2.07
	60.22	**52.64**

b) Other long-term employment benefits

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future year.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Present value of obligation as at the end of the year		
Compensated absences	42.20	33.04
Current and non-current liability bifurcation		
Non current	25.95	20.95
Current	16.25	12.08
	42.20	**33.04**

c) Defined benefit plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for fifteen days salary multiplied for the number of years of service.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

(i) Changes in present value obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Present value obligation as at the beginning of the year	39.23	28.50
Benefits paid	(9.94)	(6.89)
Current service cost	9.95	13.67
Interest cost	2.06	1.50
Actuarial (gains) losses recognised in other comprehensive income	2.75	2.45
Present value obligation as at the end of the year	**44.05**	**39.23**

(ii) Net liability recognised in the Balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Non current liabilities	29.07	27.82
Current liabilities	14.98	11.41
	44.05	**39.23**

(iii) Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	9.95	13.67
Interest cost	2.06	1.50
	12.01	**15.17**

(iv) Remeasurements recognized in the statement of other comprehensive income (OCI)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain)/ loss on defined benefit obligation	2.75	2.45
	2.75	**2.45**

(v) Experience history

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation at the end of the period	44.05	39.23	28.50	25.45	20.04
Experience gain/(loss) adjustments on plan liabilities	(4.96)	(0.04)	(0.04)	0.84	0.72

(vi) Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	5.25%
Salary escalation rate	5.00%	5.00%
Mortality rate	IALM 2012-14	IALM 2012-14
Retirement age	58 years	58 years
Withdrawal rate	35.00%	35.00%

As at 31 March 2023, the weighted average duration of the defined benefit obligation was 18 years (31 March 2022 : 21 years).

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

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(All amounts are in INR million, unless otherwise stated)

(vii) Sensitivity analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	41.04	43.12	31.00	32.70
Salary escalation rate (1%)	42.14	41.00	32.69	30.99
Withdrawal rate (1%)	42.32	42.30	31.58	32.09

The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the Plan's sensitivity to such changes can vary over time.

(viii) Expected undiscounted future cash flows

The table below shows the expected undiscounted cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Particulars	As at 31 March 2023	As at 31 March 2022
Year 1	11.87	11.41
Year 2	3.78	3.45
Year 3	3.81	3.52
Year 4	3.33	3.02
Year 5	3.02	2.59
Year 5 onwards	18.24	15.24
	44.05	**39.23**

The Company expects to contribute INR 17.33 millions (31 March 2022 is INR 14.57 millions) for post employment benefits during the next financial year.

(ix) Risk exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

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42. REVENUE RELATED DISCLOSURES

I Disaggregation of revenue

Revenue recognised mainly comprises of healthcare services. Set out below is the disaggregation of the Company's revenue from contracts with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) Operating revenue		
Income from healthcare services	8,480.78	7,476.99
Income from sale of pharmacy products	301.19	272.50
(B) Other operating revenue		
Sponsorship income	5.59	6.62
Scrap sales	1.60	4.51
Total revenue	**8,789.16**	**7,760.62**

II Timing of revenue recognition

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
At point in time	1,620.16	1467.53
At point over time	7,168.99	6293.09
Total revenue	**8,789.15**	**7760.62**

III Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract assets (refer note 10)	71.26	59.82
Advance from patients (refer note 23)	61.60	38.90

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

IV Significant changes in the contract liabilities balances during the year are as follows:

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Contract liabilities - Advance from customers	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance of Contract liabilities - Advance from customers	38.90	57.47
Movement during the year (net)	22.70	(18.57)
Closing balance of Contract liabilities - Advance from customers	**61.60**	**38.90**

Contract assets - Unbilled revenue	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance of Contract assets - Unbilled revenue	59.82	46.14
Less: Amount of revenue recognised during the year	(59.82)	(46.14)
Add: Addition during the year	71.26	59.82
Closing balance of Contract assets - Unbilled revenue	**71.26**	**59.82**

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

V The aggregate amount of transaction price allocated to the performance obligations (yet to complete) as at 31 March 2023 is INR 61.60 million (31 March 2022 : INR 38.90 million). This balance represents the advance received from customers (gross) against healthcare services. The management expects to further bill and collect the remaining balance of total consideration in the coming periods. These balances will be recognised as revenue in subsequent period as per the policy of the Company.

43 CORPORATE SOCIAL RESPONSIBILITY

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) amount required to be spent by the Company during the year	5.56	5.59
(b) amount of expenditure incurred,		
(i) Construction/acquisition of asset	-	-
(ii) on purposes other than (i) above	6.20	4.78
(c) shortfall/ (excess) at the end of the year,	(1.91)	(1.27)
(d) total of previous years shortfall	-	-
(e) reason for shortfall,	-	-
(f) nature of CSR activities	Note a	Note a
(g) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not applicable	Not applicable

Note

The Company has made contribution to charitable trust towards promoting education pursuant to schedule VII of Companies Act, 2013

44 NORMALISED EARNINGS BEFORE FINANCE COSTS, DEPRECIATION AND AMORTIZATION AND TAXES

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings before finance costs, depreciation and amortization and taxes(as reported)	1,592.81	1,376.39
Add: Corporate social responsibility	6.21	4.91
Add: Non Recurring expense	30.83	-
Less: Non operational income	(258.54)	(173.36)
Add/less:IND AS adjustments		
HMRI Secuirty Deposit	(80.10)	(30.34)
Acturial Gain/loss	2.75	2.45
Reversal of lease rent	265.23	147.81
Normalised Earnings before finance costs, depreciation and amortization and taxes	**1,559.19**	**1,327.86**

45. EXCEPTIONAL ITEMS

Due to heavy rainfall in August 2020 and resultant water loggings in Gurugram Hospital, Company's assets including property, plant and equipment, inventory were damaged. The Company had filed the insurance claim for the same.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance claim recognised (refer note a below)	-	33.34
Net gain	-	33.34

Note a : Represents the amount received on account of insurance claim towards loss of profit resultant water logging in Gurugram Hospital in August 2020.

46. Particulars of investment made or loan given as required by clause (4) of section 186 of the Companies Act, 2013 has been given under the loan schedule.Refer note 8 and 9

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

47 RATIO ANALYSIS AND ITS ELEMENTS

a) The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022:

Particulars	Note	As at 31 March 2023	As at 31 March 2022	Variance
(a) Current ratio	(i)	0.48	1.53	-68.33%
(b) Debt equity ratio	(ii)	2.38	1.53	55.71%
(c) Debt service coverage ratio	(iii)	32.94	1.66	1882.04%
(d) Return on equity ratio (%)	(iv)	0.49%	4.42%	-89.02%
(e) Inventory turnover ratio	(v)	16.35	17.97	-9.02%
(f) Trade receivable turnover ratio	(vi)	6.77	10.51	-35.64%
(g) Trade payable turnover ratio	(vii)	2.10	1.96	6.86%
(h) Net capital turnover ratio	(viii)	-3.15	6.87	-145.87%
(i) Net profit ratio (%)	(ix)	0.07%	0.72%	-90.09%
(j) Return on capital employed ratio (%)	(x)	37%	28%	28.91%
(k) Return on investment ratio (%)	(xi)	NA	NA	NA

Reasons for variance

1. The increase in current liability is significantly more than increase current asset, resulting in decrease in the ratio.
2. The increase in term loan from the bank has resulted in increase in the ratio.
3. The increase in earning for debt service, has resulted in increase in the ratio.
4. The decrease in profit after tax has resulted in decrease in the ratio.
5. The increase the average trade receivables has resulted in decrease in the ratio.
6. The decrease in the working capital has resulted in decrease in the ratio.
7. The decrease in profit after tax has resulted in decrease in the ratio.
8. The increase in earning before interest and taxes has resulted in increase in the ratio.

Notes :

(i) Current ratio = Current assets/ current liabilities

(ii) Debt Equity Ratio = Total Debt/ shareholders equity

(iii) Debt service coverage ratio = Earnings available for debt service/ debt service (refer point (A) below)

(iv) Return on Equity = Net Profits after taxes / average Shareholder's Equity

(v) Inventory turnover ratio = Sales / average inventory

(vi) Trade receivables turnover ratio = in patient department sales/ Average accounts receivable

(vii) Trade payables turnover ratio = Net credit purchases (comprise of purchase of stock-in-trade) / average trade payable

(viii) Net capital turnover ratio = Net Sales/ Working Capital

(ix) Net Profit Ratio= Net profit/ Net sales

(x) Return on capital employed (ROCE)= Earning before interest and taxes/ Capital Employed (refer point (B) below)

(xi) Return on investment is not applicable to the Company as no investment is held by the Company.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Other explanatory points

(A) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of PPE etc.

Debt service = Interest & Lease payments + Principal repayments

Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

(B) Capital Employed = Tangible net worth + Total debt + Deferred tax liability

48 CAPITLISATION OF EXPENDITURE INCURRED DURING CONSTRUCTION PERIOD

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	120.03	23.35
Incurred during the year:		
Changes in inventories of stock-in-trade		
Employee benefits expense	48.47	39.80
Other expenses	110.78	76.21
Finance costs	11.49	-
Total	**290.77**	**139.36**
Less: Expenses cross charged to Paras Healthcare (Ranchi) Private Limited	(17.71)	(19.33)
Less: Expenses cross charged to Plus Medicare Hospitals Private Limited	(33.65)	-
Carried forward to next financial year as part of capital-work in progress	**239.41**	**120.03**

49 OTHER STATUTORY INFORMATION

a) The Company does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Company does not have any charge which is yet to be registered with ROC beyond the statutory period.

c) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

d) The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

e) The Company has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

f) The Company has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.

g) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

h) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.

Notes to the Standalone Financial Statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

50 DETAILS FOR FUNDS RECEIVED AND LOANED AS INTERMEDIARY

Funds received from entity (Funding Party):

Funding Party	Date	Amount
HDFC Bank Limited Address:- HDFC Bank house, vatika Atrium A block, Sector 53 Gurugram, 122002	24 March 2023	78.10

Funds lend to other entity (Ultimate Beneficiaries):

Ultimate beneficiaries	Date	Amount
Plus Medicare Hospitals Private Limited Address:- Plot No. 1, JK Lane, Shobhagpura NA Udaipur Udaipur RJ 313001 IN	Multiple dates	78.10

51 During the current year, the Company has acquired 100% stake in Plus Medicare Hospitals Private Limited. Pursuant to the said acquisition, Plus Medicare Hospitals Private Limited is the wholly owned subsidiary of Paras Healthcare Private Limited w.e.f 18 October 2022.

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 28 July 2023

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

CONSOLIDATED
FINANCIAL
STATEMENTS

Independent Auditor's Report

To
The Members of
Paras Healthcare Private Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Paras Healthcare Private Limited ('the Holding Company') and its subsidiaries Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the 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 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 Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2023, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated 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.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

4. The Holding Company's Board of Directors are 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, 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

5. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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, which have been used for the purpose of preparation of the consolidated financial statements by the Board of 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 are responsible for assessing the ability of the Group to

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

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 Standards on Auditing 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 Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism 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 Board of Directors' 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 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 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 consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
   - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

10. 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.

Report on Other Legal and Regulatory Requirements

11. Based on our audit, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to the Holding Company and its subsidiary companies covered under the Act since none of such companies is a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.

12. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

13. As required by section 143(3) of the Act, based on our audit, 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 purpose 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;

   c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

   e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary companies and taken on record by the Board of Directors of the Holding Company and its subsidiary companies, covered under the Act, none of the directors of the Group companies are disqualified as on 31 March 2023 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 Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

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

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, as detailed in Note 32 to the consolidated financial statements;

      ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023.;

      iii. 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 covered under the Act, during the year ended 31 March 2023;

      iv. a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief as disclosed in note 45(c) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiary companies('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

      b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the note 45(d) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, 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; and

      c. Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

      v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2023

      vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507982
UDIN: 23507892BGXQXI4258

Place: Gurugram
Date: 28 July 2023

Annexure A

to the Independent Auditor's Report of even date to the members of Paras Healthcare Private Limited on the consolidated financial statements for the year ended 31 March 2023

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Paras Healthcare Private Limited ('the Holding Company') and its subsidiary companies, Paras Healthcare (Ranchi) Private Limited and Plus Medicare Hospitals Private Limited (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('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 the Company's business, including adherence to the 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 for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

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 include 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 Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No.: 507982
UDIN: 23507892BGXQXI4258

Place: Gurugram
Date: 28 July 2023

Consolidated Balance Sheet

as at 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	3,698.82	2,395.51
Right of use assets	5	4,821.96	2,450.76
Capital work-in progress	6	777.38	412.49
Goodwill	7	46.44	-
Other intangible assets	7A	10.95	8.82
Financial assets			
Other financial assets	8	314.67	419.06
Non-current tax assets (net)	9	169.88	195.62
Other non-current assets	10	265.67	446.88
Total non-current assets		**10105.77**	**6,329.14**
Current assets			
Inventories	11	177.16	123.19
Financial assets			
Trade receivables	12	1,306.68	844.22
Cash and cash equivalents	13	230.58	76.70
Bank balances other than cash and cash equivalents	14	1,386.52	1,904.29
Other financial assets	8	187.18	184.74
Current tax assets	9	273.02	128.63
Other current assets	10	42.75	44.37
Total current assets		**3,603.89**	**3,306.14**
Total assets		**13,709.66**	**9,635.28**
EQUITY AND LIABILITIES			
Equity share capital	15	36.76	36.76
Other equity	16	264.30	694.33
Total equity		**301.06**	**731.09**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	2,554.16	1,393.87
Lease liabilities	5	4,120.79	2,340.25
Other financial liabilities	18	3.24	2,845.19
Provisions	19	58.04	49.98
Deferred tax liabilities (net)	30	2.13	11.80
Total non- current liabilities		**6,738.36**	**6,641.09**
Current liabilities			
Financial liabilities			
Borrowings	17A	1,392.66	745.63
Lease liabilities	5	267.43	124.33
Trade payables	20		
- Total outstanding dues of micro enterprises and small enterprises; and		199.01	221.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,038.30	970.46
Other financial liabilities	18	3,585.34	84.22
Other current liabilities	21	154.82	92.62
Provisions	19	32.68	24.03
Total current liabilities		**6,670.24**	**2,263.10**
Total equity and liabilities		**13,709.66**	**9,635.28**
Summary of significant accounting policies	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Place: Gurugram
Date: 28 July 2023

Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	22	9,179.20	7,799.24
Other income	23	181.33	132.48
Total income		**9,360.53**	**7,931.72**
Expenses			
Purchases of stock in trade	24	2,415.36	2,077.92
Changes in inventories of stock in trade	25	(51.24)	(23.70)
Employee benefits expense	26	1,336.35	1,000.38
Other expenses	27	4,252.44	3,591.96
Total expenses		**7,952.91**	**6,646.56**
Earnings before fair value changes, finance costs, depreciation and amortization, exceptional item and taxes		**1,407.62**	**1,285.16**
Fair value changes on financial instruments		531.48	458.64
Finance costs	28	491.89	315.22
Depreciation and amortization expense	29	654.78	514.13
Profit before exceptional item and tax		**(270.53)**	**(2.83)**
Exceptional item	43	-	(33.34)
Profit before tax		**(270.53)**	**30.51**
Tax expense			
Current year		204.78	184.04
Tax pertaining to earlier years		-	4.06
Deferred tax charge/ (credit)		(47.39)	(9.51)
Profit for the year (A)		**(427.92)**	**(148.08)**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability		(2.80)	(2.67)
Income tax relating to items that will not be reclassified to profit or loss		0.69	0.62
Other comprehensive income for the year, net of tax (B)		**(2.11)**	**(2.05)**
Total comprehensive income for the year (A+B)		**(430.03)**	**(150.13)**
Earnings per equity share			
Basic and diluted		(116.41)	(40.28)
Summary of significant accounting policies	3		

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Tarun Gupta
Partner
Membership No. 507892

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Place: Gurugram
Date: 28 July 2023

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

	Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A.	**Cash flow from operating activities**		
	Net profit before tax	(270.53)	30.51
	Adjustments for:		
	Depreciation and amortisation	654.78	514.13
	(Gain)/ loss on sale of property, plant & equipment (net)	(0.82)	(1.36)
	Finance costs	491.89	315.22
	Liabilities no longer required written back	(2.79)	(0.97)
	Interest income	(77.85)	(89.04)
	Net (gain)/loss on financial liabilities measured at fair value through profit or loss	531.48	458.64
	Loss allowance	35.00	20.24
		1,361.16	**1,247.37**
	Adjustments for changes in working capital:		
	-in trade receivables	(497.47)	(445.31)
	-in loans and other assets	109.43	60.34
	-in inventories	(53.97)	(13.15)
	-in trade payables	43.86	183.67
	-in other liabilities and provisions	(202.74)	5.87
	Cash generated from operations	**760.27**	**1,038.79**
	Income tax paid	(323.43)	(215.01)
	Net cash generated from operating activities (A)	**436.84**	**823.78**
B.	**Cash flows from investing activities**		
	Payments for purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and creditors for capital goods)	(1,128.40)	(1,391.08)
	Proceeds from sale of property, plant and equipment	5.00	7.51
	Proceeds from/ investments in bank deposits	517.77	(11.36)
	Purchase of investment	(734.20)	-
	Interest received	77.74	104.21
	Net cash (used in) investing activities (B)	**(1,262.09)**	**(1,290.72)**
C.	**Cash flows from financing activities**		
	Proceeds of non current borrowings	1,106.24	406.99
	Repayment of non current borrowings	(249.30)	(171.26)
	Movement in short term borrowings (net)	547.13	(66.91)
	Repayment of lease liabilities	(206.44)	(133.51)
	Finance cost paid	(222.94)	(141.35)
	Net cash generated from / (used in) financing activities (C)	**974.69**	**(106.04)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**149.44**	**(572.96)**
D.	**Cash and cash equivalents at the beginning of the year**		
	Cash on hand	4.82	8.13
	Balance with banks:		
	- On current accounts	29.78	20.30
	- with banks with original maturity of 3 months or less	42.10	621.23
E.	**Cash and cash equivalents on date of acquisition of subsidiary (refer note 42)**	**4.44**	**649.66**
F.	**Cash and cash equivalents at the end of the year**		
	Cash on hand	7.18	4.82
	Balance with banks:		
	- On current accounts	222.10	29.78
	- balance with banks with original maturity of 3 months or less	1.30	42.10
		230.58	**76.70**
	Net Increase/(decrease) in cash and cash equivalents (F-E-D)	**149.44**	**(572.96)**

Consolidated Cash Flow Statement

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Notes:

1 The cash flow statement has been prepared under the indirect method set out in Indian Accounting Standard 7 on Statement of cash flows as notified under section 133 of the Companies Act, 2013.

2 Change in liabilities arising from financing activities:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance		
Non current borrowings (including current maturities)	1,618.82	1,383.09
Current borrowings	520.68	587.59
Lease liabilties	2,464.58	1,864.62
Interest accrued	4.20	6.05
Cash flows		
Proceeds from non-current borrowings	1,106.24	406.99
Repayment of non-current borrowings	(249.30)	(171.26)
Proceeds of short term borrowings (net)	547.13	(66.91)
Payment of lease liabilities	(206.44)	(133.51)
Finance cost paid	(222.94)	(141.35)
Non-cash adjustments		
Interest expenses towards lease liabilities	269.14	175.73
Lease additions	1,782.09	531.74
Interest on lease capitalised	78.84	26.00
Finance cost debited to statement of profit and loss	222.75	139.49
Borrowings on account of acquisition of subsidiary	403.25	-
Closing balance		
Non-current borrowings (including current maturities)	2,879.01	1,618.82
Current borrowings	1,067.81	520.68
Lease liabilities	4,388.22	2,464.58
Interest accrued	4.00	4.20

Summary of significant accounting policies 3

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 28 July 2023

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

A. Equity share capital

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	48,80,533	48.81	48,80,533	48.81
Changes during the year	-	-	-	-
Less: Reclass to financial liability (refer note 18)	(12,04,569)	(12.05)	(12,04,569)	(12.05)
At the end of the year	**36,75,964**	**36.76**	**36,75,964**	**36.76**

B. Other equity

Attributable to the equity shareholders

Particulars	Reserves and surplus			Total
	Securities premium	Retained earnings	Other comprehensive income	
Balance as at 31 March 2021	**62.71**	**777.84**	**3.92**	**844.47**
Loss for the year	-	(148.08)	-	(148.08)
Other comprehensive income for the year	-	-	(2.05)	(2.05)
Balance as at 31 March 2022	**62.71**	**629.76**	**1.87**	**694.33**
Loss for the year	-	(427.92)	-	(427.92)
Other comprehensive income for the year	-	-	(2.11)	(2.11)
Balance as at 31 March 2023	**62.71**	**201.84**	**(0.24)**	**264.30**

Summary of significant accounting policies 3

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 28 July 2023

For and on behalf of Board of Directors of
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Dr. Dharminder Kumar Nagar
Managing Director
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Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

1. Corporate Information

Paras Healthcare Private Limited ('the Company' or 'the Holding Company') is a Group domiciled in India, with its registered office situated at 1st Floor, Tower-B, Paras Twin Towers, Golf Course Road, Sector-54, Gurugram-122002, Haryana. The Group has been incorporated under the provisions of Indian Companies Act on 21 December 1987. These consolidated financial statements comprise of the Holding Company and its two subsidiaries (referred to collectively as the 'Group'). The Group is primarily engaged in the business of providing healthcare services.

2. Basis of preparation of consolidated financial statements

(i) Statement of compliance

These consolidated financial statements ('financial statements') have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Group's Board of Directors on 28 July 2023.

Details of the Group's accounting policies are included in Note 3.

(ii) Functional and presentation currency

These consolidated financial statements are prepared in INR millions, which is the Group's functional and presentation currency. All amounts have been rounded-off to the nearest millions and two decimals thereof except share data and per share data, unless otherwise stated.

(iii) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis, except for the following items:

Items	Measurement basis
Net defined benefit (asset)/ liability	Present value of defined benefit obligations
Compound financial instruments	Fair value
Other financial assets and liabilities	Amortised cost

(iv) Amended Accounting Standards (Ind AS) and interpretations effective during the year

a. Ind AS 103 Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The amendment did not have any material impact on financial statements of the Group.

b. Ind AS 16 Proceeds before intended use

The amendment specify that an entity shall deduct from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The amendment did not have any material impact on financial statements of the Group.

c. Ind AS 37 Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the amendment did not have any material impact on financial statements of the Group.

d. Ind AS 109 Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The amendment did not have any material impact on financial statements of the Group.

(v) Use of estimates and judgements

The preparation of these financial statements in conformity with recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses as well as disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods prospectively.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amount recognised in the financial statements pertains to :

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

a) Useful lives and recoverable amount of property, plant and equipment and intangible assets:

The estimated useful lives and recoverable amounts of property, plant and equipment and intangible assets are based on estimates and assumptions regarding the expected market outlook, expected future cash flows, growth rates, obsolescence, demand, competition, and known technological advances. The charge in respect of periodic depreciation/ amortisation is derived based on an estimate of an asset's expected useful life and the expected residual value at the end of its life. The Group reviews the useful lives and recoverable amounts of property, plant and equipment and intangible assets at the end of each reporting period.

b) Impairment assessment:

Property, plant and equipment, right-of-use assets and intangible assets that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic, fair value and market conditions.

c) Income taxes:

Recognition of deferred tax assets/ liabilities involves making judgements and estimations about the availability of future taxable profit against which tax losses carried forward can be used. A deferred tax asset is recognised for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

d) Litigations

From time to time, the Group is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

e) Employee benefit obligations:

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making appropriate 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 is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

f) Leases:

Critical judgements in determining the lease term:

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 there by 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. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical judgements in determining the discount rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(vi) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. The Group's CFO regularly reviews significant unobservable inputs and valuation adjustments.

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 46- financial instruments.

(vii) Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

An asset is classified as current when it satisfies any of the following criteria:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) 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 classified as current when it satisfies any of the following criteria:

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period, or

d) 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.

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/ services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle to be within 12 months for the purpose of current and non-current classification of assets and liabilities.

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

3. Significant accounting policies

A. Principles of consolidation

The consolidated financial statements have been prepared in accordance with Ind AS 110 on "Consolidated financial statements".

Details of the consolidated subsidiary and shareholding pattern are as follows:-

Name of subsidiary	Country of incorporation	Percentage of ownership
Paras Healthcare (Ranchi) Private Limited	India	100%
Plus Medicare Hospitals Private Limited (w.e.f 18 October 2022)	India	100%

i. Subsidiary

Subsidiary is entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent 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.

Offset (eliminate) the carrying amount of the parent's investment in the subsidiary and the parent's portion of equity of the subsidiary.

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

B. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their useful lives mentioned in Schedule II to the Companies Act, 2013, using the written down value except for leasehold improvements and is recognised in the statement of profit and loss.

Freehold land is not depreciated.

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

C. Capital work-in-progress

The cost of property, plant and equipment not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific property, plant and equipment and that are attributable to construction activity in general and can be allocated to specific property, plant and equipment are included in capital work-in-progress.

Expenses against the assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses.

D. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost of such assets includes purchase price, licensee fee, import duties and other taxes and any directly attributable expenditure to bring the assets to their working condition for intended use.

Amortization method, estimated useful life and residual value

Intangible assets are amortised @ 40% p.a. on written down value of the assets. The amortisation period, residual value and the amortisation method are reviewed at least at each balance sheet date. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the statement of profit and loss.

E. Inventories

Inventories of medical drugs , stores and consumables are measured at the lower of cost and net realisable value. The cost of inventories includes expenditure incurred in acquiring the

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

inventories and other costs in bringing them to their present condition and location. The cost of the items constituting the inventory is computed on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses.

The comparison of cost and net realisable value is made on an item-by-item basis.

Provisions/write-downs for obsolescence, damaged and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/write-downs.

F. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, 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.

G. Leases

For all existing and new contract on or after 01 April 2019, the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit and Loss on a straight-line basis over the lease term.

H. Financial instruments

(i) Recognition and initial measurement

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. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Trade receivables and debt securities are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and subsequent measurement

Financial assets

On Initial recognition, a financial asset is classified as measured at:

- Amortised cost
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at the amortised cost if both of the following conditions are met and is not designated as at FVTPL:

- the financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

a) the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

b) how the performance of the portfolio is evaluated and reported to the Group's management;

c) the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

d) how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

e) the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

a) contingent events that would change the amount or timing of cash flows;

b) terms that may adjust the contractual coupon rate, including variable interest rate features;

c) prepayment and extension feature; and

d) terms that limit the Group's claim to cash flows from specified assets (e.g. non- recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in statement of profit and loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition,

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

gains and losses accumulated in OCI are reclassified to statement of profit and loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(iii) Derecognition

Financial asset

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Where the Group 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.

Financial liability

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit and loss.

(iv) Offsetting

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

I. Financial instrument classified as financial liability

Financial instrument which requires the Group to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Group does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

J. Impairment

(i) Impairment of financial assets

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

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Group does not track changes in credit risk for individual customers. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates and delays in realisations over the expected life of the trade receivable and is adjusted for forward looking estimates. At every balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

(ii) Impairment of non- financial assets

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

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

The recoverable amount of a CGU (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 is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed 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. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities

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 recognised 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 recognised because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent assets

Contingent assets are not recognised but disclosed in the consolidated financial statements when an inflow of economic benefits is probable.

L. Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for rendering of services in the ordinary course of the Group's activities. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, Revenue is presented net of returns, trade allowances, discounts, value added taxes, goods and service taxes (GST). Revenue is recognised as follows:

Revenue from sale of goods - pharmacy

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts. Revenue from sale of pharmacy is recognised when control of the pharmacy items is transferred to customers, being the products are delivered to customers. These products are generally sold with no right of return.

Revenue from sale of services – healthcare

Revenue from sale of services primarily comprises fees charged under contract for inpatient and outpatient hospital services and also includes sale of medical and non-medical items. Hospital services include charges for accommodation, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used in treatments given to Patients.

Revenue from providing services is recognised in the accounting period in which services are rendered. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the standalone selling prices.

Contract assets and liabilities

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

Other income

Rent income

Rental income from sub-leasing and leasing is recognised in statement of profit and loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

Interest income

Interest income is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. 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.

Sponsorship income

Sponsorship income is recognized when the underlying obligations are completed as per contractual terms.

M. Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in statement of profit and loss.

N. Employee benefits

The Group's obligation towards various employee benefits has been recognised as follows:

(i) Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., wages and salaries, short-term cash bonus, etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund, employee's state insurance scheme and labour welfare fund are defined contribution plans. These contributions are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related services.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

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for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

The Group has defined benefit plan, Gratuity.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets, if any.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognised in other comprehensive income (OCI). The Group determines the net interest expense/(income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iii) Other long term employee benefits – compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit Credit Method. Re-measurement as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

O. Income tax

Income tax comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

P. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payment or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Q. Government grant

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Group has complied with the conditions attached to them, and (ii) the grant/ subsidy will be received. The grant or subsidy received under Export Promotion Capital Goods (EPCG) Scheme to compensate the import cost of assets is reduced from the cost of the assets.

R. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Holding Company's Managing Director assesses the financial performance and position of the Group, and makes strategic decision and has been identified as the chief operating decision maker. The Group is engaged in the business of providing healthcare services, which has been defined as one business segment. Accordingly, the Group's activities/business is reviewed regularly by the Holding Company's Managing Director from an overall business perspective, rather than reviewing its services as individual standalone components.

S. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per equity share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

T. Business Combination, Goodwill and intangible asset

Business combinations, other than through common control transactions, are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Business combinations through common control transactions are accounted on a pooling of interest method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, with adjustments only to harmonise accounting policies.

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 re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI. Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group.

Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Statement of Profit and Loss. A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Transaction costs that the Group incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Group, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

Notes to the consolidated financial statements

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U. Measurement of EBITDA

The Group has elected to present earnings before fair value changes, finance costs, depreciation and amortization, exceptional item and taxes as a separate line item on the face of the Consolidated statement of Profit and Loss. The Group measures EBITDA on the basis of profit/(loss) from continuing operations.

In the measurement, the Group includes interest income but does not include fair value changes on financial instruments, finance costs, depreciation and amortization, exceptional item and taxes.

U. Amendment to Accounting Standards (Ind AS) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA, vide its circular dated 31 March 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 to further amend the Companies (Indian Accounting Standards) Rules, 2015 as below:

Ind AS 1 Presentation of Financial Statement

Requirement to disclose 'material accounting policies' instead of 'significant accounting policies' and related guidance included to determine whether the policy is material or not.

Ind AS 8 Accounting Policies, Change in Accounting Estimates and Errors

Definition of 'accounting estimates' now included in the standard enabling distinction between change in accounting estimates from change in accounting policies.

Ind AS 12 Income Taxes

Transactions that does not give rise to equal taxable and deductible temporary differences at the time of initial transaction have now been included in the exemptions for recognition of deferred tax liability and deferred tax assets in case of taxable temporary differences.

The Group is currently evaluating the impact of amendments to the aforementioned accounting standards on its financial statements.

Notes to the consolidated financial statements

for the year ended 31 March 2023

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4. Property, plant and equipment

Particulars	Freehold land	Leasehold improvements	Buildings	Plant and equipments	Medical equipments	Office equipments	Computers and servers	Furniture and fittings	Vehicles	Total
Gross carrying value										
Balance as at 31 March 2021	**16.89**	**808.26**	**483.30**	**314.07**	**1442.06**	**14.26**	**46.58**	**79.39**	**8.22**	**3,213.02**
Additions during the year	-	8.58	290.13	10.49	310.19	4.78	9.94	8.75	37.31	680.17
Disposals during the year	-	-	-	(2.49)	(8.05)	-	-	(1.28)	-	(11.82)
Balance at 31 March 2022	**16.89**	**816.84**	**773.43**	**322.07**	**1744.20**	**19.04**	**56.52**	**86.86**	**45.53**	**3,881.37**
Additions during the year	200.87	479.44	-	97.47	286.11	16.48	35.86	96.67	-	1212.90
PPE on account of acquisition of an entity (refer note 42)	-	-	531.41	62.82	-	3.44	0.82	24.07	0.04	622.60
Disposals during the year	-	-	-	-	(10.42)	-	-	-	(8.93)	(19.35)
Balance as at 31 March 2023	**217.76**	**1296.28**	**1304.84**	**482.36**	**2019.89**	**38.96**	**93.20**	**207.60**	**36.64**	**5,697.52**
Accumulated depreciation										
Balance as at 31 March 2021	**-**	**293.13**	**68.35**	**144.08**	**483.01**	**9.23**	**33.81**	**39.85**	**4.07**	**1075.52**
Additions during the year	-	88.29	27.74	35.61	230.82	2.97	9.49	11.20	9.88	416.00
Disposals during the year	-	-	-	(0.01)	(4.37)	-	-	(1.28)	-	(5.66)
Balance at 31 March 2022	**-**	**381.42**	**96.09**	**179.68**	**709.46**	**12.20**	**43.30**	**49.77**	**13.95**	**1,485.86**
Additions during the year	-	117.59	58.37	51.74	240.87	9.90	14.89	24.99	9.67	528.02
Disposals during the year	-	-	-	-	(6.99)	-	-	-	(8.19)	(15.18)
Balance at 31 March 2023	**-**	**499.01**	**154.46**	**231.42**	**943.34**	**22.10**	**58.19**	**74.76**	**15.43**	**1,998.70**
Net Carrying Value										
As at 31 March 2023	**217.76**	**797.27**	**1150.38**	**250.94**	**1076.55**	**16.86**	**35.01**	**132.84**	**21.21**	**3,698.82**
As at 31 March 2022	**16.89**	**435.42**	**677.34**	**142.39**	**1034.74**	**6.84**	**13.22**	**37.09**	**31.58**	**2,395.51**

Notes:

a) 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) held by the Group are in the name of the Group.

b) Refer note 17 for information on property, plant and equipment pledged as security by the Group for securing financing facilities from banks.

c) Refer note 43 for exceptional items.

d) The Group has not revalued its property, plant and equipment during the year.

e) Refer note 32 for information on capital commitments.

f) Refer note 42 for PPE acuired on account of acquisition of subsidiary.

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for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

5. Right-of-use assets and lease liabilities

Information about leases for which the Group is a lessee is presented below:

Particulars	Leasehold land	Buildings	Medical equipments	Right - of - use assets
Balance as at 31 March 2022	**-**	**2,447.44**	**3.32**	**2,450.76**
Balance as at 31 March 2023	**753.08**	**4,066.80**	**2.08**	**4,821.96**

Additions during the year 31 March 2023 amounts to Rs 2,637.22 millions (31 March 22: Rs 556.71 millions)

The following is the movement in lease liabilities during the year ended 31 March 2022 & 31 March 2023.

Particulars	Lease liabilities
Balance as at 31 March 2021	**1,864.62**
Additions during the year	531.74
Interest expenses	201.73
Payment of lease liability	(133.51)
Balance as at 31 March 2022	**2,464.58**
Additions during the year	892.73
Modifications during the year	889.36
Interest expenses#	347.99
Payment of lease liability	(206.44)
Balance as at 31 March 2023	**4,388.22**

Includes amount of INR 78.84 million (31 March 2022: INR 26.00 million) capitalised in capital work in progress.

Current	
As at 31 March 2023	**267.43**
As at 31 March 2022	**124.33**

Non-Current	
As at 31 March 2023	**4,120.79**
As at 31 March 2022	**2,340.25**

As at 31 March 2023, the Group is not exposed to future cashflows relating to extension / termination options, residual value guarantees.

A. The following are the amounts recognised in Statement of Profit and Loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation expense of right-of-use assets	121.86	93.32
Interest expense on lease liabilities	269.14	175.73
Rent expenses	178.62	230.82
Total	**569.62**	**499.87**

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B. The table below describes the nature of Group's leasing activities by type of right-of-use asset recognised on the balance sheet:

31 March 2023

Right of use assets	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with termination options
Leasehold land	1	93.00	93.00	-	-
Buildings					
Hospitals	7	0.63 - 40.19	21.71	7	7
Residential premises (Nurse Hostels)	2	2.17 - 21.02	11.59	2	2
Medical Equipments	2	1.50 - 2.17	1.84	2	2

31 March 2022

Right of use assets	No. of right-of-use assets leased	Range of remaining term (in years)	Average remaining lease term (in years)	No. of leases with extension options	No. of leases with termination options
Leasehold land					
Buildings					
Hospitals	6	17.51 - 41.19	25.96	6	6
Residential premises (Nurse Hostels)	2	3.17- 22.02	12.59	2	2
Medical Equipments	4	0.25 - 3.25	1.67	4	4

The Group determines the leases term as either the non-cancellable period of the lease and any additional periods when there is an enforceable option to extend the lease and it is reasonably certain that the Group will extend the term, or a lease period in which it is reasonably certain that the Group will not exercise a right to terminate. The lease term is reassessed if there is a significant change in circumstances.

C. The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2023 on an undiscounted basis:

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	281.73	140.44
After one year but not longer than five years	1,283.99	805.03
More than five years	13,097.73	9,662.36
Total	**14,663.45**	**10,607.83**

D. Summary of significant leases:

a) Paras HMRI Hospital, Patna

The Holding Company had entered into an Operations and Management Agreement dated 1 August 2011 with Hai Medicare and Research Institute Private Limited, Patna (HMRI) under the terms of which the Holding Company had expanded and upgraded HMRI's existing 100-bed single-specialty hospital to a 300-bed super-specialty hospital and then Operating and Managing this upgraded facility for a period of 32 years upon payment of a fixed monthly consideration to HMRI till December 2016 and a fixed percentage of net revenue from January 2017 (computed as per the terms of the agreement). The Holding Company had receivable from HMRI INR 500.00 million. Receivable is guaranteed by the personal, irrevocable and unqualified guarantee of Dr. Ahmed Abdul Hai vide deed of guarantee executed on 10 August 2011 in the Holding Company's favour. Performance of this guarantee had also been secured by Dr. Ahmed Abdul Hai by creating a charge on the land admeasuring 2.61 acres situated at Raza Bazaar, Bailey Road, Patna of which he is the legal owner. The Holding Company and HMRI formally agreed in a meeting held on 25 July 2014, that repayment would commence in the form of monthly instalments from January 2017 and would be repaid by HMRI to the Holding Company over a period of 10 years from that date. The party violating the terms of the agreement thereby causing the agreement to be terminated shall pay the other

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party INR 500.00 million as compensation. Repayment of INR 25.00 million had been received till date. On 22 December 2017, the Holding Company and HMRI executed an addendum to the Management Agreement dated 1 August 2011, whereby HMRI agreed to reduce its revenue share percentage from 5% of net revenue to 2.75% of net revenue for a period of 6 years commencing 1 July 2017 until 30 June 2023.

b) **Paras Global Hospital, Darbhanga**

The Holding Company had entered into an Operations and Management Agreement on 1 December 2011 with a third party at Darbhanga location, under the terms of which the third party had built a multi-specialty hospital on a plot owned by it which would then be operated and managed by the Holding Company for two continuous periods of 15 years each, upon payment of a monthly consideration which is fixed rental for the first year and then a fixed percentage of net revenue of this hospital from the second year onwards. Third party had provided the bare shell of the building and the Holding Company had installed necessary equipment, furniture and machinery that was necessary.

c) **Paras Hospitals, Panchkula**

The Holding Company had entered into a lease deed on 8 October 2016 with a third party at Panchkula location, under the terms of which lessors had constructed a 220-bed hospital building for the Company which had been then be leased to the Holding Company. Duration of this arrangement is 30 years. The monthly rent is a fixed monthly rental or fixed percentage of the net revenue of this unit of the Holding Company, whichever is higher. Lessor had provided the bare shell of the building along with basic facilities like lifts, electrical fittings, STP, etc. and the Holding Company had installed necessary equipment, furniture and machinery that is necessary.

d) **Paras Hospital, Udaipur**

The Holding Company had entered into a lease deed on 31 July 2019 with a third party at Udaipur location, under the terms of which the third party would lease out existing hospital building, along with some machinery, fittings and equipment to the Holding Company for a period of 20 years. Basis the agreement, the Holding Company will make payment of a fixed monthly consideration with escalation clause after a specified period.During the current year, the Holding Company has acquired 100% stake in Plus Medicare Hospitals Private Limited. Pursuant to the said acquisition, Plus Medicare Hospitals Private Limited is the wholly owned subsidiary of Paras Healthcare Private Limited (Holding Company) w.e.f 01 October 2022.

e) **Yash Kothari Hospital, Kanpur**

The Holding Company has entered into a lease deed on 30 July 2021, with third party at Kanpur location under the terms of which the lessor has constructed a bare shell structure and the Holding Company would operate, manage and run a super speciality hospital post carrying out necessary structural changes. The lessor has handed over the charge of hospital on 07 October 2021. Basis the agreement, the Holding Company is required to make payment of a fixed monthly consideration from the rent commencement date with escalation clause after a specified period.

f) **Paras HEC Hospital, Ranchi**

Pursuant to the proposal by Heavy Engineering Corporation Ltd.(hereinafter referred to as “”HEC””), a public sector undertaking, the subsidiary Company, through a bid by its Holding Company (Paras Healthcare Private Limited), was awarded with the contract to build and operate a multi-specialty hospital in Ranchi. As per the terms of the concession agreement, dated 16 January 2018, HEC hand over the existing hospital with 50 beds to the subsidiary Company along with the land adjacent to it to build a multi-specialty hospital of 300 beds. During the tenure of the agreement, the monthly rent is aggregate a fixed monthly rental as well as fixed percentage of the revenue of this unit of the Company.

Therefore, the Lease Deed has been executed by and between HEC and PHRPL dated 14 August 2019 to occupy the said Premises for a term of 35 years extendable to 10 years (ten years) on same terms & conditions and the Paras Healthcare (Ranchi) Private Limited (PHRPL) shall run and operate a multi-specialty Hospital in the brand name of Paras HEC Hospital.

g) **Paras Trumboo, Srinagar**

The subsidiary company had entered into a lease deed on 2 December 2022 with a third party at Srinagar location, under the terms of which lessors had constructed a 200-bed hospital building for the subsidiary Company which had been then be leased to the Company. Duration of this arrangement is 30 years, the monthly rent is a fixed monthly rental. Lessor would provide the building and non medical equipments in the property and the Company would install necessary medical equipment,for functioning of the hospital.

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6. Capital work-in-progress

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	412.49	53.98
Add: Additions during the year	1,011.48	363.26
Less: Capitalisation during the year	(646.59)	(4.75)
Balance as at the end of the year	**777.38**	**412.49**

Notes

(a) Capital work-in-progress ageing schedule as at 31 March 2023 and 31 March 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
31-March-2023	643.33	118.62	8.11	7.32	**777.38**
31-March-2022	358.06	39.18	15.25	-	**412.49**

(b) Capital work in progress includes property, plant and equipment under construction, installation and cost of asset not ready for use as at year end.

(c) There are no such project under capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as of 31 March 2023 and 31 March 2022.

(d) The cost that are directly attribuatable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 34.

7. Goodwill

Particulars	As at 31 March 2023	As at 31 March 2022
A. Gross carrying amount		
Balance at the beginning of the year	-	-
Additions during the year	46.44	-
Balance as at end of the year	**46.44**	**-**
B. Accumulated amortisation		
Balance at the beginning of the year	-	-
Add: Amortization / impairment for the year	-	-
Balance as at end of the year	**-**	**-**
Net carrying value	**46.44**	**-**

Notes:

The Group performs test for goodwill impairment annually on 31 March or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows.

During the year, the management has reviewed the carrying value of its goodwill against the recoverable amounts of these CGUs, using internal and external information available. Management had recorded an impairment of ₹ Nil in the Statement of Profit and Loss. The management believes that any reasonable possible changes in the key assumptions used would not cause the cash generating unit’s carrying amount to exceed its recoverable amount.”

For the purpose of impairment testing, goodwill is allocated to a cash generating unit, representing the lowest level with the Group at which goodwill is monitored for internal management purposes and which is not higher than the Group’s operating segment.

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The carrying amount of goodwill was allocated to the cash generating units as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Plus Medicare Hospitals Private Limited	46.44	-
Gross carrying value	**46.44**	**-**

Impairment on goodwill

For the purposes of impairment testing, goodwill is allocated to the Cash Generating Unit (CGU) which represents the lowest level at which the goodwill is monitored for internal management reporting purposes.

The recoverable amount of the cash generating unit was based on its value in use. The value in use of this unit was determined to be higher than the carrying amount and an analysis of the calculation's sensitivitytowards change in key assumptions did not identify any probable scenarios where the CGU recoverable amount would fall below their carry amount. Value in use was determined by discounting the future cash flows generated from the continuing use of the CGU. The calculation as at 31 March 2023 was based on the following key assumptions:

The following growth and discount rates have been considered for the purpose of the impairment testing:

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	15.93%	-
Terminal value rate	5.00%	-

Impairment testing

An impairment test was carried out as at the balance sheet date, details of the test are as outlined below:

Discount rate

The discount rates takes into consideration market risk and specific risk factors of the cash generating unit. The cash flow projections are based on the forecasts made by the management.

Growth rate

The growth rates used are in line with the growth rate of the industry in which the entities operates and are consistent with internal / external sources of information.

Sensitivity

The management believes that any reasonable possible changes in the key assumptions would not cause the cash generating unit's carrying amount to exceed its recoverable amount.

7A Other intangible assets

Particulars	As at 31 March 2023	As at 31 March 2022
Software		
A. Gross carrying amount		
Balance at the beginning of the year	28.35	26.08
Additions during the year	7.03	2.27
Balance as at end of the year	**35.38**	**28.35**
B. Accumulated amortisation		
Balance at the beginning of the year	19.53	14.71
Add: Amortization / impairment for the year	4.90	4.82
Balance as at end of the year	**24.43**	**19.53**
Net carrying value	**10.95**	**8.82**

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8. Other financial assets

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Secured, considered good				
Receivable from HMRI #	261.49	270.92	37.80	-
Unsecured, considered good				
Security deposits	52.22	133.63	0.11	0.08
Balances with banks				
- in deposits with maturity of more than 12 months	0.96	14.51	-	-
Contract assets (refer note 41)	-	-	78.94	59.84
Accrued interest on fixed deposits	-	-	63.54	63.43
Other receivables	-	-	6.79	61.39
Total	**314.67**	**419.06**	**187.18**	**184.74**

Refer note 5(D)(a) for details of security

Includes deposit of INR 0.96 million (31 March 2022: INR 14.51 million) pledged with banks.

9. Tax assets

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Income-tax receivable	169.88	195.62	273.02	128.63
Total	**169.88**	**195.62**	**273.02**	**128.63**

10. Other assets

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Capital advances	265.67	446.88	-	-
Prepaid expenses	-	-	11.13	16.06
Advance to employees	-	-	6.76	5.40
Advances to suppliers	-	-	24.72	22.77
Others	-	-	0.14	0.14
Total	**265.67**	**446.88**	**42.75**	**44.37**

11. Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Valued at lower of cost and net realisable value		
Medical drugs	129.47	65.23
Stores and consumables	47.69	57.96
Total	**177.16**	**123.19**

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for the year ended 31 March 2023

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12. Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Considered good, unsecured	1,306.68	844.22
Which have significant increase in credit risk	183.59	142.58
	1,490.27	**986.80**
Less: Loss allowance	(183.59)	(142.58)
Net trade receivables	**1,306.68**	**844.22**

Trade receivables ageing schedule as at 31 March 2023:

Particulars	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Considered good	815.30	315.92	156.55	18.91	-	1306.68
Which have significant increase in credit risk	-	31.63	76.45	26.92	48.59	183.59
Total trade receivables	**815.30**	**347.55**	**233.00**	**45.83**	**48.59**	**1490.27**
Less: loss allowance						(183.59)
Net trade receivables						**1306.68**

Trade receivables ageing schedule as at 31 March 2022:

Particulars	Outstanding for following periods from date of invoice					Total
	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Considered good	753.04	91.11	0.07	-	-	844.22
Which have significant increase in credit risk	-	16.48	69.06	24.08	32.97	142.58
Total trade receivables	**753.04**	**107.59**	**69.13**	**24.08**	**32.97**	**986.80**
Less: loss allowance						(142.58)
Net trade receivables						**844.22**

Notes:

1. There are no debts due by directors or other officers of the Group or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

2. There are no disputed or unbilled trade receivables, hence the same is not disclosed in the ageing of the schedule.

13. Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	7.18	4.82
Balances with banks		
- in current accounts	222.10	29.78
- with original maturity of 3 months or less^	1.30	42.10
Total	**230.58**	**76.70**

^ This includes deposit of INR 1.30 millions (31 March 2022: INR 1.26 millions) lien with government authorities/departments.

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14. Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Deposits with original maturity more than three months but remaining maturity of less than twelve months	1,386.52	1,904.29
Total	**1,386.52**	**1,904.29**

This includes deposit of INR 36.53 millions (31 March 2022: INR 43.49 millions) pledged with banks and INR 1,348.27 millions (31 March 2022: INR 1,768.72 millions) as lien against overdraft facility, bank guarantee and letter of credit.

15. Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
a) Authorized share capital		
5,000,000 (31 March 2022: 5,000,000) equity shares of INR 10/- each	50.00	50.00
b) Issued, subscribed and fully paid-up shares		
4,880,533 (31 March 2022: 4,880,533) equity shares of INR 10/- each fully paid-up	48.81	48.81
Less: Reclassification to financial liability (refer note 18)	(12.05)	(12.05)
Total issued, subscribed and fully paid-up share capital	**36.76**	**36.76**

c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the beginning of the year	48,80,533	48.81	48,80,533	48.81
Less: Reclassification to financial liability (refer note 18)	(12,04,569)	(12.05)	(12,04,569)	(12.05)
At the end of the year	**36,75,964**	**36.76**	**36,75,964**	**36.76**

d) The rights, preferences and restrictions to each class of shares including restrictions on the distribution of dividends and repayment of capital (for all shareholders).

The Holding Company has only one class of equity shares having par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Holding Company. In the event of liquidation of the Company, the holders of equity shares are entitled to receive remaining assets of the Holding Company (after distribution of all preferential amounts) in proportion to the number of equity shares held by the shareholders.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10/- each fully paid held by				
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100	36,75,962	100

Also, refer note 18 for financial instrument classified as financial liability.

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f) Details of shares held by promoters of the Holding Company:

Particulars	As at 31 March 2023		As at 31 March 2022		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100%	36,75,962	100%	-

Particulars	As at 31 March 2023		As at 31 March 2022		% change in shareholding during the year
	Number of shares	% of holding	Number of shares	% of holding	
Equity shares of INR 10/- each fully paid held by					
Dr. Dharminder Kumar Nagar (with nominee shareholders)	36,75,962	100%	36,75,962	100%	-

Notes:

a) The above information is furnished as per shareholder register of the Holding Company as at the year ended 31 March 2023 and 31 March 2022

b) No changes in promoter's shareholdings during the respective years.

c) Promoters' for the purpose of this disclosure means promoters as defined under Section 2(69) of Companies Act, 2013.

g) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

The Holding Company has not issued any shares pursuant to a contract without payment being received in cash, alloted as fully paid up by way of bonus shares nor has there been any buy-back of shares in the current year and immediately preceeding five years.

16. Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
a. Securities premium (note a)		
Balance at the beginning of the year	62.71	62.71
Balance at the end of the year	**62.71**	**62.71**
b. Retained earnings (note b)		
Balance at the beginning of the year	629.76	777.84
Profit/(loss) during the year	(427.92)	(148.08)
Balance at the end of the year	**201.84**	**629.76**
c. Other comprehensive income (note c)		
Balance at the beginning of the year	1.86	3.91
Movement during the year	(2.11)	(2.05)
Balance at the end of the year	**(0.25)**	**1.86**
Total other equity(a+b+c)	**264.30**	**694.33**

Nature and purpose of reserves

a) Securities premium

Security premium is created when the Holding Company issues shares at the premium. The aggregate amount of premium received on the shares is transferred to a separate account called "security premium". The same will be utilised in accordance with the provisions of the Companies Act, 2013 and related provisions.

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b) Retained earnings

Retained earnings are accumlated profits earned by the Group till date, as adjusted for distribution to owners.

c) Other Comprehensive Income

Other comprehensive income comprise re-measurements of defined benefit liability.

17. Non-current borrowing

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, at amortised cost		
Term loans from banks	2,879.01	1,618.82
Less: current maturities of non-current borrowings	(324.85)	(224.95)
Total non-current borrowings	**2,554.16**	**1,393.87**

Terms of repayment and security details:

Holding Company

Nature of Security	Terms of Repayment
a) Term Loan from Bank A:	
i) INR 1,198.93 million (31 March 2022 : INR 1036.21 million) are secured primarily by: A. first pari passu charge on plant & machinery, medical equipments and vehicles purchased through sanctioned facility. B. first Pari-passu charge on current assets and operating cash flows of the company Collateral by: First Pari Passu charge by way of Equitable mortgage of the Company's property at Block C-1, Sushant Lok-1, Sector 43, Gurugram-122002; Exclusive charge over property situated at Udaipur. First Pari Pasu charge on leasehold rights of Kanpur unit.	Repayment ranging from 13 to 84 installments aggregating to INR 1198.93 million, Rate of interest range from 7.15% p.a to 8.50% p.a (31 March 2022-7.15% p.a to 9.15% p.a)
b) Term Loan from Bank B:	
INR 538.35 million (31 March 2022 : nil) are secured primarily by: a. First Pari Passu charge by way of Equitable mortgage over Land & Building of Gurugram unit b. First Pari Passu charge by way of hypothecation of all movable fixed assets, present & future, Except exclusively charged to existing lenders c. First pari-passu charge by way of hypothecation over all current assets, present & future d. First pari-passu charge by way of hypothecation on all the movable fixed assets, present & future for Kanpur Hospital.	Repayment ranging from 13 to 36 installments aggregating to INR 538.35 million, Rate of interest at 5.75% to 9.0% p.a (31 March 2022 - nil)
c) Term Loan from Bank C:	
INR 254.60 million (31 March 2022 : INR 200 million) are secured primarily by: a. Exclusive charge on commercial property owned by the Company located at First floor, Paras Twin Tower - B, Golf Course Road, Sec-54, Gurugram, Haryana 122022. b. Subserviant charge on movable property, plant and equipments and current assets.	Repayable in 12 installments aggregating to INR 254.60 million, Rate of interest at 8.37 % p.a. (31 March 2022 - 7.41%)

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Nature of Security	Terms of Repayment
d) Term Loan from Banks D:	
Nil as on 31 March 2023 (31 March 2022: INR 202.60 million) are secured primarily by: Exclusive charge on movable property, plant and equipment of Udaipur location. Collateral by: a. Exclusive charge on movable property, plant and equipment of Udaipur. b. Second Pari-passu charge on current assets of the Company	Repayment ranging from 13 to 32 installments aggregating to INR 202.60 million, The loan has been foreclosed during the year. Rate of interest nil (31 March 2022 - 8.95 % p.a.)

Subsidiary Company - Paras Healthcare (Ranchi) Private Limited

Nature of Security	Terms of Repayment
a) Term Loan from Bank E:	
i) INR 500.00 millions (31 March 2022 : 180 Millions) are secured primarily by: A. Exclusive charge by way of hypothecation over all movable assets of the borrower B. Exclusive charge by way of hypothecation over all Current assets, present or future, of the borrower C. Unconditional & Irrevocable Corporate Gurantee of Paras Healthcare Private Limited"	Repayable in 28 installments aggregating to INR 500.00 million, Rate of interest at 5.75% p.a.- 8.5%(31 March 2022 -5.75%)

Subsidiary Company - Plus Medicare Hospitals Private Limited

Nature of Security	Terms of Repayment
a) Term Loan from Bank F:	
i) INR 385.75 millions (31 March 2022 : 403.25 Millions) are secured primarily by: A. Plot No.01 Land In Khasra No. 847, 875, 876 & 877 Mi., Rev. Vill. Shobhgpura, Near Shobhgpura Circle, Tehsil Girwa, Distt. Udaipur, (Raj.) 313001 B. Plot No. 2-A, Land in Khasra No. 878, Rev. Vill. Shobhagpura, Dist. Udaipur, Raj) 313001	Repayable in 120 installments aggregating to INR 387.5 million, Rate of interest at 8.6% p.a.

Utilisation of borrowings

(a) During the year, Group has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

(b) The quarterly returns/statements of current assets filed by the Holding Company with banks or financial institutions in relation to secured borrowings wherever applicable, are in agreement with the books of accounts.

(c) Total undrawn facility as at 31 March 2023 amounts to INR 1,354.30 million (31 March 2022 : INR 1,200.00 million)

17A Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, at amortised cost		
Cash credit	1,067.81	520.68
Current maturities of non-current borrowings	324.85	224.95
Total	**1,392.66**	**745.63**

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Terms of repayment and security details of Holding Company:

Nature of Security	Terms of Repayment
a) Cash Credit from Bank A:	
i) INR 1,045.85 million (31 March 2022 : INR 520.68 million) are secured primarily by: A. first pari passu charge on plant & machinery, medical equipments and vehicles purchased through sanctioned facility. B. first Pari-passu charge on current assets and operating cash flows of the company Collateral by: First Pari Passu charge by way of Equitable mortgage of the Company's property at Block C-1, Sushant Lok-1, Sector 43, Gurugram-122002; Exclusive charge over property situated at Udaipur. First Pari Pasu charge on leasehold rights of Kanpur unit.	Rate of interest range from 4.35 % p.a to 5.65 % p.a (31 March 2022- 4.35 % p.a to 5.85 % p.a)
b) Overdraft from Bank B:	
INR 21.96 million (31 March 2022 : INR Nil) are secured primarily by: a. First Pari Passu charge by way of equitable mortgage over land & building of Gurugram unit b. First Pari Passu charge by way of hypothecation of all movable fixed assets, present & future, Except exclusively charged to existing lenders c. First pari-passu charge by way of hypothecation over all current assets, present & future d. First pari-passu charge by way of hypothecation on all the movable fixed assets, present & future for Kanpur Hospital.	Rate of interest at 8.25% p.a (31 March 2022- Nil)

18. Other financial liabilities

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Financial instrument classified as financial liability (refer note c below)	-	2,843.45	3,374.93	-
Security deposits	3.24	1.74	0.28	0.28
Interest accrued but not due on borrowings	-	-	4.00	4.20
Payable for purchase of property, plant and equipment	-	-	148.84	40.23
Employees payable	-	-	57.29	39.51
Total	**3.24**	**2,845.19**	**3,585.34**	**84.22**

Notes:

(a) Refer note 37 for detailed disclosure on fair value of financial liabilities.

(b) The Group's exposure to liquidity risks related to above financial liabilities are disclosed in note 38.

(c) Financial instrument classified as financial liability

Series A CCPS issued to investor were converted into equity shares during the year ended 31 March 2018 as per the terms and conditions mentioned in Investment and Share Purchase Agreement (ISPA)

i) As per the ISPA, the investor have following rights / options:

A. For first 63 months of issuance of allotment letter of the subscribed securities:

The investor shall be given an exit at threshold exit price from the arrangement either by a QIPO(""Qualified Initial Public Offerings"") or financial investor sale. Threshold exit price means such price per security the investor being entitled to receive higher of (i) 2.5 times the investment amount or (ii) an IRR of 25%.

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B. After 63 months and till 19 years from the issuance of allotment letter of the subscribed securities:

Right to require the Company to provide an exit by way of a buyback of up to all the investor securities at the fair market value ("Buy Back Option") till such time as the Investor continues to hold any investor securities.

19. Provisions

Particulars	Non Current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Provision for gratuity (refer note 40)	30.10	28.42	15.23	11.61
Provision for compensated absences (refer note 40)	27.94	21.56	17.45	12.42
Total	**58.04**	**49.98**	**32.68**	**24.03**

20. Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding due to micro and small enterprises (MSME) ; and	199.01	221.81
Total outstanding due to other than micro and small enterprises*	1,038.30	970.46
Total	**1,237.31**	**1,192.27**

*Includes amounts due to related entities (refer note 35)

Notes:

a) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 38.

Trade Payable ageing schedule as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	3.38	195.63	-	-	-	199.01
Others	441.88	589.19	2.18	1.33	3.72	1038.30
Total trade payables	**445.26**	**784.82**	**2.18**	**1.33**	**3.72**	**1,237.31**

Trade Payable ageing schedule as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
MSME	0.02	221.79	-	-	-	221.81
Others	301.26	640.37	22.97	2.36	3.50	970.46
Total trade payables	**301.28**	**862.16**	**22.97**	**2.36**	**3.50**	**1,192.27**

There are no disputed and not due trade payables, hence the same is not disclosed in the ageing schedule.

21. Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	89.15	53.72
Contract liabilities - advance from patients	65.67	38.90
Total	**154.82**	**92.62**

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22. Revenue from operations

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from sale of services - Healthcare		
Operating income - in patient department	7,509.86	6,323.61
Operating income - out patient department	1,348.45	1,190.23
Revenue from sale of product - Pharmacy	**313.56**	**274.27**
	9,171.87	**7,788.11**
Other operating revenues		
Sponsorship income	5.59	6.62
Scrap sales	1.74	4.51
	7.33	**11.13**
Total	**9,179.20**	**7,799.24**

Note: Refer note 41 for revenue related disclosures.

23. Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income		
from banks	77.85	89.04
Gain on sale of property, plant and equipments	0.82	1.36
Other non operating income		
Rental income	1.46	4.58
Unwinding of discount on security deposits	75.26	30.34
Income-tax refund	0.11	2.39
Liabilities no longer required written back	2.79	0.97
Miscellaneous income	23.04	3.80
Total	**181.33**	**132.48**

24. Purchases of medical drugs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchases of medical drugs	2,415.36	2,077.92
Total	**2,415.36**	**2,077.92**

25. Changes in inventories of medical drugs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the end of the year		
Purchase of medical drugs	129.47	78.23
Sub-total (A)	**129.47**	**78.23**
Inventories at the beginning of the year		
Purchase of medical drugs	78.23	54.53
Sub-total (B)	**78.23**	**54.53**
Net change (B-A)	**(51.24)**	**(23.70)**

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

26. Employee benefits expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus	1,204.11	905.58
Contribution to provident fund and other funds (refer note 40)	65.78	51.25
Staff welfare expenses	66.46	43.55
Total	**1,336.35**	**1,000.38**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 34.

27. Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Power, fuel and water	163.87	138.06
Rent and facility fees	178.62	230.82
Repair and maintenance		
- Buildings	19.53	25.52
- Plant and equipments	128.04	116.03
- Others	73.86	63.93
House keeping	236.85	198.07
Laundry expenses	56.77	46.07
Patient food and beverage	76.25	64.71
Consultation and professional charges to doctors	2,348.23	1,900.81
Outsourced medical services	452.89	483.62
Security expenses	56.63	47.82
Corporate social responsibility expense	6.21	4.91
Legal and professional	58.47	40.02
Travelling and conveyance	67.57	45.22
Printing and stationery	37.11	25.26
Communication	8.14	8.16
Insurance	17.75	20.52
Rates and taxes	9.32	5.28
Marketing and business promotion	139.39	70.89
Auditors' remuneration (including applicable taxes)	7.67	6.46
Loss allowance	35.00	20.24
Bank charges	19.58	17.40
Directors sitting fees	0.59	0.36
Miscellaneous expenses	54.10	11.78
Total	**4,252.44**	**3,591.96**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 34.

28. Finance costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest expense		
- On loans taken from banks	196.41	131.75
- On lease liabilities	269.14	175.73
- Others	26.34	7.74
Total	**491.89**	**315.22**

Note: The costs that are directly attributable to the acquisition or construction of property, plant and equipment has been capitalised during the year, refer note 34.

Notes to the consolidated financial statements

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29. Depreciation and amortization expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property plant and equipment (refer note 4)	528.02	415.99
Amortization of intangible assets (refer note 7)	4.90	4.82
Amortization of right-of-use assets (refer note 5)	121.86	93.32
Total	**654.78**	**514.13**

30. Deferred tax assets/llabllities (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	112.30	98.11
Right of use assets (net of lease liability)	1.17	49.14
Loss allowance	(44.69)	(35.89)
Disallowance u/s 43B of Income Tax Act, 1961	-	(5.08)
Provision for employee benefits	(26.03)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(79.02)	(83.46)
Goodwill on acquisition of subsidiary	38.40	7.17
Net	**2.13**	**11.80**

Tax expense

a.

Amounts recognized in profit and loss	For the year ended 31 March 2023	For the year ended 31 March 2022
Current tax		
- Current year	204.78	184.04
- Earlier period	-	4.06
Deferred tax credit	(47.39)	(9.51)
Tax expenses for the year (A) + (B)	**157.39**	**178.59**

b.

Income tax recognized in other comprehensive income	For the year ended 31 March 2023			For the year ended 31 March 2022		
	OCI before tax	Tax (expense) benefit	Net of tax	OCI before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability / (asset)	(2.80)	0.69	(2.11)	(2.67)	0.62	(2.05)

c.

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
Profit before tax		(270.53)		30.51
Tax using the Company's domestic tax rate (31 March 2023: 25.17% and 31 March 2022: 25.17%)	25.17%	(68.09)	25.17%	7.68
Tax effect of:				
Non-deductible expenses :				
- Donations	(0.58%)	1.56	4.05%	1.23
- Fair valuation (gain)/ loss on liability component of contribution	(49.45%)	133.76	378.34%	115.44
- Deferred tax assets not recognised on losses of subsidiary	(37.61%)	101.74	184.50%	56.30
- Others	4.53%	(12.27)	-6.75%	(2.06)
Effective tax rate	**(57.92%)**	**156.70**	**585.30%**	**178.59**

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d) Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:	Deferred tax (assets)		Deferred tax liabilities		Net deferred tax (asset) / liabilities	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	-	-	112.30	98.11	112.30	98.11
Right of use assets (net of lease liability)	-	-	1.17	49.14	1.17	49.14
Loss allowance	(44.69)	(35.89)	-	-	(44.69)	(35.89)
Disallowance u/s 43B of Income Tax Act, 1961	-	(5.08)	-	-	-	(5.08)
Provision for employee benefits	(26.03)	(18.19)	-	-	(26.03)	(18.19)
Financial assets and financial liabilities measured at amortised cost	(79.02)	(83.46)	-	-	(79.02)	(83.46)
Recognition on acquisition of subsidiary			38.40	-	38.40	
Others	-	-	-	7.17	-	7.17
Net deferred tax (assets)/liabilities	**(149.74)**	**(142.62)**	**151.87**	**154.42**	**2.13**	**11.80**

e) Movement in temporary differences

Deferred tax assets and liabilities are attributable to the following:	Balance as at 31 March 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2022	Recognition on acquisition of subsidiary	Recognised in statement of profit and loss	Recognised in other comprehensive income	Balance as at 31 March 2023
Property, plant and equipment	78.77	19.34	-	98.11		14.19	-	112.30
Right of use assets (net of lease liability)	75.43	(26.29)	-	49.14		(47.97)	-	1.17
Loss allowance	(30.79)	(5.10)	-	(35.89)		(8.81)	-	(44.69)
Disallowance u/s 43B of Income Tax Act, 1961	(5.07)	(0.00)	-	(5.08)		5.08	-	-
Provision for employee benefits	(13.63)	(3.94)	(0.62)	(18.19)		(7.15)	(0.69)	(26.03)
Financial assets and financial liabilities measured at amortised cost	(84.47)	1.01	-	(83.46)		4.44	-	(79.02)
Recognition on acquisition of subsidiary	-	-	-	-	38.40	-	-	38.40
Others	1.69	5.48	-	7.17		(7.17)	-	-
Total	**21.93**	**(9.51)**	**(0.62)**	**11.80**	**38.39**	**(47.39)**	**(0.69)**	**2.13**

Deferred tax assets unrecognised in subsidiary companies*

Particulars	As at 31 March 2023	As at 31 March 2022
Plus Medicare Hospitals Private Limited	13.53	-
Paras Healthcare (Ranchi) Private Limited	11.07	69.69
Total	**24.60**	**69.69**

* The deferred tax assets are recognised to the extent that it is probable future taxable profits will be available against which they can be used. The existence of unabsorbed tax losses and depreciation is an evidence that future taxable profits may not be available. Therefore, in case of history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing evidence that sufficient taxable profits will be available against which such deferred tax assets can be realised.

31. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Weighted average number of shares outstanding during the year *	36,75,962	36,75,962
Net profit after tax available for equity shareholders	(427.92)	(148.08)
Basic and diluted earning per share (in INR) [Face value of 10/- each]	(116.41)	(40.28)

* Excludes 1,204,569 equity shares classified as financial liability.

32. Commitments and contingencies

a) Estimated amount of contracts remaining to be executed which is of capital nature (net of advances) and which have not been provided for in the financial statements, amounts to INR 1186.28 million (31 March 2022: INR 328.93 million).

b) The Holding Company had imported capital goods under EPCG (Export Promotion Capital Goods) Scheme and saved custom duty to the tune of INR 177.70 million (31 March 2022: INR 168.91 million) until 2022-23. As per the EPCG terms and conditions, the Holding Company needs to export goods 6 - 8 times of duty saved on import of Capital goods on FOB basis within a period of 6 -8 years The Holding Company has exported services of INR 779.83 million (31 March 2022 :INR 716.33 million) . The balance export obligation of INR 286.39 million (31 March 2022: INR 279.19 million) is pending to be exported by the Holding Company. In case, the Holding Company is unable to export services within the prescribed timeframe, then the Holding Company may have to pay duty on import of capital goods, including interest and penalty thereon.

Considering the past trends and internal assessment done by the Holding Company, the management is of the view that the required export obligation will be achieved within the prescribed time and hence no provision is required at this stage.

c) The Subsidiary Company had received notice(s) amounting to ₹ 27.50 million from Heavy Engineering Corporation Limited ("HEC") as liquidated damages in earlier years on account of the delay in opening of 50 bedded hospital, in accordance with the terms and conditions of the Agreement dated 16 January 2018. The Company has replied to such notices from HEC and anticipate a favorable outcome in future. Basis the management's assessment and supported by the external legal opinion, the Company has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Company.

d) The Group's significant lease arrangement is in respect of premises of hospital and nursing hostel. The details of the commitments of the said leases is disclosed in Note 5.

e) Contingent liabilities not provided for:

1) Guarantees:

Bank guarantee given to Heavy Engineering Corporation Limited by the Holding Company on behalf of its subsidiary Company amounting to INR 75.00 million (31 March 2022: INR 75.00 million) as per terms and conditions mentioned in the concession agreement entered with Heavy Engineering Corporation Limited.

2) Claims against the Holding Company not acknowledged as debts

Particulars	As at 31 March 2023	As at 31 March 2022
- Legal cases in respect of compensation demanded by the patients/their relatives for negligence	105.93	103.97
- Income Tax	-	1.10

Basis the management's assessment, the Group has not made any provision for the said amount, in anticipation of the impact not being significant on financial performance of the Group.

The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings when ultimately concluded will not, in the opinion of management, have a material effect on the result of operations or the financial position of the Company. The cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various stages/forums.

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33. Normalised earnings before finance costs, depreciation and amortization and taxes

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings before finance costs, depreciation and amortization and taxes(as reported)	1,407.62	1,285.16
Add: Corporate social responsibility	6.21	4.91
Less: Other income	(181.33)	(132.48)
Add/less:IND AS adjustments		
Security deposit	(80.10)	(30.34)
Actuarial gain/loss	2.80	2.67
Fair valuation of financial liabilities	(531.48)	(458.64)
Reversal of lease rent	265.23	147.81
Normalised earnings before finance costs, depreciation and amortization and taxes	**888.95**	**819.09**

34. Capitlisation of expenditure incurred during construction period

The costs that are directly attributable to the acquisition of certain property, plant and equipment are capitalised as under

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance	**166.94**	**45.93**
Incurred during the year:		
Employee benefits expense	57.39	39.80
Other expenses	134.24	76.66
Finance costs	12.82	5.90
Total	**371.39**	**168.29**
Less: Expenses capitalised to property, plant and equipment during the year	(66.13)	(1.35)
Carried forward to next financial year as part of capital-work in progress	**305.26**	**166.94**

35 Related party disclosures

In the normal course of business, the Group enters into transactions with its key management personnel. The names of related parties of the Group as required to be disclosed under Indian Accounting Standard 24 "Related Party Disclosures" is as follows:

a) List of related parties and nature of relationship with whom transactions have taken place during the current/ previous year

Nature of relationship	Name of related party
(i) Key management personnel of the Company	Dr. Dharminder Kumar Nagar (Managing Director)
	Dr. Kapil Garg (Whole time Director)
	Dr. Veer Singh Mehta (Non-Executive Director)
	Mr. Ramesh Abhishek (Non-Executive Director) (w.e.f 22 June 2021)
	Mr. Kabir Kishin Thakur (Non-Executive Director) (w.e.f 17 August 2021)
	Mr. Saurabh Sood (Non-Executive Director)
	Mr. Narayan Anand (Non-Executive Director till 17 August 2021))
	Late. Dr. Shaibal Gupta (Independent Director till 28 January 2021)
	Mr. Debajit Sensharma (Group CFO till 04 February 2023)
	Mr. Dilip Bidani (Group CFO)(w.e.f 01 March 2023)
	Mr. Rahul Kumar (Company Secretary)
(ii) Significant influence of key management personnel	Ch. Ved Ram Nagar Medical Education & Research Society
(iii) Entity/ person with direct or indirect significant influence over the Group	Commelina Ltd. (Investor)

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c) Transactions made during the year:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Managerial remuneration		
- Dr. Dharminder Kumar Nagar	55.10	55.10
- Dr. Kapil Garg	11.00	10.00
- Mr. Debajit Sensharma	11.64	12.70
- Mr. Dilip Bidani	1.88	-
- Mr. Rahul Kumar	2.49	-
- Mr. Mohd. Shahid	-	1.04
	82.11	**78.84**
Consultation and professional charges to doctors		
- Dr. Veer Singh Mehta	32.21	35.34
	32.21	**35.34**
Other expense		
- Financial liabilities mandatorily measured at fair value through profit or loss	531.48	458.64
	531.48	**458.64**
Directors sitting fees		
- Mr. Saurabh Sood	0.06	0.06
- Mr. Ramesh Abhishek	0.40	0.30
	0.46	**0.36**
Rental income		
- Ch. Ved Ram Nagar Medical Education & Research Society	0.02	0.02
	0.02	**0.02**

d) Balance outstanding as at the year end:

Particulars	As at 31 March 2023	As at 31 March 2022
Other receivables		
- Ch. Ved Ram Nagar Medical Education & Research Society	0.29	0.26
	0.29	**0.26**
Investmemt by Commelina Limited		
- Financial instruments classified as financial liability	3,374.93	2,843.45
	3,374.93	**2,843.45**
Trade payables		
- Dr. Veer Singh Mehta	1.96	2.65
	1.96	**2.65**

Terms and conditions of related party transactions:

i) The Holding Company has given bank guarantee of INR 75.00 million (31 March 2022: INR 75.00 million) on behalf of its subsidiary as per the terms and conditions of the concession agreement entermeted with Heavy Engineering Corporation Limited.

Notes

a. All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and settlement is generally done in cash.

b. The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

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36. Segment information

An operating segment is a component of the Group that engages in business activities from which (a) it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, (b) for which discrete financial information is available (c) operating results are reviewed regularly by the Group's managing director i.e. Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance. The Group is engaged in the business of providing health care services.Thus, the Group has only one operating segment, and has no reportable segments in accordance with Ind AS - 108 'Operating Segments'. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

37. Fair value measurement and financial instruments

a. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

As at 31 March 2023

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Others	-	501.85	501.85	-	-	-
Trade receivables	-	1,306.68	1,306.68	-	-	-
Cash and cash equivalents	-	230.58	230.58	-	-	-
Bank balances other than above	-	1,386.52	1,386.52	-	-	-
Total	**-**	**3,425.63**	**3,425.63**	**-**	**-**	**-**
Financial liabilities						
Borrowings	-	3,946.82	3,946.82	-	-	-
Lease liabilities	-	4,388.22	4,388.22	-	-	-
Others	3,374.93	213.64	3,588.57	-	-	3,374.93
Trade payables	-	1,237.30	1,237.30	-	-	-
Total	**3,374.93**	**9,785.98**	**13,160.91**	**-**	**-**	**3,374.93**

As at 31 March 2022

Particulars	Carrying value			Fair value hierarchy		
	FVTPL#	Amortized Cost	Total	Level 1	Level 2	Level 3
Financial assets						
Others	-	603.81	603.81	-	-	-
Trade receivables	-	844.22	844.22	-	-	-
Cash and cash equivalents	-	76.70	76.70	-	-	-
Bank balances other than above	-	1,904.29	1,904.29	-	-	-
Total	**-**	**3,429.02**	**3,429.02**	**-**	**-**	**-**
Financial liabilities						
Non-current						
Borrowings	-	2,139.50	2,139.50	-	-	-
Lease liabilities	-	2,464.58	2,464.58	-	-	-
Others	2,843.45	85.95	2,929.40	-	-	2,843.45
Trade payables	-	1,192.27	1,192.27	-	-	-
Total	**2,843.45**	**5,882.30**	**8,725.75**	**-**	**-**	**2,843.45**

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The carrying amounts of trade receivables, trade payables, cash and cash equivalents, current loans and other current financial assets and liabilities, approximates the fair values, due to their short-term nature.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2023 and 31 March 2022.

Fair value through profit or loss

* Investment in equity shares of subsidiary, carried at cost have not been disclosed in the statement above.

Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

Type	Valuation technique
Financial instrument classified as Financial liability	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate

Sensitivity Analysis of fair value instruments:-

(i) Liability component of equity shares held by Commelina Ltd

The management has used Discounted cash flow method (DCF) for determining the fair value of Financial instrument classified as Financial liability .

The Management has computed net present value of cash flows by discounting free cash flow to firm ("FCFF") using a weighted average cost of capital ("WACC"). As at 31 March 2022, the weighted average cost of capital (WACC) multiple has been determined at 15.93% (31 March 2022 : 14.86%)

Management has identified that a reasonably possible change in the key assumption could cause a change in fair value of the instrument. The following table shows the amount by which the fair value would change on change in the assumption. All other factors remaining constant.

Increase/(decrease) in fair value	As at 31 March 2023	As at 31 March 2022
WACC multiple		
Increase by 1%	(407.80)	(324.60)
Decrease by 1%	493.50	398.40

38. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk

Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risks limits and controls, and to monitor risks and adherence to limits.Risk management policies are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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(A) Credit risk

The maximum exposure to credit risks is represented by the gross carrying amount of these financial assets in the consolidated balance sheet.

Particulars	As at 31 March 2023	As at 31 March 2022
Trade receivables	1,306.68	844.22
Cash and cash equivalents	230.58	76.70
Bank balances other than above	1,386.52	1,904.29
Other financial assets	501.86	603.81

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk arises mainly from loans, trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets. Other financial assets primarily comprise of unbilled revenue and accrued interest on fixed deposits. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis.

The carrying amount of financial assets represents the maximum credit exposure. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

In monitoring customer credit risk, customers/patients are grouped according to their credit characteristics, including, whether they are third party insurance agents or government panel patients and others.

Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, trade channels, past experience of defaults, estimates for future uncertainties etc.

The allowance for expected credit loss on trade receivables is as below :

Particulars	Amount
As at 31 March, 2021	**122.34**
Provided during the year	20.24
Utilised (Bad debts) during the year	-
As at 31 March, 2022	**142.58**
Provided during the year	35.00
Adjustment on account of acquisition (part of pre-acquisition profit)	6.01
As at 31 March, 2023	**183.59**

Expected credit loss for trade receivable as at 31 March 2023

	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables	815.30	347.55	233.00	45.83	48.59	1,490.27
Expected credit loss rate (%)	-	9.10%	32.81%	58.74%	100%	12.32%
Expected credit losses	0.00	31.63	76.45	26.92	48.59	183.59
Net trade receivables (a-b)						**1,306.68**

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Expected credit loss for trade receivable as at 31 March 2022

	Less than 6 months	6 months to 1 years	1-2 years	2-3 years	More than 3 years	Total
Gross carrying amount -Trade receivables	753.04	107.59	69.13	24.08	32.97	986.81
Expected credit loss rate (%)	-	15%	100%	100%	100%	14.45%
Expected credit losses	-	16.48	69.06	24.08	32.97	142.59
Net trade receivables (a-b)						**844.22**

Other than financial assets mentioned above, none of the Group's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Group operates.

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments, where applicable.

31 March 2023	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
Borrowings*	1,602.40	2,047.62	1,224.17	4,874.19
Trade payables	1,237.30	-	-	1,237.30
Lease liabilities	288.58	1,284.40	13,090.46	14,663.44
Others	3,588.57	-	-	3,588.57
Total	**6,716.85**	**3,332.02**	**14,314.63**	**24,363.50**

31 March 2022	Upto 1 year	Between 1 year to 5 years	Over 5 years	Total
Borrowings*	862.09	1,283.72	423.14	2,568.95
Trade payables	1,192.27	-	-	1,192.27
Lease liabilities	132.90	723.61	9,185.15	10,041.66
Others	85.95	2,843.45	-	2,929.40
Total	**2,273.21**	**4,850.78**	**9,608.29**	**16,732.28**

* Includes current maturities of non current borrowings

(C) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

a) Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company has limited exposure from the international market as the Group's operations are in India and earns less than 10% of its revenue from foreign currency from international patients

Also, capital expenditure includes capital goods purchased in foreign currency through the overseas vendors.

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

The Group is not exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows as there is no foreign currency exposure as on reporting date."

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 interest rate risk arises from:-

- Borrowings which are made at market rate of interest at the time of borrowings.
- Bank deposits which are made at market rate of interest at the time of deposit.

This exposes the Group to cash flow interest rate risk.

Exposure to Interest Rate Risk	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets	1,388.78	1,960.91
Financial liabilities	16.39	26.00
Variable rate instruments		
Financial liabilities	3,930.44	2,113.51

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Effect in INR million	Profit or loss, net of tax		Equity, net of tax	
	50 bp increase	50 bp decrease	50 bp increase	50 bp decrease
31 March 2023				
Variable-rate instruments	14.71	(14.71)	14.71	(14.71)
Cash flow sensitivity (net)	14.71	(14.71)	14.71	(14.71)
31 March 2022				
Variable-rate instruments	7.91	(7.91)	7.91	(7.91)
Cash flow sensitivity (net)	7.91	(7.91)	7.91	(7.91)

39. Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other reserves attributable to the equity holder. The primary objective of the Company's capital management is to maximize the shareholder value. Management monitors the return on capital.

The Group monitors its net debt / equity ratio as well as compliance with financial covenants on regulary basis.

Particulars	As at 31 March 2023	As at 31 March 2022
Total liabilities*	13,406.48	8,892.39
Less: cash and cash equivalent	230.58	76.70
Net debt	**13,175.90**	**8,815.69**
Equity	**301.06**	**731.10**
Net debt to equity ratio	**43.77**	**12.06**

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

* excluding deferred tax liabilities

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

40. Employee benefits

The Group contributes to the following post-employment defined benefit plans.

a) Defined contribution plans

The Group has recognised the following amount in the Statement of profit and loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's contribution to Employee's Provident Fund	53.64	44.97
Employer's contribution to Employee's State Insurance	6.73	6.88
Other funds (NPS and labour welfare fund)	5.41	2.07
	65.78	**53.92**

b) Other long-term employment benefits

The Group provides compensated absences benefits to the employees of the Group which can be carried forward to future year.

Particulars	As at 31 March 2023	As at 31 March 2022
Present value of obligation as at the end of the year		
Compensated absences	45.39	33.98
Current and non-current liability bifurcation		
Non current	27.94	21.56
Current	17.45	12.42
	45.39	**33.98**

c) Defined benefit plans

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for fifteen days salary multiplied for the number of years of service.

(i) Changes in present value obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Present value obligation as at the beginning of the year	40.03	28.87
Benefits paid	(10.03)	(6.89)
Current service cost	10.43	13.86
Interest cost	2.10	1.52
Actuarial (gains) losses recognised in other comprehensive income	2.80	2.67
Present value obligation as at the end of the year	**45.33**	**40.03**

(ii) Net liability recognised in the Balance sheet

Particulars	As at 31 March 2023	As at 31 March 2022
Defined benefit obligation	45.33	40.03
Current and non-current liability bifurcation		
Non current	30.10	28.42
Current	15.23	11.61
	45.33	**40.03**

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

(iii) Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	10.43	13.86
Net interest on net defined benefit liability / (asset)	2.10	1.52
	12.53	**15.38**

(iv) Remeasurements recognized 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	2.80	2.67
	2.80	**2.67**

(v) Experience History

Particulars	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Defined benefit obligation at the end of the period	45.33	40.03	28.87	25.45	20.04
Experience gain/(loss) adjustments on plan liabilities	(4.87)	0.18	-0.04	0.84	0.72

(vi) Actuarial assumptions

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assumptions		
Discount rate	7.50%	5.25%
Salary escalation rate	5.00%	5.00%
Demographic assumptions		
Mortality rate	IALM 2012-14	IALM 2012-14
Retirement age	58 years	58 years
Withdrawal rate	35.00%	35.00%

As at 31 March 2023, the weighted average duration of the defined benefit obligation was 19 years (31 March 2022 : 21 years).

(vii) Sensitivity analysis

The below sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Effect in INR million	As at 31 March 2023		As at 31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	42.28	44.43	31.78	33.52
Salary escalation rate (1%)	43.45	42.25	33.51	31.77
Withdrawal rate (1%)	43.57	43.60	32.37	32.89

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(viii) Expected future cash flows

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Particulars	As at 31 March 2023	As at 31 March 2022
Year 1	12.12	11.61
Year 2	3.88	3.51
Year 3	3.91	3.59
Year 4	3.43	3.09
Year 5	3.11	2.65
Next 5 years	18.88	15.58
	45.33	**40.03**

The Group expects to contribute INR 18.81 million (31 March 2022 is INR 15.04 million) for post employment benefits during the next financial year.

(viii) Risk exposure

The Gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The Plan design means the risks commonly affecting the liabilities and the financial results are expected to be:

Interest rate risk : The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary Inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee

41. Revenue related disclosures

I Disaggregation of revenue

Revenue recognised mainly comprises of healthcare services. Set out below is the disaggregation of the Group's revenue from contracts with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
(A) Operating revenue		
Income from healthcare services		
In patient	7,509.86	6,323.61
Out patient	1,348.45	1,190.23
Income from sale of pharmacy products	313.56	274.27
(B) Other operating revenue		
Sponsorship income	5.59	6.62
Scrap sales	1.74	4.51
Total revenue	**9,179.20**	**7,799.24**

Notes to the consolidated financial statements
for the year ended 31 March 2023
(All amounts are in INR million, unless otherwise stated)

II Timing of revenue recognition

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Description	For the year ended 31 March 2023	For the year ended 31 March 2022
At point in time	1,669.34	1,475.63
At point over time	7,509.86	6,323.61
Total revenue	**9,179.20**	**7,799.24**

III Contract balances

The following table provides information about receivables and contract liabilities from contract with customers:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract assets (refer note 8)	78.94	59.84
Advance from patients (refer note 21)	65.67	38.90
Trade receivables (refer note 12)	1,306.68	844.22

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets (unbilled receivables) are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

IV Significant changes in the contract liabilities balances during the year are as follows:

Contract liabilities - Advance from customers	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance of Contract liabilities - Advance from customers	38.90	57.47
Movement during the year (net)	26.77	(18.57)
Closing balance of Contract liabilities - Advance from customers	**65.67**	**38.90**

Contract assets - Unbilled revenue	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening balance of Contract assets - Unbilled revenue	59.84	50.87
Less: Amount of revenue recognised during the year	(59.84)	(50.87)
Add: Addition during the year	78.94	59.84
Closing balance of Contract assets - Unbilled revenue	**78.94**	**59.84**

V The aggregate amount of transaction price allocated to the performance obligations (yet to complete) as at 31 March 2023 is INR 78.94 million (31 March 2022 : INR 59.84 million). This balance represents the advance received from customers (gross) against healthcare services. The management expects to further bill and collect the remaining balance of total consideration in the coming periods. These balances will be recognised as revenue in subsequent period as per the policy of the Group.

42 Business combinations

(i) Acquisition of Plus Medicare Hospitals Private Limited

a. Summary of acquisition

During the year ended 31 March 2023, Holding Company has entered into an asset purchase agreement dated 29 June 2022, to acquire all the assets and liabilities of Plus Medicare Hospitals Private Limited.

Notes to the consolidated financial statements
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Details of the purchase consideration, the net assets acquired and goodwill are as follows:

Particulars	Amount
Consideration paid	734.20
Purchase consideration (A)	**734.20**
The assets and liabilities recognised as a result of the acquisition are as follows:	
Property, plant and equipment	622.60
Right of use assets	756.94
Cash and cash equivalents	4.44
Other assets	6.31
Long term borrowings	(385.75)
Other liabilities	(259.71)
Short term borrowings	(17.50)
Trade payables	(1.17)
Deferred tax liabilities on above	(38.40)
Identifiable net assets acquired (B)	**687.76**
Goodwill (A-B)	**46.44**

Goodwill here represents residual asset value attributable to unidentified intangible assets acquired by acquirer. It will not be deductible for tax purposes.

b. Revenue and profit contribution

The acquired business contributed revenue of INR 35.26 million and incurred loss of INR 29.49 million to the group for the period 31 March 2023 from the date of acquisition.

43. Exceptional items

Due to heavy rainfall in August 2020 and resultant water loggings in Gurugram Hospital, Holding Company's assets including property, plant and equipment, inventory were damaged. The Holding Company had filed the insurance claim for the same.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance claim recognised (refer note a below)	-	33.34
Net gain	-	**33.34**

Note a : Represents the amount received on account of insurance claim towards loss of profit resultant water logging in Gurugram Hospital in August 2020.

44. Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated financial statements' of Division II of Schedule III:

As at 31 March 2023

Particulars	% of voting power	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Holding Company									
Paras Healthcare Private Limited		420.42%	1,286.30	-1.46%	6.24	97.70%	(2.06)	-0.97%	4.18
Wholly owned subsidiaries:									
Paras Healthcare (Ranchi) Private Limited	100%	-310.78%	(950.85)	94.56%	(404.23)	2.30%	(0.05)	94.11%	(404.28)

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

Particulars	% of voting power	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Plus Medicare Hospitals Private Limited (w.e.f 18 Octobwe 2022)	100%	-9.64%	(29.49)	6.90%	(29.49)	-	-	6.87%	(29.49)
Subtotal			**305.96**		**(427.48)**		**(2.11)**		**(429.59)**
Less: Total elimination / adjustments			(4.90)		(0.44)		(0.00)		(0.44)
Total			**301.06**		**(427.92)**		**(2.11)**		**(430.03)**

As at 31 March 2022

Particulars	% of voting power	Net assets i.e. Total assets minus Total liabilities		Share in profit or loss		Share in other comprehensive income / loss		Share in total comprehensive income / loss	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income / loss	Amount	As % of consolidated total comprehensive income / loss	Amount
Holding Company									
Paras Healthcare Private Limited		174.31%	1,282.12	-37.37%	55.55	89.35%	(1.83)	-35.64%	53.71
Wholly owned Subsidiary									
Paras Healthcare (Ranchi) Private Limited	100%	-74.31%	(546.57)	137.37%	(204.20)	10.65%	(0.22)	135.64%	(204.42)
Subtotal			**735.55**		**(148.65)**		**(2.05)**		**(150.70)**
Less: Total elimination / adjustments			(4.45)		0.57		-		0.57
Total			**731.10**		**(148.08)**		**(2.05)**		**(150.13)**

45 Other statutory information

a) The Group does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Group does not have any charge which is yet to be registered with ROC beyond the statutory period.

c) The Group has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding that the intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

d) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the ultimate beneficiaries,

Notes to the consolidated financial statements

for the year ended 31 March 2023

(All amounts are in INR million, unless otherwise stated)

e) The Group has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

f) The Group has not traded or invested in crypto currency or virtual currency during the current and previous financial year.

g) The Group has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.

h) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017.

i) The Group did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the financial year.

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

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm Registration No: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: Gurugram
Date: 28 July 2023

For and on behalf of Board of Directors of
Paras Healthcare Private Limited

Dr. Dharminder Kumar Nagar
Managing Director
DIN : 00332135

Dr. Kapil Garg
Whole time Director
DIN : 01475972

Dilip Bidani
Group CFO

Rahul Kumar
Company Secretary

Place: Gurugram
Date: 28 July 2023

Notes

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Corporate Information

Board of Directors

Dr. Dharminder Kumar Nagar
Managing Director

Dr. Kapil Garg
Whole-time Director - Executive Director

Dr. Veer Singh Mehta
Non-Executive Director

Mr. Ramesh Abhishek
Independent Non-Executive Director

Mr. Saurabh Sood
Independent Non-Executive Director

Mr. Kabir Kishin Thakur
Non-Executive Director

Group Chief Financial Officer

Mr. Dilip Bidani

Company Secretary

Mr. Rahul Kumar

Registered Officer of the Company

1st Floor, Tower-B, Paras Twin Towers,
Golf Course Road, Sector-54,
Gurugram, Haryana-122002
Website: www.parashospitals.com

Statutory Auditors

Walker Chandiok & Co. LLP,
Chartered Accountants,
21st Floor, DLF Square,
Jacaranda Marg, DLF Phase II,
Gurugram, Haryana 122002

Secretarial Auditors

Faraaz Shamsi & Associates,
Company Secretaries

Cost Auditors

Jitender, Navneet & Co.,
Cost Accountants,
2-D, OCA Apartments,
Mayur Vihar, Phase-I,
Delhi-110091

Internal Auditors

Ernst & Young LLP ("E&Y")

Registrar & Share Transfer Agent

MAS Services Limited
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020

Bankers to the Company

HDFC Bank
IndusInd Bank
IDFC First Bank

Paras Healthcare Private Limited

CIN: U85110HR1987PTC035823

Registered Office

Paras Twin Towers, 1st Floor, B,
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Gurugram, Haryana 122022

website: www.parashospitals.com