INDEPENDENT AUDITOR'S REPORT

To The Members of Meridian Medical Research & Hospital Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Meridian Medical Research & Hospital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

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

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31,2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration during the year March 31, 2023 and hence reporting under Section 197 of the Act is not applicable.

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

   i. The Company did not have any pending litigations which would impact its financial position.

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

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 37(iii) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 37(iv) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the current year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31,2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W – 100018)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN: 23047840BGUCKP8571

Place – Bengaluru
Date – May 19, 2023
MP/EKP/SM/BA/2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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")

We have audited the internal financial controls with reference to financial statements of Meridian Medical Research & Hospital Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control 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 its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us , the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements established by the respective 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 DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm‵s Registration No.117366W/W-100018)

Monisha Parikh
Partner
(Membership No. 47840)

Place: Bengaluru
Date: May 19, 2023

MP/EKP/SM/BA/2023

UDIN: 23047840BGUCKP8571

ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 state that -

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work in progress and right of use assets.

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

(i) (b) The Company has a program of verification of property, plant and equipment to cover all the items in a phased manner over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(i) (c) Based on examination of the registered conveyance deed, provided to us, we report that, the title deeds of all the immovable properties, disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land that has been taken on lease and disclosed as right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement

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

(i) (e) No proceedings have been initiated during the year or are pending against the Company as at March 31,2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder, and hence reporting under clause 3(i)(e) of the Order is not applicable.

(ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii) (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanation given to us, the quarterly statements comprising (stock statements and book debt statements) filed by the Company with such banks or financial institution are in agreement with the unaudited books of account of the Company of the respect

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured, or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit during the year nor has any unclaimed deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Act. Hence reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of services rendered. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete

(vii) (a) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues applicable to the Company have been regularly deposited with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, duty of Customs, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(vii) (b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31,2023.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)	(a)	The Company has not defaulted in the repayment of borrowings or in the payment of interest thereon during the year.
(ix)	(b)	The Company has not been declared wilful defaulter by any bank, financial institution or other lender.
(ix)	(c)	To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
(ix)	(d)	On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie*, not been used during the year for long-term purposes by the Company.
(ix)	(e)	On an overall examination of the financial statements of the Company, the Company has not taken any fund from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
(ix)	(f)	The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, or joint ventures, or associate companies.
(x)	(a)	The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
(x)	(b)	During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.
(xi)	(a)	To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(xi)	(b)	To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(xi)	(c)	As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
(xii)		The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
(xiii)		The Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
(xiv)	(a)	The Company has an internal audit system commensurate with the size and nature of its business.
	(b)	We have considered, the internal audit reports issued to the Company during the year and covering the period up to December 2022 and the

final of the internal audit report issued after the balance sheet date covering the period from January 2023 to March 2023 for the period under audit.

(xv) During the year, the Company has not entered into any non-cash transactions with any of its directors, or directors of the company, subsidiary companies, associate companies or persons connected with such directors and hence provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) (b) (c) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clauses 3(xvi)(a),(b),and(c) of the Order is not applicable.

(xvi) (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amounts for the year requiring a transfer to a Fund specified in Schedule VII to the Act or special account in compliance with the provision of sub-section (6) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Monisha Parikh
Partner
(Membership No. 47840)
UDIN:- 23047840BGUCKP8571

Place:-Bengaluru
Date :- May 19, 2023
MP/EKP/SM/BA/2023

Meridian Medical Research & Hospital Limited
Balance sheet
CIN - U85110WB1995PLC071440

(₹ in Lakhs)

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	11,195.34	8,535.83
Capital work-in-progress	4	1,408.95	243.65
Right of use assets	5	406.85	548.80
Financial assets			
(i) Other financial assets	6(a)	201.45	199.29
Other non-current assets	7(a)	1,032.55	1,230.52
Total non-current assets		**14,245.14**	**10,758.09**
Current assets			
Inventories	8	339.47	309.50
Financial assets			
(i) Trade receivables	9	2,026.54	1,835.91
(ii) Cash and cash equivalents	10	574.87	294.32
(iii) Bank balances other than (ii) above	10	863.51	52.43
(iv) Other financial assets	6(b)	145.95	130.77
Other current assets	7(b)	144.87	173.20
Total current assets		**4,095.21**	**2,796.13**
TOTAL ASSETS		**18,340.35**	**13,554.22**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	2,927.88	2,927.88
Other equity	12	9,267.89	5,647.99
Total equity		**12,195.77**	**8,575.87**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	13(a)	68.17	86.76
(ii) Lease liabilities	14(a)	220.14	397.05
Provisions	15(a)	107.23	85.80
Deferred tax liability (net)	29	619.71	123.48
Other non current liabilities	18(a)	480.96	5.33
Total non-current liabilities		**1,496.21**	**698.42**
Current Liabilities			
Financial liabilities			
(i) Borrowings	13(b)	24.79	32.94
(ii) Lease liabilities	14(b)	176.91	176.91
(iii) Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		163.62	205.58
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,335.30	2,886.03
(iii) Other financial liabilities	17	167.31	82.79
Provisions	15(b)	149.79	123.60
Other current liabilities	18(b)	630.65	772.08
Total current liabilities		**4,648.37**	**4,279.93**
TOTAL EQUITY AND LIABILITIES		**18,340.35**	**13,554.22**
Significant accounting policies	3		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors of
Meridian Medical Research & Hospital Limited

Sd/-
Monisha Parikh
Partner

Place: Bengaluru
Date: May 19, 2023

Sd/-
Viren Prasad Shetty
Director
DIN: 02144586
Place: Bengaluru
Date: May 19, 2023

Sd/-
Dr. Emmanuel Rupert
Director
DIN: 07010883
Place: Bengaluru
Date: May 19, 2023

Sd/-
Rakesh Verma
Chief Executive Officer

Place: Kolkata
Date: May 19, 2023

Sd/-
Prosenjit Mondal
Chief Financial Officer
Place: Kolkata
Date: May 19, 2023

Sd/-
Poonam Barsaiyan
Company Secretary
Place: Bengaluru
Date: May 19, 2023

Meridian Medical Research & Hospital Limited
Statement of profit and loss
CIN - U85110WB1995PLC071440

(₹ in Lakhs)

Particulars	Note No	For the year ended March 31, 2023	For the year ended March 31, 2022
Income			
Revenue from operations	19	26,487.52	23,457.23
Other income	20	303.60	109.22
Total income (A)		**26,791.12**	**23,566.45**
Expenses			
Purchase of medical consumables, drugs and surgical instruments		6,372.61	6,405.02
Changes in inventories of medical consumables, drugs and surgical instruments	21	(29.97)	(98.34)
Employee benefits expense	22	3,497.47	3,032.98
Professional fees to doctors		6,231.19	5,626.79
Other expenses	23	4,336.16	4,135.50
Expenses before finance cost, depreciation and amortisation (B)		**20,407.46**	**19,101.95**
Earnings before finance costs, depreciation and amortisation and tax (A-B)		**6,383.66**	**4,464.50**
Finance costs (C)	24	51.64	228.97
Depreciation and amortisation expense (D)	25	1,171.81	1,136.00
Total expenses (E) = (B+C+D)		**21,630.91**	**20,466.92**
Profit before tax (F) =(A-E)		**5,160.21**	**3,099.53**
Tax expenses	29		
Current Tax		1,485.64	613.05
Deferred tax charge / (credit)		21.75	315.11
Total tax expense (G)		**1,507.39**	**928.16**
Net Profit for the year H=(F-G)		**3,652.82**	**2,171.37**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement of defined benefit plans		(46.44)	(36.72)
Income tax effect		13.52	10.22
Other comprehensive loss for the year, net of tax (I)		**(32.92)**	**(26.50)**
Total comprehensive income for the year J=(H+I)		**3,619.90**	**2,144.87**
Earnings per share (of ₹ 10 each) :	31		
(a) Basic		12.48	7.42
(b) Diluted		12.48	7.42
Significant accounting policies	3		

The accompanying notes form an integral part of these financial statements.

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants

For and on behalf of the Board of Directors of
Meridian Medical Research & Hospital Limited

Sd/-
Monisha Parikh
Partner

Place: Bengaluru
Date: May 19, 2023

Sd/-
Viren Prasad Shetty
Director
DIN: 02144586
Place: Bengaluru
Date: May 19, 2023

Sd/-
Dr. Emmanuel Rupert
Director
DIN: 07010883
Place: Bengaluru
Date: May 19, 2023

Sd/-
Rakesh Verma
Chief Executive Officer

Place: Kolkata
Date: May 19, 2023

Sd/-
Prosenjit Mondal
Chief Financial Officer
Place: Kolkata
Date: May 19, 2023

Sd/-
Poonam Barsaiyan
Company Secretary
Place: Bengaluru
Date: May 19, 2023

Meridian Medical Research & Hospital Limited
Statement of changes in equity for the year ended March 31, 2023

(a) Equity share capital — **(in ₹ in lakhs except No. of Shares)**

Particulars	No. of Shares	Amount
Equity shares of ₹Rs. 10 each issued, subscribed and fully paid up		
Balance as at April 1, 2021	2,92,78,820	2,927.88
Changes in equity share capital during the year	-	-
Issue of equity shares (refer note 11)	-	-
Balance as at March 31, 2022	2,92,78,820	2,927.88
Changes in equity share capital during the year	-	-
Issue of equity shares (refer note 11)	-	-
Balance as at March 31, 2023	**2,92,78,820**	**2,927.88**

(b) Other equity — **(₹)**

Particulars	Reserves & Surplus			Items of OCI	Total other equity
	Securities Premium Reserve	Deemed Capital Contribution	Retained earnings	Remeasurements of the net defined benefit Plans	
Balance as at March 31, 2021	**3,666.25**	**14.22**	**(100.43)**	**(76.92)**	**3,503.12**
Profit for the year	-	-	2,171.37	-	2,171.37
Other comprehensive income (OCI) (net of tax)	-	-	-	(26.50)	(26.50)
Total comprehensive income for the year	**-**	**-**	**2,171.37**	**(26.50)**	**2,144.87**
Balance as at March 31,2022	**3,666.25**	**14.22**	**2,070.94**	**(103.42)**	**5,647.99**
Profit for the year			3,652.82		3,652.82
Other comprehensive income (OCI) (net of tax)				(32.92)	(32.92)
Total comprehensive income for the year	**-**	**-**	**3,652.82**	**(32.92)**	**3,619.90**
Balance as at March 31,2023	**3,666.25**	**14.22**	**5,723.76**	**(136.34)**	**9,267.89**

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants

Sd/-
Monisha Parikh
Partner

Place: Bengaluru
Date: May 19, 2023

For and on behalf of the Board of Directors of
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Sd/-
Poonam Barsaiyan
Company Secretary
Place: Bengaluru
Date: May 19, 2023

Meridian Medical Research & Hospital Limited
Statement of cash flows

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities		
Profit after tax	3,652.82	2,171.37
Adjustments :		
Income Tax Expense	1,507.39	928.16
Provision for loss allowance	-	174.03
Depreciation and amortisation expense	1,171.81	1,136.00
Interest income	(11.13)	(12.32)
Finance costs	51.64	228.97
Grant income	(19.32)	(3.51)
Loss on sale/disposal of Property, plant and equipment	51.62	49.28
Liabilities no longer required written back	(147.11)	(49.37)
Operating cash flow before working capital changes	**6,257.72**	**4,622.61**
Changes in trade receivables	(190.63)	(30.44)
Changes in inventories	(29.97)	(98.34)
Changes in loans, other financial assets and other assets	(10.80)	(69.55)
Changes in trade payables and other financials liabilities	907.08	599.24
Changes in provision	14.71	47.68
Cash generated from operations	**6,948.11**	**5,071.20**
Income taxes (paid)/ Refund Received (Net)	(608.27)	(736.04)
Net cash generated from operating activities (A)	**6,339.84**	**4,335.16**
Cash flow from investing activities		
Acquisition of property, plant and equipment	(4,997.14)	(1,561.31)
Loan Given during the year to fellow subsidiary	-	(300.00)
Loan received back from fellow subisidiary	-	300.00
Investment in bank deposits	(811.08)	(24.65)
Proceeds from sale of property, plant and equipment	48.95	8.48
Interest received	(44.73)	12.32
Net cash (used in) investing activities (B)	**(5,804.00)**	**(1,565.16)**
Cash flow from financing activities		
Repayment of long-term borrowings	(26.74)	(2,677.44)
Payment of lease liabilities (refer note 14)	(220.04)	(220.04)
Interest and other borrowing costs	(8.51)	(171.16)
Net cash (used in) financing activities (C)	**(255.29)**	**(3,068.64)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	280.55	(298.64)
Cash and cash equivalents at the beginning of the year (refer note 10)*	294.32	592.96
Cash and cash equivalents at the end of the year (refer note 10)	**574.87**	**294.32**

Significant accounting policies
* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Reconciliation of liabilities from financing activities for the year ended March 31, 2023

Particulars	As at April 1, 2022	Proceeds	Repayment	Non Cash Changes		As at March 31, 2023
				Fair Value/other changes	Foreign exchange	
Long-term borrowings (including current maturities)	119.70	-	(26.74)	-	-	92.96
Lease liabilities	573.96	-	(220.04)	43.13	-	397.05
Total liabilities from financing activities	**693.66**	-	**(246.78)**	**43.13**	-	**490.01**

Reconciliation of liabilities from financing activities for the year ended March 31, 2022

Particulars	As at April 1, 2021	Proceeds	Repayment	Non Cash Changes		As at March 31, 2022
				Fair Value/other changes	Foreign exchange	
Long-term borrowings (including current maturities)	2,797.14	-	(2,677.44)	-	-	119.70
Lease liabilities	736.19	-	(220.04)	57.81	-	573.96
Total liabilities from financing activities	**3,533.33**	-	**(2,897.48)**	**57.81**	-	**693.66**

The accompanying notes form an integral part of these financial statements.
As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants

Sd/-
Monisha Parikh
Partner

Place: Bengaluru
Date: May 19, 2023

For and on behalf of the Board of Directors of
Meridian Medical Research & Hospital Limited

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Viren Prasad Shetty
Director
DIN: 02144586
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Prosenjit Mondal
Chief Financial Officer
Place: Kolkata
Date: May 19, 2023

Sd/-
Poonam Barsaiyan
Company Secretary
Place: Bengaluru
Date: May 19, 2023

1. Company overview

Meridian Medical Research & Hospital Limited ('the Company') was incorporated on 08 May 1995 under the Companies Act, 1956. The Company is engaged in establishing, promoting, owning, letting, managing and maintaining hospitals, clinics, health centers, nursing home in all disciplines of medicine and without limitation to run and administer healthcare schemes.

2. Basis of preparation of the financial statements

2.1. Statement of compliance

The 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 and amendment rules issued thereafter.

The financial statements were authorized for issue by the Company's Board of Directors on May 19, 2023.

Details of the accounting policies are included in Note 3.

2.2. Going concern

The Company has positive net worth as at the balance sheet date. Narayana Hrudayalaya Limited, Holding Company, which continues to support the Company through equity infusion and acting as a corporate guarantor for long-term loans availed by the Company from financial institutions and banks. Whilst the current liabilities of the Company exceed its current assets as of March 31, 2023, the financial statements have been drawn up on a going concern basis in view of the support letter received from the Holding Company confirming their continued financial support to the Company to enable it to continue its operations and settle its obligations as and when they become due over the next twelve-month period.

2.3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts are presented in Indian Rupees, except share data and per share data, unless otherwise stated.

2.4. Basis of measurement

The financial statements have been prepared on the accrual basis under the historical cost convention except for certain financial assets and liabilities that are measured at fair value at the end of each reporting period except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.5. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 28 – leases and lease classification.
- Note 35 – financial instruments

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 29 – recognition of tax expense
- Note 33 – measurement of defined benefit obligations: key actuarial assumptions.
- Note 26 – recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
- Note 6, 9, 10, 35 – recognition of impairment of financial assets and
- Note 4 – useful life of property, plant and equipment and intangible assets

2.6. 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.

Fair values are categorized 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 categorized 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 recognizes 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 35 – financial instruments.

3. Significant accounting polices

3.1. Financial instruments

a. Recognition and initial measurement

Trade receivables 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.

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.

b. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at
- amortised cost; 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 amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect 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 on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or 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:

- 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.
- how the performance of the portfolio is evaluated and reported to the Company’s management.

– 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.
– 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
– 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.

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:
− contingent events that would change the amount or timing of cash flows.
− terms that may adjust the contractual coupon rate, including variable interest rate features.
− prepayment and extension features; and
− terms that limit the Company's claim to cash flows from specified assets (e.g., non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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.

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.

c. Derecognition

Financial assets

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.

Financial liabilities

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.

d. 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.

3.2. Inventories

The inventories of medical consumables, drugs and surgical equipments are valued at lower of cost or net realisable value. In the absence of any further estimated costs of completion and estimated costs necessary to make the sale, the net realisable value is the selling price. The comparison of cost and net realisable is made on an item-by-item basis. Cost of these inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location after adjusting for value added tax wherever applicable, applying the first in first out method.

3.3. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less which are subject to insignificant risk of changes in value.

3.4. Cash flow statement

Cash flows are reported using the indirect method, whereby net loss before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

3.5. Revenue recognition

Revenue from operations

Revenue from medical and healthcare services to patients is recognised as revenue when the related services are rendered unless significant future uncertainties exist. Revenue is also recognised in relation to the services rendered to the patients who are undergoing treatment/observation on the balance sheet date to the extent of services rendered.

Revenue is recognised net of discounts given to the patients.

Revenue from sale of medical consumables and drugs within the hospital premises is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection.

'Unbilled revenue' represents value to the extent of medical and healthcare services rendered to the patients who are undergoing treatment/observation on the balance sheet date and is not billed as at the balance sheet date. 'Unearned revenue' comprises billings in the excess of earnings.

Revenue from nursing school
Revenue from nursing school is recognised when the related services are rendered, and the consideration is received.

Other medical and health care services
Revenue from other medical and health care services are recognized as and when the services are rendered in accordance with the terms of the agreements.

Interest

For all debt instruments measured either at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

3.6. Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and other non-refundable taxes or levies, freight, any directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and restoring onsite; any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditures related to an item of tangible fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. Cost includes expenditures directly attributable to the acquisition of the asset.

Depreciation and amortisation

The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Leasehold improvements are amortized over the lower of estimated useful life and lease term. Freehold land is not depreciated. The estimated useful lives of assets for the current and comparative period of significant items of property, plant and equipment are as follows:

Block of assets	**Useful life**
Building	60 years
Electrical installation	10 years
Medical equipment	13years
Office equipment	5 years
Other equipment including air conditioners	15 years
Furniture and fixtures	10 years
Computers	3 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted appropriately.

The Company believes that the useful life as given above best represent the useful life of the assets based on the internal technical assessment and these useful life are as prescribed under Part C of Schedule II of the Companies Act, 2013 except vehicles where useful life considered by management is lower.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date are recognized as capital advance and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress

3.7. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use.

The estimated useful lives of intangibles are as follows:

Block of assets	Useful life
Computer software	3 years

Amortisation method

The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

3.8. Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of receiving services are classified as short-term employee benefits. These benefits include salary and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by the employees.

Post-employment benefits

Defined contribution plans

A defined contribution plan is post-employment benefit plan under which an entity pays specified contributions to separate entity and has no obligation to pay any further amounts. The Company makes specified obligations towards employee provident fund and employee state insurance to Government administered provident fund scheme and ESI scheme which is a defined contribution plan. The Company's contributions are recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned and returned for services in the current and prior periods; that benefit is discounted to determine its present value. The calculation of Company's obligation under the plan is performed periodically by a qualified actuary using the projected unit credit method.

The gratuity scheme is managed by third party administrator.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). The Company determines the net interest expense (income) on the net defined liability (assets) for the period by applying the discount rate used to measure the net defined obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes as a result of contribution and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss. The Company recognizes gains and losses in the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

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 any leave accumulated in excess of forty five days or on termination of employment. Since the employee has unconditional right to avail the leave, the benefit is classified as a short-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.

3.9. Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.10. Leases

The Company's lease asset classes primarily consist of leases for land & buildings and equipment. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

3.11. Earnings per share

The basic earnings per share is computed by dividing the net profit/ (loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

The Company does not have potential dilutive equity shares outstanding during the year.

3.12. Income tax

The Income-tax expense comprises current tax and deferred tax. It is recognised in profit and loss except to the extent that is relates to an item recognised directly in equity or in other comprehensive income.

Deferred tax

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognized for all taxable temporary differences.
The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at 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.

Minimum Alternative tax

According to Section 115JAA of the Income tax Act, 1961, Minimum Alternative Tax (MAT') paid over and above the normal Income tax in a subject year is eligible for carry forward for fifteen succeeding assessment year for set-off against normal Income tax liability. The MAT credit asset is assessed against the entity's normal income tax during the specified period.

3.13. Impairment

a. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer.
- the restructuring of a loan or advance by the company on terms that the Company would not consider otherwise.
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

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).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the trade receivable does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

b. Impairment of non-financial assets

The Company's non-financial assets and inventories 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).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

3.14. Provisions and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

3.15. Segment Reporting

Operating results are regularly reviewed by the Chief Operating Decision Maker ('CODM') who makes decisions about resources to be allocated to the segment and assess its performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.16 Operating Cycle

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

3.17 Standards Issued but Not Effective

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to the Company from April 1, 2023.

i. Ind AS 101 – First time adoption of Ind AS
ii. Ind AS 102 – Share-based payment
iii. Ind AS 103 – Business Combinations
iv. Ind AS 107 – Financial Instruments: Disclosures
v. Ind AS 109 – Financial Instruments
vi. Ind AS 115 – Revenue from Contracts with Customers
vii. Ind AS 1 – Presentation of Financial Statements
viii. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates andErrors
ix. Ind AS 12 – Income Taxes
x. Ind AS 34 – Interim Financial Reporting

The Company is in the process of evaluating the impact of the above amendments on the Company's financial statements.

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4 (i) Property, plant and equipment, capital work-in-progress and intangible assets

(₹ in Lakhs)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block	
	As at April 1, 2022	Additions/ adjustments	Deletions/ adjustments	As at March 31, 2023	As at April 1, 2022	Depreciation/ Amortisation for the year	Depreciation Amortisation on disposals	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
(A) Tangible assets (owned)										
Freehold land	88.82	-	-	88.82	-	-	-	-	88.82	88.82
Building	6,529.58	101.96	-	6,631.54	2,461.22	257.77	-	2,718.99	3,912.55	4,068.36
Electrical installation	421.78	25.56	-	447.34	323.00	19.38	-	342.38	104.96	98.78
Medical equipment	6,870.52	3,402.95	767.03	9,506.44	3,477.19	566.99	668.19	3,375.99	6,130.45	3,393.33
Office equipment	12.22	-	-	12.22	11.54	0.34	-	11.88	0.34	0.68
Other equipment including air conditioners	1,583.85	129.11	33.64	1,679.32	875.79	108.11	31.91	951.99	727.33	708.06
Furniture and fixtures	475.98	27.19	-	503.17	363.48	33.81	-	397.29	105.88	112.50
Computers	396.10	103.17	-	499.27	330.80	43.46	-	374.26	125.01	65.30
Vehicles	38.27	-	-	38.27	38.27	-	-	38.27	-	-
Total tangible assets (A)	**16,417.12**	**3,789.94**	**800.67**	**19,406.39**	**7,881.29**	**1,029.86**	**700.10**	**8,211.05**	**11,195.34**	**8,535.83**
(B) Capital work-in-progress	**243.65**	**1,877.76**	**712.46**	**1,408.95**	**-**	**-**	**-**	**-**	**1,408.95**	**243.65**
(C) Intangible assets										
Computer software	19.26	-	-	19.26	19.26	-	-	19.26	-	-
Total intangible assets (C)	**19.26**	**-**	**-**	**19.26**	**19.26**	**-**	**-**	**19.26**	**-**	**-**
Grand total (A+B+C)	**16,680.03**	**5,667.70**	**1,513.13**	**20,834.60**	**7,900.55**	**1,029.86**	**700.10**	**8,230.31**	**12,604.29**	**8,779.48**

(ii) Capital work in Progress ageing schedule

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at March 31, 2023	1,176.16	211.78	12.87	8.14	**1,408.95**
As at March 31, 2022	222.64	12.87	8.14	-	**243.65**

Note: The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

4 (iii) Property, plant and equipment, capital work-in-progress and intangible assets

(₹ in Lakhs)

Particulars	Gross block				Accumulated depreciation/amortisation				Net block	
	As at April 1, 2021	Additions/ adjustments	Deletions/ adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation/ Amortisation for the year	Depreciation Amortisation on disposals	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
(A) Tangible assets (owned)										
Freehold land	88.82	-	-	88.82	-	-	-	-	88.82	88.82
Building	6,524.48	5.10	-	6,529.58	2,206.78	254.44	-	2,461.22	4,068.36	4,317.70
Electrical installation	421.89	-	0.11	421.78	300.30	22.78	0.08	323.00	98.78	121.59
Medical equipment	6,520.68	573.88	224.04	6,870.52	3,155.69	496.51	175.01	3,477.19	3,393.33	3,364.99
Office equipment	12.71	-	0.49	12.22	11.53	0.50	0.49	11.54	0.68	1.18
Other equipment including air conditioners	1,536.04	49.15	1.34	1,583.85	775.56	100.87	0.64	875.79	708.06	760.48
Furniture and fixtures	460.29	28.64	12.95	475.98	324.76	43.67	4.95	363.48	112.50	135.53
Computers	338.56	58.43	0.89	396.10	256.40	75.29	0.89	330.80	65.30	82.16
Vehicles	38.27	-	-	38.27	38.27	-	-	38.27	-	-
Total tangible assets (A)	**15,941.74**	**715.20**	**239.82**	**16,417.12**	**7,069.29**	**994.06**	**182.06**	**7,881.29**	**8,535.83**	**8,872.45**
(B) Capital work-in-progress	**25.12**	**259.75**	**41.22**	**243.65**	**-**	**-**	**-**	**-**	**243.65**	**25.12**
(C) Intangible assets										
Computer software	19.26	-	-	19.26	19.26	-	-	19.26	-	-
Total intangible assets (C)	**19.26**	**-**	**-**	**19.26**	**19.26**	**-**	**-**	**19.26**	**-**	**-**
Grand total (A+B+C)	**15,986.12**	**974.95**	**281.04**	**16,680.03**	**7,088.55**	**994.06**	**182.06**	**7,900.55**	**8,779.48**	**8,897.57**

(iv) Capital work in Progress ageing schedule

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress					
As at March 31, 2022	222.64	12.87	8.14	-	**243.65**
As at March 31, 2021	16.98	8.14	-	-	**25.12**

Note: The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

5 (i) Right of Use Assets (₹ in Lakhs)

Category of ROU asset	Gross block				Accumulated depreciation				Net block	
	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at April 1, 2022	Depreciation	Deletions	As at March 31, 2023	As at March 31, 2023	As at March 31, 2022
Equipment	595.98	-	-	595.98	363.64	121.22	-	484.86	111.12	232.34
Land	378.65	-	-	378.65	62.19	20.73	-	82.92	295.73	316.46
Grand total	**974.63**	**-**	**-**	**974.63**	**425.83**	**141.95**	**-**	**567.78**	**406.85**	**548.80**

(ii) Right of Use Assets (₹ in Lakhs)

Category of ROU asset	Gross block				Accumulated depreciation				Net block	
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at April 1, 2021	Depreciation	Deletions	As at March 31, 2022	As at March 31, 2022	As at March 31, 2021
Equipment	595.98	-	-	595.98	242.43	121.21	-	363.64	232.34	353.55
Land	378.65	-	-	378.65	41.46	20.73	-	62.19	316.46	337.19
Grand total	**974.63**	**-**	**-**	**974.63**	**283.89**	**141.94**	**-**	**425.83**	**548.80**	**690.74**

Refer note 28 for disclosures related to ROU assets and liabilities.

6 Other financial assets (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current		
To parties other than related parties		
Bank deposits (due to mature after 12 months from the reporting date)	49.34	49.22
Security deposits	152.11	150.07
	201.45	**199.29**
(b) Current		
To parties other than related parties		
Security deposits	14.82	16.33
Less:Provision for Doubtful advances-Security deposit	6.20	-
Security deposits (net)	8.62	16.33
Unbilled revenue	137.33	114.44
	145.95	**130.77**

7 Other assets (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current		
To parties other than related parties		
Prepaid expenses	41.62	19.83
Capital advances	352.80	225.53
Advance income tax and tax deducted at source, net	638.13	985.16
	1,032.55	**1,230.52**
(b) Current		
To parties other than related parties		
Prepaid expenses	64.95	94.34
Advance to vendors	10.53	52.57
Other loans and advances	69.39	26.29
	144.87	**173.20**

8 Inventories (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of cost and net realisable value)		
Medical consumables, drugs and surgical instruments	363.37	337.73
Less: Provision for write-down to net realisable value	(23.90)	(28.23)
	339.47	**309.50**

The inventories are subject to first charge to secured bank loans

9 Trade receivables (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered Good - unsecured	2,304.80	2,261.28
Less: Allowance for expected credit losses	(278.26)	(425.37)
Total	**2,026.54**	**1,835.91**

Trade receivables ageing schedule

Particulars	Outstanding for the following period from due date of payments						Total
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed Trade receivables - Considered Good	1,873.05	273.58	54.43	12.39	33.49	57.86	**2,304.80**
Undisputed - Considered Good	1,757.80	14.51	179.80	206.55	94.62	8.00	**2,261.28**

The Company uses a provision matrix to determine the expected credit loss on the portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each reporting period, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

Category	Ageing		
	Within due date	Due date to 1 year	More than 1 year
As at March 31, 2023			
ESI/CGHS/SCHEMES	3.53%	33.09%	63.58%
Others	2.84%	21.84%	49.24%
As at March 31, 2022			
ESI/CGHS/SCHEMES	3.24%	34.51%	76.63%
Others	2.94%	34.89%	74.98%

The Company's exposure to credit risk and currency risks, and loss allowances are disclosed in note 35.

10 Cash and bank balances (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Cash and cash equivalents		
Cash on hand	15.00	25.55
Balance with banks		
-On current accounts	559.87	268.77
	574.87	**294.32**
(b) Bank balances other than above		
-On deposit accounts (due to mature within 12 months of the reporting date)*	863.51	52.43
	863.51	**52.43**

* The FY 23 deposits includes restrictive amount of ₹ 63.51 lakhs as they pertain to bank guarantee and for FY 22 amounting to ₹ 52.43 lakhs.

For the purpose of the statement of cash flows, cash and cash equivalent comprise the followings: (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	15.00	25.55
Balances with banks		
-On current accounts	559.87	268.77
	574.87	**294.32**

11 Equity share capital (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
35,000,000 equity shares (March 31, 2022: 35,000,000 equity shares) of ₹ 10 each, with voting rights.	3,500.00	3,500.00
Issued, subscribed and paid up		
2,92,78,820 equity shares (March 31, 2022: 2,92,78,820 of ₹ 10 each, fully paid up ,with voting rights.	2,927.88	2,927.88
	2,927.88	**2,927.88**

i) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	**Amount**	**Number of shares**	**Amount**
At the beginning of the year	2,92,78,820	2,927.88	2,92,78,820	2,927.88
Issued during the year	-	-	-	-
At the end of the year	**2,92,78,820**	**2,928**	**2,92,78,820**	**2,927.88**

ii) Rights, preference and restrictions attached to equity shares:

The Company has a single class of equity shares referred to as equity shares having a par value of ₹ 10 each. Accordingly, all equity shares rank equally with regard to dividend and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the then ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

iii) Shares held by holding company

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Equity shares of ₹ 10 each fully paid up held by				
- Narayana Hrudayalaya Limited	2,90,24,467	2,902.45	2,90,24,467	2,902.45

iv) Particulars of shareholders holding more than 5% equity shares:

Particulars	As at March 31, 2023		As at March 31, 2021	
	Number of shares	**Amount**	**Number of shares**	**% holding**
- Narayana Hrudayalaya Limited	2,90,24,467	99.13%	2,90,24,467	99.13%

The Company has not bought back any shares during the period of five years immediately preceding the balance sheet date. Further, the Company has not issued any bonus shares or shares issued for consideration other than cash during the period of five years immediately preceding the balance sheet date.

(v) Shareholding of promoters:

Promoter Name	As at March 31, 2023		
	Number of shares	**% of total shares**	**% Change during the year**
Narayana Hrudayalaya Limited	2,90,24,467	99.1313%	0.00%
Dr. Devi Prasad Shetty *	100	0.0003%	0.00%
Shakuntala Shetty *	100	0.0003%	0.00%
Viren Prasad Shetty *	100	0.0003%	0.00%
Dr. Varun Shetty *	100	0.0003%	0.00%
Dr. Emmanuel Rupert *	100	0.0003%	0.00%

* These shares are held by registered shareholders holding on behalf of beneficial shareholder i.e. Narayana Hrudayalaya Limited

12 Other equity

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Reserves and surplus		
Securities premium		
At the commencement of the year	3,666.25	3,666.25
Add: Movement during the year	-	-
At the end of the year	3,666.25	3,666.25
Deemed Capital Contribution		
At the commencement of the year	14.22	14.22
Add: Additions during the year	-	-
At the end of the year	14.22	14.22
Retained earnings		
At the commencement of the year	2,070.94	(100.43)
Add: Net profit after tax transferred from statement of profit and loss	3,652.82	2,171.37
At the end of the year	5,723.76	2,070.94
Other Comprehensive Income		
At the commencement of the year	(103.42)	(76.92)
Add: Addition during the year	(32.92)	(26.50)
At the end of the year	(136.34)	(103.42)
	9,267.89	**5,647.99**

Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings
Retained earnings comprises of amounts that can be distributed by the company as divided to its equity shareholders.

Other Comprehensive Income
Other Comprehensive Income represents actuarial gain or loss or re-measurement of defined benefits obligation.

Deemed Capital Contribution
Deemed capital contribution by Holding Company on account of employee stock options issued to employees.

13 Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current		
(i) Secured		
Term loans		
From banks (refer note I)	92.96	119.70
Less: Current maturity of long term debt (refer note 13(b))	(24.79)	(32.94)
Total non-current borrowings	**68.17**	**86.76**
(b) Current		
(i) Secured		
Term loans		
Current maturity of long term debt	24.79	32.94
Total current borrowings	**24.79**	**32.94**

I Term loans from banks :

Details of repayment terms, interest and maturity	Nature of Security
Term loan from Axis Bank Ltd: ₹ 92.96 lakhs (previous year : ₹ 119.70 lakhs). Payable in 20 quarterly instalments starting from 16 May 2022). Interest is charged at 7.00% p.a., (previous year: 7.00% p.a.)	Exclusive security on Robotic equipment purchased out of Term loan / capex LC, Additional movable fixed assets of the borrower such that total security cover is 1.25x.

Note: Statements of current assets including stock statement filed by the Company with its bankers are in agreement with books of accounts.

14 Lease liabilities (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current		
Lease liability Opening	573.96	736.19
Additions during the period	-	-
Finance cost accrued during the period	43.13	57.81
Lease payment	(220.04)	(220.04)
Lease liability Closing	397.05	573.96
Less: Current lease liability	(176.91)	(176.91)
	220.14	**397.05**
(b) Current		
Current lease liability	176.91	176.91
	176.91	**176.91**

15 Provisions (refer note 33) (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Non-current		
Provision for employee benefits		
Gratuity	107.23	85.80
	107.23	**85.80**
(b) Current		
Provision for employee benefits		
Compensated absences	149.79	123.60
	149.79	**123.60**

16 Trade payables (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 34)	158.51	200.90
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,284.31	2,881.84
	3,442.82	**3,082.74**
To related parties		
Total outstanding dues of micro enterprises and small enterprises (refer note 30)	5.11	4.68
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer note 30)	50.99	4.19
	56.10	**8.88**

Trade payables ageing schedule (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payments					Total
	Not Due *	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023						
a) Undisputed - MSME	121.48	23.37	18.65	0.13	-	163.62
b) Undisputed - Others	2,516.74	637.20	105.77	44.06	31.53	3,335.30
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
Total	**2,638.23**	**660.57**	**124.42**	**44.18**	**31.53**	**3,498.92**
As at March 31, 2022						
a) Undisputed - MSME	140.82	64.17	0.12	0.47	-	205.58
b) Undisputed - Others	1,502.46	1,312.44	51.26	14.23	5.64	2,886.03
c) Disputed dues - MSME	-	-	-	-	-	-
d) Disputed dues - Others	-	-	-	-	-	-
Total	**1,643.28**	**1,376.62**	**51.38**	**14.71**	**5.64**	**3,091.61**

* Not Due includes provision for expenses

17 Other financial liabilities (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Current		
To parties other than related parties		
Creditors for capital goods	153.54	68.17
Others	13.77	14.62
	167.31	**82.79**

18 Other liabilities (₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current		
To parties other than related parties		
Deferred government grant for EPCG Licence *	477.84	-
Deferred grant -others **	3.12	5.33
	480.96	**5.33**
Current		
To parties other than related parties		
Unearned revenue	108.26	67.53
Contract liabilities	342.04	582.67
Deferred government grant for EPCG Licence **	41.25	-
Balances due to statutory/ government authorities	139.10	121.01
Interest Accrued but not Due on Long Term Borrowing	-	0.87
	630.65	**772.08**

* During the financial year 2022-23, the company had availed EPCG benefits amounting to ₹ 536.20 lakhs on Import of various Medical equipments. The Company has recognized this grant as deferred income at fair value which is being amortized over the useful life of the fixed assets in proportion in which related depreciation is recognized.

**During the financial year 2021-22, the company had received capital grants from various corporates amounting to ₹ 8.85 lakhs for purchase of Medical equipments as agreed. The Company has recognized this grant as deferred income at fair value which is being amortized over the useful life of the fixed assets in proportionin which related depreciation is recognized.

19 Revenue from operations (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from medical and healthcare services	25,851.85	22,937.60
Sale of medical consumables and drugs	635.67	483.24
Other operating revenue:		
Revenue from Nursing School	-	36.39
	26,487.52	**23,457.23**

Refer notes below

(i) **Category of Customer**

Cash*	13,114.90	11,614.91
Credit	13,372.62	11,842.32
Total	**26,487.52**	**23,457.23**

* Includes receipts through digital/electronic mode

(ii) **Nature of treatment**

In-patient	20,951.03	18,706.10
Out-patient	4,900.82	4,231.50
Sale of medical consumables and drugs	635.67	483.24
Others	-	36.39
	26,487.52	**23,457.23**

(iii) The revenue from rendering Healthcare services and Pharmaceutical products satisfies 'at a point in time' recognition criteria as prescribed by Ind AS 115

(iv) **Transaction price allocated to the remaining performance obligations** (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contractual Liabilities		
Contractual Liabilities	342.04	582.67

(v) **Use of Practical expedients**

Transaction price allocated to the remaining performance obligations

The Company has applied the practical expedient with respect to non disclosure of information in respect of remaining performance obligations considering the fact that the company's performance obligations, i.e. the treatment in case of healthcare segment has an original expected duration of one year or less.

20 Other income (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on		
- Bank deposits	11.13	4.01
- Income tax Refund	55.86	8.31
Grant income	19.32	3.51
Foreign exchange gain, (net)	3.42	-
Liabilities no longer required written back	147.11	49.37
Miscellaneous income	66.76	44.02
	303.60	**109.22**

21 Changes in inventories of medical consumables, drugs and surgical instruments (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	309.50	211.16
Inventory at the end of the year	339.47	309.50
	(29.97)	**(98.34)**

22 Employee benefits expenses (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	3,202.84	2,772.60
Contribution to provident and other funds (refer note 33)	261.36	235.71
Staff welfare expenses	33.27	24.67
	3,497.47	**3,032.98**

23 Other expenses (₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Hospital operating expenses		
Power and fuel	533.09	502.36
Hospital general expenses	274.74	188.12
House keeping expenses	593.08	553.15
Patient welfare expenses	286.47	255.82
Rent	187.07	169.23
Medical gas charges	89.71	97.68
Biomedical wastage expenses	15.13	18.38
Repairs and maintenance		
- Hospital equipments	522.33	659.48
- Buildings	204.71	139.31
- Others	322.07	296.53
	3,028.40	**2,880.06**
Administrative expenses		
Traveling and conveyance	32.21	41.31
Security charges	146.65	140.96
Printing and stationery	68.00	51.08
Rent	66.40	80.07
Advertisement and publicity	571.64	382.58
Legal and professional fees (refer note (i) below)	41.21	34.65
Business promotion	61.17	50.93
Telephone and communication	42.19	43.99
Bank charges	66.63	42.24
Insurance	52.22	87.38
Corporate social responsibility (refer note (ii) below)	40.33	22.79
Rates and taxes	43.87	33.32
Books and periodicals	12.87	16.56
Provision for loss allowances	-	174.03
Provision for Doubtful Deposits	6.20	-
Loss on sale/disposal of Property, plant and equipment	51.62	49.28
Foreign exchange loss, (net)	-	0.26
Miscellaneous expenses	4.55	4.01
	1,307.76	**1,255.44**
	4,336.16	**4,135.50**

(i) Payment to auditors*

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
As an auditor		
Audit fee	9.00	9.00
In other capacity :		
Other services (certification fees)	0.50	0.50
Reimbursement of expenses	0.15	0.14

*excluding goods and service tax

(ii) Corporate social responsibility

Consequent to the requirements of Section 135 of the Companies Act 2013, the Company has made contributions as stated below. The same is in line with activities specified in Schedule VII of the Companies Act, 2013.

The Company's CSR activities primarily focuses on programs that aims to make a positive difference in the lives of the people by engaging in activities that eliminates or alleviates pain and suffering to the under privileged sections of the society by Promoting healthcare facilities for the upliftment of people at large and creating a positive impact by addressing issues of accessibility and affordability.Promoting educational facilities to help and assist in unfolding the creative potentials and talents of the children and amateurs.

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a) Amount required to be spent by the Company during the year	38.28	22.79
b) Amount of expenditure incurred on purpose other than construction/ acquisition of any asset	40.33	22.79
c) Excess spend of prior years set off during the year	-	-
d) Shortfall/(Excess) at the end of the year [(d)=(a)-(b)-(c)]	(2.05)	-
e) Total of previous years shortfall	-	-
f) Reason for shortfall	NA	NA
g) Nature of CSR Activities	Promoting healthcare facilities for the upliftment of people at large, Promoting educational facilities to deserved children and amateurs	
h) Details of related party transactions	NA	NA
i) Where a provision is made with respect to a liability incurred by entering	NA	NA

24 Finance costs

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on financial liabilities measured at amortised cost		
- term loans from banks	7.95	170.77
- bank overdraft	0.56	0.39
Interest expense on lease liabilities	43.13	57.81
	51.64	**228.97**

25 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 4)	1,029.86	994.06

Depreciation of Right of Use Assets (refer Note 5)	141.95	141.94
	1,171.81	**1,136.00**

26 Contingent liabilities and commitments

(i) Contingent liabilities
The Company does not have any contingent liability as on March 31, 2023 (previous year - Nil).

(ii) Commitments
Estimated amounts of contracts remaining to be executed on capital account (net of advances) and not provided for amounts to ₹2862.34 lakhs as on March 31, 2023 (previous year: ₹ 3016.02 lakhs).

27 Segment information

Operating Segments
Ind AS 108 “Operating Segment” (“Ind AS 108”) establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the "management approach" as defined in Ind AS 108, operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance and allocates resources on overall basis. The Company’s sole operating segment is therefore ‘Medical and Healthcare Services’. Accordingly, there are no additional disclosure to be provided under Ind AS 108, other than those already provided in the financial statements.

Geographical information
Geographical information analyses the Company's revenue and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of the customers and segment assets which have been based on the geographical location of the assets. Since, the Company has only one geographical location, i.e. India, with respect to location of assets and location of customers, further details about geographical information is not applicable.
One Customers - Swasthyasathi (16.85%) accounted for more than 10% of the revenue as of March 31, 2023 and One Customer - Swasthyasathi (21.55%) accounted for more than 10% of the revenue as of March 31, 2022.

28 Leases
The Company has taken various medical equipment, hospital premises, office and residential premises under operating leases. The leases typically run for a term ranging from one to thirty three years, with an option to renew the lease after the term completion. The escalation clause in these arrangement ranges from 0% to 5%.

The table below provides details regarding the contractual maturities of rental payments **(₹ in Lakhs)**

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Less than 1 year	204.04	220.04
1 - 2 years	28.03	204.04
2-5 years	84.09	84.09
More than 5 years	266.29	294.32

(i) The following is the break-up of current and non-current lease liabilities as at March 31, 2023

(₹ in Lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Current lease liabilities	176.91	176.91
Non-current lease liabilities	220.14	397.05
	397.05	**573.96**

(ii) The following is the movement in the lease liabilities during the year ended March 31, 2023

(₹ in Lakhs)

Particulars	**For the Year Ended March 31, 2023**	**For the Year Ended March 31, 2022**
Lease liability Opening	573.96	736.19
Additions during the period	-	-
Finance cost accrued during the period	43.13	57.81
Lease payment	(220.04)	(220.04)
	397.05	**573.96**

Rental expense recorded for short-term leases was ₹253.47 lakhs for the year ended March 31, 2023 (₹249.30 lakhs for the year ended March 31, 2022).

29 Income tax

(a) Amount recognised in statement of profit and loss

(₹ in Lakhs)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax	1,485.64	613.05
Deferred tax liability / (asset)		
Origination and reversal of temporary differences	21.75	315.11
Deferred tax charge/ (credit)	**21.75**	**315.11**
Tax expense for the year	**1,507.39**	**928.16**

(b) Amount recognised in other comprehensive income

(₹ in Lakhs)

	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Re-measurement on defined benefit plans	(46.44)	13.52	(32.92)	(36.72)	10.22	(26.50)
	(46.44)	**13.52**	**(32.92)**	**(36.72)**	**10.22**	**(26.50)**

(c) Reconciliation of effective tax rate

(₹ in Lakhs)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	**5,160.21**	**3,099.53**
Tax using the Company's domestic tax rate (Current year 29.12% and Previous Year 29.12%)	1,502.65	902.58
Tax effect of:		
Changes in tax rates	-	12.05
Expenses not deductible for tax purpose	6.12	19.96
Others	(1.38)	(6.43)
	1,507.39	**928.16**

Deferred tax assets and liabilities are attributable to the following:

(₹ in Lakhs)

	Balance as at April 1, 2022	Other Adjustment/MAT Credit utilisation	Recognised in Profit or loss during 2022-23 (charge)/credit	Recognised in OCI during 2022-23	Balance as at March 31, 2023
Deferred tax asset					
Provision for doubtful receivables	123.87	-	(41.03)	-	82.84
Provision for gratuity	35.20	10.22	(3.98)	13.52	54.96
Provision for compensated absences	35.99	-	7.63	-	43.62
Provision for slow moving and non moving inventory	8.22	-	(1.26)	-	6.96
Others	86.50	-	(5.20)	-	81.30
Total deferred tax asset	**289.78**	**10.22**	**(43.84)**	**13.52**	**269.68**
Deferred tax liability					
Excess of depreciation on fixed asset under Income Tax Act, 1961 over depreciation under Companies Act.	(901.26)	-	11.87	-	(889.39)
Total deferred tax liability	**(901.26)**	**-**	**11.87**	**-**	**(889.39)**
Minimum alternative tax asset	**488.00**	**(488.00)**	**-**	**-**	**-**
Deferred tax asset/(Liability) (net)	**(123.48)**	**(477.78)**	**(31.97)**	**13.52**	**(619.71)**

30 Related party disclosures

(a) Details of related parties

Nature of relationship	Name of related parties
Enterprise having control over the Company	Narayana Hrudayalaya Limited
Key Management Personnel (KMP)	Rakesh Verma - Chief Executive Officer Prosenjit Mondal - Chief Financial Officer (w.e.f. March 29, 2022) Shweta Priy - Company Secretary (till June 14, 2022) Poonam Barsaiyan- Company Secretary (w.e.f. 8th August 2022)
Key Management Personnel (KMP) of the Holding Company	Dr. Devi Prasad Shetty- Chairman Dr. Emmanuel Rupert - Managing Director Viren Prasad Shetty - Whole-time Director Sandhya Jayaraman - Chief Financial Officer Sridhar S- Company Secretary
Fellow subsidiaries	Narayana Institute for Advanced Research Private Limited (NIARPL) (Company is under Liquidation) Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL) Narayana Hospitals Private Limited (NHPL) Narayana Health Institutions Private Limited (NHIPL) (Company is under striking off) Narayana Vaishno Devi Specialty Hospitals Private Limited (NVDSHPL) Narayana Holdings Private Limited (NHPL, Mauritius) Health City Cayman Islands (HCCI) Narayana Health North America LLC (NHNA) Athma Healthtech Private Limited (AHPL) w.e.f. 2nd June, 2022 NH Integrated Care Private Limited (NHIC) w.e.f. 10th January 2023 Cayman Integrated Healthcare Ltd (CIHL) September 28, 2022 ENT in Cayman Ltd (EICL) w.e.f. March 3, 2023 NH Health Bangladesh Private Limited (NHDPL)
Associate of Holding Company	Trimedx India Private Limited
Entity under control/ joint control of KMP of Holding company and their relatives	Amaryllis Healthcare Private Limited Hrudayalaya Pharmacy Charmakki Infrastructures Thrombosis Research Institute(TRI) Narayana Hrudayalaya Foundation (NHF) Mazumdar Shaw Medical Foundation (MSMF) Narayana Health Academy Private Limited(NHAPL) Asia Heart Foundation (AHF)

(b) Transactions with related party during year ended March 31, 2023 **(₹ in Lakhs)**

Transactions	Enterprise having control over the Company	Fellow subsidiaries	Entity under control/ joint control of KMP of Holding company and their relatives	Key Management Personnel (KMP)	Total
Purchase of medical consumables, drugs and surgical instruments & Services					
Narayana Hrudayalaya Limited	220.62 (351.95)	- (-)	- (-)	- (-)	220.62 (351.95)
Amaryllis Healthcare Private Limited	- (-)	- (-)	106.15 (111.02)	- (-)	106.15 (111.02)
Total	**220.62 (351.95)**	**- (-)**	**106.15 (111.02)**	**- (-)**	**326.77 (462.96)**
Sale of medical consumables, drugs and surgical instruments & Services					
Narayana Hrudayalaya Limited (NHL)	64.03 (39.25)	- (-)	- (-)	- (-)	64.03 (39.25)
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	0.10 -	- (-)	- (-)	0.10 -
Total	**64.03 (39.25)**	**0.10 (-)**	**- (-)**	**- (-)**	**64.13 (39.25)**
Reimbursement of Expenses					
Narayana Hrudayalaya Limited (NHL)	18.90 (5.52)	- (-)	- (-)	- (-)	18.90 (5.52)
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	0.01 (-)	- (-)	- (-)	- (-)
Purchase of assets					
Narayana Hrudayalaya Limited (NHL)	7.53 (4.75)	- (-)	- (-)	- (-)	7.53 (4.75)
Sale of assets					
Narayana Hrudayalaya Limited (NHL)	39.38 (-)	- (-)	- (-)	- (-)	39.38 (-)
Rent					
Narayana Hrudayalaya Foundation (NHF)	- (-)	- (-)	142.61 (142.61)	- (-)	142.61 (142.61)
Loan given					
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	- (300.00)	- (-)	- (-)	- (300.00)
Loan received back					
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	- (300.00)	- (-)	- (-)	- (300.00)
Interest income					
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	- (8.29)	- (-)	- (-)	- (8.29)

Discount entitlement					
Narayana Hrudayalaya Foundation (NHF)	- (-)	- (-)	60.00 (60.00)	- (-)	60.00 (60.00)
Short-term employee benefits*					
Rakesh Verma	- (-)	- (-)	- (-)	50.57 (43.41)	50.57 (43.41)
Amit Pandya (till December 11, 2021)	- (-)	- (-)	- (-)	- (12.98)	- (12.98)
Poonam Barsaiyan	- (-)	- (-)	- (-)	5.82 (-)	5.82 (-)
Shweta Priy	- (-)	- (-)	- (-)	3.43 (4.33)	3.43 (4.33)
Prosenjit Mondal	- (-)	- (-)	- (-)	44.71 (1.97)	44.71 (1.97)
Hrishikesh V Murthy (till November 17, 2021)	- (-)	- (-)	- (-)	- (7.39)	- (7.39)
Total	**- (-)**	**- (-)**	**- (-)**	**104.52 (70.08)**	**104.52 (70.08)**

* The remuneration to KMP does not include the provisions made for gratuity and compensated absences, as they are obtained on an actuarial basis for the Company as a whole.

Figures in bracket are for the previous year

c) The balances receivable from and payable to related parties

(₹ in Lakhs)

Balances	**Enterprise having control over the Company**	**Fellow subsidiaries**	**Entity under control/ joint control of KMP of Holding company and**	**Key Management Personnel (KMP)**	**Total**
Trade payables					
Amaryllis Healthcare Private Limited	- (-)	- (-)	5.11 (4.68)	- (-)	5.11 (4.68)
Narayana Hrudayalaya Limited (NHL)	- (4.19)	- (-)	- (-)	- (-)	- (4.19)
Total	**- (4.19)**	**- (-)**	**5.11 (4.68)**	**- (-)**	**5.10 (8.87)**
Trade receivables					
Narayana Hrudayalaya Limited (NHL)	13.56 (-)	- (-)	- (-)	- (-)	13.56 -
Narayana Hrudayalaya Surgical Hospital Private Limited (NHSHPL)	- (-)	0.10 -	- (-)	- (-)	0.10 -
Total	**13.56 (-)**	**0.10 (-)**	**- (-)**	**- (-)**	**13.66 (-)**
Corporate guarantee taken					
Narayana Hrudayalaya Limited	- (8,207)	- (-)	- (-)	- (-)	- (8,207)

Notes:

(a) No amounts in respect of related parties have been written off / back or provided for during the year.

(b) Related party relationships have been identified by the Management and relied upon by the auditors.

(c) The terms and conditions of the transactions with related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with other than related entities on an arm's length basis.

(d) Figures in brackets are for the previous year

31 Earnings per share

Basic and diluted earning per share

(₹ in lakhs) except for share data

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Profit after tax	3,652.82	2,171.37

Weighted average number of equity shares (basic & diluted)

Shares	**As at March 31, 2023**	**As at March 31, 2022**
Total no. of shares outstanding	2,92,78,820	2,92,78,820
Effect of shares issued during the year	-	-
Weighted average number of equity shares for the year	**2,92,78,820**	**2,92,78,820**
Basic and diluted Earning per share (₹)	12.48	7.42

32 Capital management

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.
For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure is as follows:

(₹ in Lakhs)

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Total equity attributable to the equity shareholders of the Company	12,195.77	8,575.87
As a percentage of total capital	99%	99%
Long-term borrowings including current maturities	92.96	119.70
Total borrowings	92.96	119.70
As a percentage of total capital	1%	1%
Total capital (Equity and Borrowings)	**12,288.73**	**8,695.58**

33 Employee benefits

Defined contribution plan

The Company makes contributions towards provident fund and employee state insurance to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance for the year ending March 31, 2023 aggregated to ₹ 226.01 lakhs (previous year ending March 31, 2022 : ₹ 208.38 lakhs)

Defined benefit plan

The Company operates a post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The gratuity fund is managed by Life Insurance Corporation of India.. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation carried out by an independent actuary using the projected unit credit method. The Company recognizes actuarial gains and losses immediately in the statement of other comprehensive income forming part of the statement profit and loss.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit liability	365.84	309.69
Plan assets	**258.60**	**223.90**
Net defined benefit liability	**107.23**	**85.79**
Liability for Compensated absences	149.79	123.60
Total employee benefit liability	**257.02**	**209.40**
Non-current	107.23	85.80
Current	149.79	123.60

B. Reconciliation of net defined benefit (assets) liability

The following table presents a reconciliation of the opening balances to the closing balances for net defined benefit (asset) liability and its components

i) Reconciliation of present values of defined benefit obligations **(₹ in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Defined benefit obligation at the beginning of the year	309.69	256.74
Current service cost	33.97	28.36
Interest cost	13.49	9.15
Benefit payments from plan assets	(39.77)	(22.65)
Benefit payments directly by employer	-	-
Actuarial (gains) losses recognised in other comprehensive income		
-changes in demographic assumptions	15.03	2.44
-changes in financial assumptions	(21.09)	(6.34)
-experience adjustements	54.52	41.99
Defined benefit obligations at the end of the year	**365.84**	**309.69**

ii) Reconciliation of fair value of plan assets **(₹ in Lakhs)**

Particulars	As at March 31, 2023	As at March 31, 2022
Plan assets at beginning of the year	223.89	230.82
Benefit refund to be received by the company	(29.97)	(4.44)
Contributions paid into the plan	90.32	4.17
Expected return on plan assets	12.11	10.18
Benefits paid	(39.77)	(18.20)
Acturial gain on plan assets	2.02	1.37
Plan assets at the end of the year	**258.60**	**223.90**
Net defined benefit liability	**107.23**	**85.79**

C. i) Expense recognised in Statement of Profit and Loss **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	33.97	28.36
Interest cost	13.49	9.15
Interest income	(12.11)	(10.18)
	35.35	**27.33**

ii) Remeasurements recognised in other compherensive income **(₹ in Lakhs)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial loss on defined benefit obligation	48.45	38.09
Acturial gain on plan assets	(2.02)	(1.37)
	46.44	**36.72**

D. Plan Assets

Plan assets comprises of the following:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Pooled assets with an insurance company	258.60	223.90
	258.60	**223.90**

The nature of assets allocation of plan assets is in government bond of high credit rating.

Defined Benefit obligations

i) Actuarial assumptions

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Principal actuarial assumptions	As at March 31, 2023	As at March 31, 2022
Withdrawal rate	Up to Level 6 = 25%, Level 7 and above= 44%	Up to Level 6 = 38%, Level 7 and above= 46%
Discount rate	7.30%	5.41%
Expected rate of return on plan assets	6.70%	6.70%
Mortality rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Future salary increases	First year 7.90% Thereafter 6%	First year 7.90% Thereafter 6%

Assumptions regarding future mortality are based on published statistics and mortality tables.

The expected contributions to the fund during the year ending 31 March 2024, will be approximately ₹48.65 lakhs

Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
1st following year	10.62	120.61
2nd following year	81.18	78.52
3rd following year	65.09	52.27
4th following year	45.88	36.17
5th following year	38.59	21.39
Year 6 to 10	95.09	35.15
More than 10 years	34.13	4.00

ii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(5.16)	5.32	(2.74)	2.77
Future salary increases (0.5% movement)	6.08	(5.97)	2.72	(2.72)
Attrition rate (0.5% movement)	(0.28)	0.27	(0.36)	0.34
Mortality rate (10% movement)	0.01	(0.02)	(0.01)	(0.01)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

34 Due to Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 ('The MSMED Act') is not expected to be material. The Company has not received any claim for interest from any supplier.

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The amounts remaining unpaid to micro and small suppliers as at the end of the year		
-Principal	162.10	202.88
-Interest	1.52	2.70
The amount of interest paid by the buyer as per the MSMED Act	-	-
The amount of payments made to micro and small suppliers beyond the appointed day during the accounting year;	-	-
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 Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	1.52	2.70
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act	-	-

35 Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

(₹ in Lakhs)

As at March 31, 2023	FVTPL	Amortised cost	Total
Financial assets			
Trade receivables	-	2,026.54	2,026.54
Cash and cash equivalents	-	574.87	574.87
Bank balances other than above	-	863.51	863.51
Other financial assets	-	347.40	347.40
	-	**3,812.32**	**3,812.32**
Financial liabilities			
Borrowings	-	92.96	92.96
Lease liabilities	-	397.05	397.05
Trade payables	-	3,498.92	3,498.92
Other financial liabilities	-	167.31	167.31
	-	**4,156.24**	**4,156.24**

As at March 31, 2022	FVTPL	Amortised cost	Total
Financial assets			
Trade receivables	-	1,835.91	1,835.91
Cash and cash equivalents	-	294.32	294.32
Bank balances other than above	-	52.43	52.43
Other financial assets	-	330.06	330.06
	-	**2,512.72**	**2,512.72**
Financial liabilities			
Borrowings	-	119.70	119.70
Lease liabilities		573.96	573.96
Trade payables	-	3,091.61	3,091.61
Other financial liabilities	-	82.79	82.79
	-	**3,868.06**	**3,868.06**

Measurement of fair values

The carrying value of all financial assets approximates the fair value; fair value of mutual funds are based on quoted price.

B. Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, market risk and liquidity risk.

(i) Risk management framework

The Company's risk management is carried out by a central treasury department under policies approved by the Board of Directors. The Board supervises overall risk management, as well as policies covering specific areas, such as foreign exchange risk, credit risk and use of financial instruments.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend. The maximum exposure to credit risk as at reporting date is primarily from trade receivables net of provision for doubtful receivables amounting to ₹ 2026.54 lakhs (31 March 2022: ₹ 1835.91 lakhs). The movement in allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in Lakhs)

Allowance for credit loss	As at March 31, 2023	As at March 31, 2022
Opening balance	425.37	251.34
Impairment loss (reversed) / recognised	(147.11)	174.03
Closing balance	**278.26**	**425.37**

One Customers - Swasthyasathi 16.85% accounted for more than 10% of the revenue as of March 31, 2023 and One Customers - Swasthyasathi 21.55% accounted for more than 10% of the revenue as of March 31, 2022.

Credit risk on cash and cash equivalents is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iii) 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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived. In addition, the Company maintains line of credits as stated in Note 14.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2023:

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 2 years	2-5 years	more than 5 years	Total
Borrowings	24.79	24.79	43.38	-	92.96
Lease liabilities	176.92	9.07	32.35	178.72	397.05
Trade payables	3,498.92	-	-	-	3,498.92
Other financial liabilities	167.31	-	-	-	167.31
Total	**3,867.94**	**33.86**	**75.72**	**178.72**	**4,156.24**

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of 31 March 2022:

(₹ in Lakhs)

Particulars	Less than 1 year	1 - 2 years	2-5 years	more than 5 years	Total
Borrowings	32.94	32.94	53.82	-	119.70
Lease liabilities	176.91	176.92	29.70	190.43	573.96
Trade payables	3,091.61	-	-	-	3,091.61
Other financial liabilities	82.79	-	-	-	82.79
Total	**3,384.25**	**209.86**	**83.52**	**190.43**	**3,868.06**

(iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates and interest rates

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period with respect to long term borrowings with variable interest rates from banks are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate long term borrowings including current maturities	92.96	119.70
Total borrowings	**92.96**	**119.70**

(b) Sensitivity (₹ in Lakhs)

Particulars	Impact on profit or loss		Impact on other components of equity	
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Sensitivity				
1% increase in base rate	(0.93)	(1.20)	(0.93)	(1.20)
1% decrease in base rate	0.93	1.20	0.93	1.20

The interest rate sensitivity is based on the closing balance of secured term loans from banks.

36 Financial Ratios

Ratio	Methodology	For the year ended March 31, 2023	For the year ended March 31, 2022	Variance
a) Current Ratio [1]	Current assets over current liabilities	0.88	0.65	34.85%
b) Debt-Equity Ratio [2]	Debt over total shareholders' equity	0.01	0.01	-45.39%
c) Debt Service Coverag Ratio [2]	Earning available for debt service over debt service	34.08	10.28	231.40%
d) Return on Equity Ratio % [3]	PAT over total average equity	35.17%	63.05%	-44.22%
e) Trade Receivable turnover Ratio	Credit Revenue from operations over average trade receivables	6.92	6.44	7.45%
f) Trade payables turnover ratio	Total purchases over average trade payables	1.93	2.24	-13.53%
g) Net capital turnover ratio [4]	Revenue from operations over working capital	-47.88	-15.81	202.89%
h) Net profit ratio [4]	Net profit over revenue from operations	13.79%	9.26%	48.98%
i) Return on capital employed	PBIT over capital employed	40.38%	37.74%	6.98%
j) Inventory turnover ratio	Cost of goods sold over average inventory	19.55	24.23	-19.31%

Notes
EBIT - Earnings before interest and taxes
PBIT - Profit before interest and taxes including other income
EBITDA - Earnings before interest, taxes, depreciation and amortisation
PAT - Profit after taxes
Debt includes current and non-current lease liabilities
Capital employed refers to total shareholders' equity and debt.

Explanation for variances exceeding 25%:

[1] Improvement in Current ratio is due to increase in cash balance due to good collection and increase in business

[2] Improvement in Debt equity ratio and Debt service coverage ratio is due to repayment of Term loans

[3] Improvement in Return on equity is due to improved operational profits

[4] Net capital turnover ratio, Net profit ratio percentage has improved due to operational efficiencies

37 Other Statutory Information

(i) There are no balance outstanding on account of any transaction with companies struck off under Section 248 of the Companies Act 2013 or Section 560 of Companies Act 1956.

(ii) The Company do not have any Capital-work-in progress or intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan.

(iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies) including foreign entities (intermediaries) with the understanding that intermediary shall:
(a) Directly for indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(iv) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that
(a) Directly for indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate beneficiaries) or
(b) Provide any guarantee, security or the like to or on behalf of the Ultimate beneficiaries

(v) The Company doesn't have any transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(vi) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

38 Code on Social Security 2020

The Code on Social Security, 2020 (the Code) has been enacted, which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (the Ministry) has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its standalone financial results in the period in which the Code becomes effective and the related rules are published.

For and on behalf of the Board of Directors of
Meridian Medical Research & Hospital Limited

Sd/-
Viren Prasad Shetty
Director
DIN: 02144586
Place: Bengaluru
Date: May 19, 2023

Sd/-
Dr. Emmanuel Rupert
Director
DIN: 07010883
Place: Bengaluru
Date: May 19, 2023

Sd/-
Rakesh Verma
Chief Executive Officer
Place: Kolkata
Date: May 19, 2023

Sd/-
Prosenjit Mondal
Chief Financial Officer
Place: Kolkata
Date: May 19, 2023

Sd/-
Poonam Barsaiyan
Company Secretary
Place: Bengaluru
Date: May 19, 2023